



Dave Yost • Auditor of State



**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Columbiana General Health District  
Columbiana County  
7360 State Route 45  
P.O. Box 309  
Lisbon, Ohio 44432

To the Board of Health:

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

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Columbiana General Health District, Columbiana County, Ohio (the "Health District"), as of and for the year ended December 31, 2014, 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 the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

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

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the 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 cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Columbiana General Health District, Columbiana County, Ohio, as of December 31, 2014, and the respective changes in cash financial position and the budgetary comparison for the General and Early Start, Cancer Levy, and Home Sewage funds thereof for the year then ended in accordance with the accounting basis described in Note 2.

**Accounting Basis**

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

**Other Matters**

*Other Information*

We applied no procedures to Management's Discussion & Analysis, as listed in the table of contents. Accordingly, we express no opinion or any other assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2016, 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.



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

May 18, 2016

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

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

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

**Financial Highlights**

Key financial highlights for 2014 are as follows:

- For 2014 the total net cash position of the Health District increased \$18,854, which represents a 4.74% increase from 2013.
- For 2014, general cash receipts accounted for \$552,157 or 36.56% of total governmental activities cash receipts. Program specific cash receipts accounted for \$957,998 or 63.44% of total governmental activities cash receipts.
- For 2014, the Health District had \$1,491,301 in cash disbursements related to governmental activities; \$957,998 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily property taxes) of \$552,157 were adequate to provide for these programs.
- The Health District's major funds are the general fund, the early start fund, the cancer levy fund, and the home sewage fund. The general fund, the Health District's largest major fund, had cash receipts of \$611,039 in 2014. The cash disbursements of the general fund totaled \$664,230 in 2014. The general fund's cash balance decreased \$53,191 from 2013 to 2014.
- The early start fund, a Health District major fund, had cash receipts of \$52,917 in 2014. The early start fund had cash disbursements of \$10,067 in 2014. The early start fund cash balance increased \$42,850 from 2013 to 2014.
- The cancer levy fund, a Health District major fund, had cash receipts of \$259,885 in 2014. The cancer levy fund had cash disbursements of \$249,388 in 2014. The cancer levy fund cash balance increased \$10,497 from 2013 to 2014.
- The home sewage fund, a Health District major fund, had cash receipts of \$166,150 in 2014. The home sewage fund had cash disbursements of \$151,541 in 2014. The home sewage fund cash balance increased \$14,609 from 2013 to 2014.

**Using this Cash Basis Basic Financial Statements (BFS)**

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

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

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

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

**Reporting the Health District as a Whole**

*Statement of Net Position and the Statement of Activities*

The statement of net position – cash basis and the statement of activities – cash basis answer the question, how did we do financially during 2014? These statements include *only net position* using the *cash basis of accounting*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting takes into account only the current year's receipts and disbursements if the cash is actually received or paid.

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

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not collected) and deferred outflows of resources and liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) and deferred inflows of resources are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

In the statement of net position – cash basis and the statement of activities – cash basis, governmental activities include the Health District's programs and services, including public health infrastructure, Immunization action plan grant and cancer levy.

The statement of net position – cash basis and the statement of activities – cash basis can be found on pages 12-13 of this report.

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

*Fund Financial Statements*

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

Fund financial reports provide detailed information about the Health District's major funds. The Health District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Health District's most significant funds. The Health District's major governmental funds are the general fund, the early start fund, the cancer levy fund and the home sewage fund. The analysis of the Health District's major governmental funds begins on page 9.



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

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

***Governmental Funds***

All of the Health District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed view of the Health District's general government operations and the basic services it provides.

Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various Health District programs. Since the Health District is reporting on the cash basis of accounting, there are no differences in the net position and fund cash balances or changes in net position and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements. The governmental fund statements can be found on pages 14-17 of this report.

The Health District's budgetary process accounts for certain transactions on a cash basis. The budgetary statements for the general fund, the early start fund, the cancer levy fund and the home sewage fund are presented to demonstrate the Health District's compliance with annually adopted budgets. The budgetary statements can be found on pages 18-21 of this report.

***Notes to the Financial Statements***

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-29 of this report.

**Government-Wide Financial Analysis**

Recall that the statement of net position – cash basis provides the perspective of the Health District as a whole.

The table below provides a summary of the Health District's net cash position at December 31, 2014 and December 31, 2013.

	<u>Net Cash Position</u>	
	Governmental Activities <u>2014</u>	Governmental Activities <u>2013</u>
<b><u>Assets</u></b>		
Equity in pooled cash and cash equivalents	\$ 416,912	\$ 398,058
Total assets	<u>416,912</u>	<u>398,058</u>
<b><u>Net Position</u></b>		
Restricted	243,117	172,872
Unrestricted	<u>173,795</u>	<u>225,186</u>
Total net position	<u>\$ 416,912</u>	<u>\$ 398,058</u>

For 2014, the total net cash position of the Health District increased \$18,854, which represents a 4.74% increase.

The balance of government-wide unrestricted net cash position of \$173,795 at December 31, 2014 may be used to meet the government's ongoing obligations to citizens and creditors.

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

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

The table below shows the changes in net cash position for 2014 and 2013.

	<b>Change in Net Cash Position</b>	
	Governmental Activities	Governmental Activities
	<u>2014</u>	<u>2013</u>
<b>Cash Receipts:</b>		
Program cash receipts:		
Charges for services	\$ 581,403	\$ 515,503
Operating grants and contributions	<u>376,595</u>	<u>386,248</u>
Total program cash receipts	<u>957,998</u>	<u>901,751</u>
General cash receipts:		
Property and other taxes	466,893	447,092
Unrestricted grants	69,993	74,347
Other	<u>15,271</u>	<u>7,958</u>
Total general cash receipts	<u>552,157</u>	<u>529,397</u>
Total cash receipts	<u>1,510,155</u>	<u>1,431,148</u>
<b>Cash Disbursements:</b>		
Salaries	732,065	701,658
Supplies	21,490	19,488
Remittance to State	68,587	68,072
Equipment	5,720	3,560
Contracts - Services	193,089	281,908
Membership/Subscriptions	615	986
Travel	37,357	36,412
Advertising and printing	788	824
Public Employee's Retirement	100,446	97,990
Hospitalization	284,237	221,513
Medicare	9,799	9,392
Unemployment Compensation	1,185	-
Worker's Compensation	7,327	9,129
Other	26,939	48,806
Utilities	<u>1,657</u>	<u>1,507</u>
Total cash disbursements	<u>1,491,301</u>	<u>1,501,245</u>
Change in net cash position	18,854	(70,097)
Net cash position at beginning of year	<u>398,058</u>	<u>468,155</u>
Net cash position at end of year	<u>\$ 416,912</u>	<u>\$ 398,058</u>

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

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

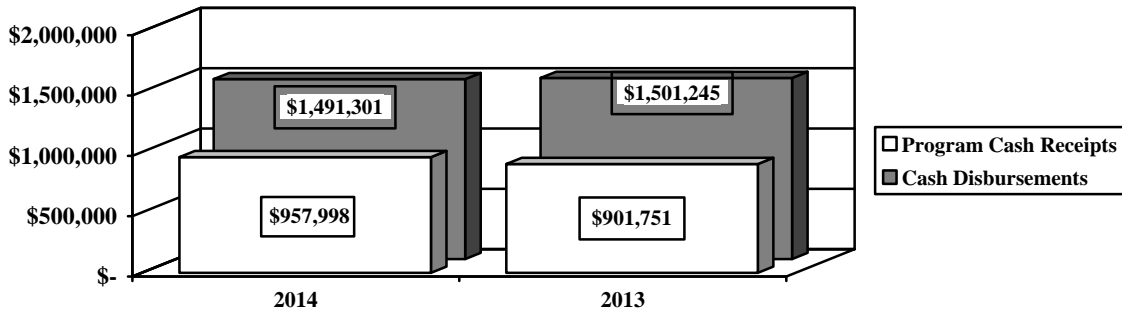
**Governmental Activities**

Governmental cash position increased by \$18,854 in 2014 from 2013.

Salaries represent the largest cash disbursement of the Health District. In 2014, salary cash disbursements totaled \$732,065, or 49.09% of total governmental cash disbursements. Salary cash disbursements were supported by \$450,402 in direct charges to users for services and operating grants and contributions.

The statement of activities – cash basis shows the cost of program services and the charges for services and grants and contributions offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2014 and 2013. That is, it identifies the cost of these services supported by tax receipts and unrestricted state grants and entitlements.

**Governmental Activities – Program Cash Receipts vs. Total Cash Disbursements**



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

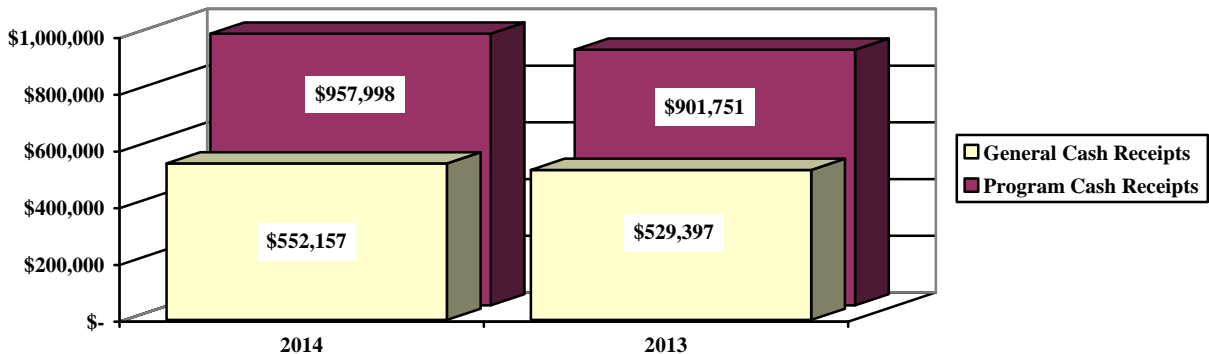
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

**Governmental Activities**

	Total Cost of Services 2014	Net Cost of Services 2014	Total Cost of Services 2013	Net Cost of Services 2013
<b>Cash disbursements:</b>				
Salaries	\$ 732,065	\$ 281,663	\$ 701,658	\$ 316,622
Supplies	21,490	6,152	19,488	9,955
Remittance to State	68,587	24,779	68,072	24,944
Equipment	5,720	451	3,560	2,014
Contracts - Services	193,089	13,858	281,908	55,271
Membership/Subscriptions	615	368	986	558
Travel	37,357	16,852	36,412	17,633
Advertising and printing	788	84	824	315
Public Employee's Retirement	100,446	37,812	97,990	44,202
Hospitalization	284,237	130,230	221,513	93,547
Medicare	9,799	3,473	9,392	3,936
Unemployment Compensation	1,185	709	-	-
Worker's Compensation	7,327	3,079	9,129	3,950
Other	26,939	12,801	48,806	25,694
Utilities	1,657	992	1,507	853
<b>Total</b>	<b>\$ 1,491,301</b>	<b>\$ 533,303</b>	<b>\$ 1,501,245</b>	<b>\$ 599,494</b>

The dependence upon general cash receipts for governmental activities is apparent; with 35.76% of cash disbursements supported through taxes and other general cash receipts during 2014.

**Governmental Activities - General and Program Cash Receipts**



**Financial Analysis of the Government's Funds**

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

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

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

***Governmental Funds***

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

The Health District's governmental funds reported a combined fund cash balance of \$416,912, which is \$18,854 more than last year's total of \$398,058. The schedule below indicates the fund cash balance and the total change in fund cash balance as of December 31, 2014 and December 31, 2013, for all major and nonmajor governmental funds.

	<u>Fund Cash Balance</u> <u>December 31, 2014</u>	<u>Fund Cash Balance</u> <u>December 31, 2013</u>	<u>Increase/</u> <u>(Decrease)</u>
Major Funds:			
General	\$ 143,012	\$ 196,203	\$ (53,191)
Early Start	72,139	29,289	42,850
Cancer Levy	80,261	69,764	10,497
Home Sewage	35,116	20,507	14,609
Other Nonmajor Governmental Funds	<u>86,384</u>	<u>82,295</u>	<u>4,089</u>
 Total	 <u>\$ 416,912</u>	 <u>\$ 398,058</u>	 <u>\$ 18,854</u>

During 2014, the Health District's fund cash balance increased \$18,854. This increase can primarily be attributed to the increase in fund balance from all funds exceeding the decrease in the general fund. The early start fund experienced significantly higher cash receipts during 2014 due to an increase in intergovernmental revenue.

***General Fund***

The general fund, the Health District's largest major fund, had cash receipts of \$611,039 in 2014. The cash disbursements of the general fund totaled \$664,230 in 2014. The general fund's cash balance decreased \$53,191 from 2013 to 2014.

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

	<u>2014</u> <u>Amount</u>	<u>2013</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Cash Receipts:</u></b>			
Taxes	\$ 289,000	\$ 273,000	5.86 %
Intergovernmental	42,039	46,550	(9.69) %
Fees	266,684	206,292	29.28 %
Other	<u>13,316</u>	<u>56,203</u>	(76.31) %
 Total	 <u>\$ 611,039</u>	 <u>\$ 582,045</u>	 4.98 %

During 2014, the cash receipts of the general fund increased \$28,994. This increase can mainly be attributed to an increase in tax revenues of \$16,000 and fees of \$60,392. Other revenue decreased \$42,887 and fees increased \$60,392 due to the reclassification of vital statistics fees from other to fees. Intergovernmental revenue decreased \$4,511 from 2013 to 2014.

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

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

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

	<u>2014</u> <u>Amount</u>	<u>2013</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Cash Disbursements</u></b>			
Salaries	\$ 302,812	\$ 283,742	6.72 %
Supplies	12,572	11,114	13.12 %
Remittance to State	42,802	43,036	(0.54) %
Equipment	1,415	3,560	(60.25) %
Contracts - Services	62,048	26,505	134.10 %
Membership/Subscriptions	615	986	(37.63) %
Travel	28,924	30,620	(5.54) %
Advertising and Printing	228	500	(54.40) %
Public Employee's Retirement	42,382	40,239	5.33 %
Hospitalization	144,459	103,966	38.95 %
Medicare	4,273	4,094	4.37 %
Unemployment Compensation	1,185	-	100 %
Worker's Compensation	2,996	3,221	(6.99) %
Other	15,862	36,424	(56.45) %
Utilities	1,657	1,507	9.95 %
Total	<u>\$ 664,230</u>	<u>\$ 589,514</u>	12.67 %

During 2014, the cash disbursements of the general fund increased \$74,716. This increase can mainly be attributed to increases in salaries paid, contracts for services, and costs related to insurance premiums.

***Early Start Fund***

The early start fund, a Health District major fund, had cash receipts of \$52,917 in 2014. The early start fund had cash disbursements of \$10,067 in 2014. The early start fund cash balance increased \$42,850 from 2013 to 2014.

***Cancer Levy Fund***

The cancer levy fund, a Health District major fund, had cash receipts of \$259,885 in 2014. The cancer levy fund had cash disbursements of \$249,388 in 2014. The cancer levy fund cash balance increased \$10,497 from 2013 to 2014.

***Home Sewage Fund***

The home sewage fund, a Health District major fund, had cash receipts of \$166,150 in 2014. The home sewage fund had cash disbursements of \$151,541 in 2014. The home sewage fund cash balance increased \$14,609 from 2013 to 2014.

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

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

***Budgeting Highlights - General Fund***

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

For 2014, the general fund original and final budget basis receipts were \$540,000. Actual cash receipts of \$611,039 were more than final budget estimates by \$71,039. The original and final budgetary basis disbursements were \$690,000. The actual budgetary basis disbursements of \$664,230 were \$25,770 less than the final budget estimates.

**Capital Assets and Debt Administration**

***Capital Assets***

The Health District does not record capital assets in the accompanying cash basis basic financial statements, but records payments for capital assets as disbursements. The Health District had equipment cash disbursements of \$5,720 during 2014.

***Debt Administration***

The Health District did not have any long-term obligations at December 31, 2014.

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

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Health District's finances and to show the Health District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ms. Cecile Donahey, Fiscal Officer, Columbiana General Health District, 7360 State Route 45 P.O. Box 309, Lisbon, OH 44432.

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

STATEMENT OF NET POSITION - CASH BASIS  
DECEMBER 31, 2014

	<u>Governmental Activities</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ 416,912
 Total assets . . . . .	 <u>416,912</u>
<b>Net position:</b>	
Restricted for:	
Public health infrastructure. . . . .	33,608
IAP grant . . . . .	6,017
Early start. . . . .	72,139
Cancer levy. . . . .	80,261
Home sewage . . . . .	35,116
Home health . . . . .	11,453
Rabies grant . . . . .	4,523
Unrestricted. . . . .	<u>173,795</u>
 Total net position. . . . .	 <u>\$ 416,912</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<b>Program Cash Receipts</b>			<b>Net (Cash Disbursements) Cash Receipts and Changes in Net Cash Position</b>
	<b>Cash Disbursements</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Governmental Activities</b>
<b>Governmental activities:</b>				
Salaries . . . . .	\$ 732,065	\$ 285,301	\$ 165,101	\$ (281,663)
Supplies . . . . .	21,490	5,773	9,565	(6,152)
Remittance to State . . . . .	68,587	42,488	1,320	(24,779)
Equipment . . . . .	5,720	568	4,701	(451)
Contracts - Services . . . . .	193,089	71,771	107,460	(13,858)
Membership/Subscriptions . . . . .	615	247	-	(368)
Travel . . . . .	37,357	16,297	4,208	(16,852)
Advertising and printing . . . . .	788	185	519	(84)
Public Employee's Retirement . . . . .	100,446	40,014	22,620	(37,812)
Hospitalization . . . . .	284,237	103,309	50,698	(130,230)
Medicare . . . . .	9,799	4,083	2,243	(3,473)
Unemployment Compensation . . . . .	1,185	476	-	(709)
Worker's Compensation . . . . .	7,327	2,714	1,534	(3,079)
Other . . . . .	26,939	7,512	6,626	(12,801)
Utilities . . . . .	1,657	665	-	(992)
Totals . . . . .	\$ 1,491,301	\$ 581,403	\$ 376,595	(533,303)
<b>General Cash Receipts:</b>				
Property and other taxes levied for:				
General purposes . . . . .				466,893
Grants and entitlements not restricted to specific programs . . . . .				69,993
Miscellaneous . . . . .				15,271
Total general cash receipts . . . . .				552,157
Change in net cash position . . . . .				18,854
<b>Net cash position at beginning of year . . . . .</b>				398,058
<b>Net cash position at end of year . . . . .</b>				\$ 416,912

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ASSETS AND CASH FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2014

	<u>General</u>	<u>Early Start</u>	<u>Cancer Levy</u>	<u>Home Sewage</u>
<b>Cash assets:</b>				
Equity in pooled cash and cash equivalents. . . .	\$ 143,012	\$ 72,139	\$ 80,261	\$ 35,116
Total assets . . . . .	<u>\$ 143,012</u>	<u>\$ 72,139</u>	<u>\$ 80,261</u>	<u>\$ 35,116</u>
<b>Fund cash balances:</b>				
Restricted . . . . .	\$ -	\$ 72,139	\$ 80,261	\$ 35,116
Committed. . . . .	-	-	-	-
Unassigned . . . . .	<u>143,012</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund cash balances . . . . .	<u>\$ 143,012</u>	<u>\$ 72,139</u>	<u>\$ 80,261</u>	<u>\$ 35,116</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 86,384	\$ 416,912
<u>\$ 86,384</u>	<u>\$ 416,912</u>
\$ 55,601	\$ 243,117
30,783	30,783
-	143,012
<u>\$ 86,384</u>	<u>\$ 416,912</u>

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

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>General</u>	<u>Early Start</u>	<u>Cancer Levy</u>	<u>Home Sewage</u>
<b>Cash receipts:</b>				
Taxes . . . . .	\$ 289,000	\$ -	\$ 177,893	\$ -
Intergovernmental . . . . .	42,039	49,198	27,954	77,673
Fees . . . . .	180,405	-	-	30,768
Vital statistics fees . . . . .	86,279	-	-	-
Licenses and permits . . . . .	-	-	-	52,712
Other . . . . .	13,316	3,719	54,038	4,997
<b>Total cash receipts . . . . .</b>	<u>611,039</u>	<u>52,917</u>	<u>259,885</u>	<u>166,150</u>
<b>Cash disbursements:</b>				
Salaries . . . . .	302,812	-	135,946	45,150
Supplies . . . . .	12,572	709	2,120	272
Remittance to State . . . . .	42,802	-	-	2,575
Equipment . . . . .	1,415	-	-	-
Contracts - Services . . . . .	62,048	9,358	29,169	79,100
Membership/Subscriptions . . . . .	615	-	-	-
Travel . . . . .	28,924	-	-	1,865
Advertising and printing . . . . .	228	-	-	160
Public Employee's Retirement . . . . .	42,382	-	16,942	6,311
Hospitalization . . . . .	144,459	-	58,778	14,995
Medicare . . . . .	4,273	-	1,280	654
Unemployment Compensation . . . . .	1,185	-	-	-
Worker's Compensation . . . . .	2,996	-	1,706	243
Other . . . . .	15,862	-	3,447	216
Utilities . . . . .	1,657	-	-	-
<b>Total cash disbursements . . . . .</b>	<u>664,230</u>	<u>10,067</u>	<u>249,388</u>	<u>151,541</u>
<b>Net change in fund cash balances . . . . .</b>	(53,191)	42,850	10,497	14,609
<b>Fund cash balances at beginning of year . . . . .</b>	<u>196,203</u>	<u>29,289</u>	<u>69,764</u>	<u>20,507</u>
<b>Fund cash balances at end of year . . . . .</b>	<u>\$ 143,012</u>	<u>\$ 72,139</u>	<u>\$ 80,261</u>	<u>\$ 35,116</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 466,893
188,646	385,510
21,071	232,244
-	86,279
201,502	254,214
8,945	85,015
420,164	1,510,155
248,157	732,065
5,817	21,490
23,210	68,587
4,305	5,720
13,414	193,089
-	615
6,568	37,357
400	788
34,811	100,446
66,005	284,237
3,592	9,799
-	1,185
2,382	7,327
7,414	26,939
-	1,657
416,075	1,491,301
4,089	18,854
82,295	398,058
\$ 86,384	\$ 416,912

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

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH  
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
<b>Budgetary basis receipts:</b>				
Taxes . . . . .	\$ 255,401	\$ 255,401	\$ 289,000	\$ 33,599
Intergovernmental . . . . .	37,152	37,152	42,039	4,887
Fees . . . . .	235,679	235,679	266,684	31,005
Other . . . . .	11,768	11,768	13,316	1,548
Total budgetary basis receipts . . . . .	<u>540,000</u>	<u>540,000</u>	<u>611,039</u>	<u>71,039</u>
<b>Budgetary basis disbursements:</b>				
Salaries . . . . .	300,000	305,000	302,812	2,188
Supplies . . . . .	30,000	14,000	12,572	1,428
Remittance to State . . . . .	40,000	42,862	42,802	60
Equipment . . . . .	3,000	2,200	1,415	785
Contracts - Services . . . . .	40,000	63,000	62,048	952
Membership/Subscriptions . . . . .	1,500	1,500	615	885
Advertising and printing . . . . .	500	500	228	272
Travel . . . . .	49,000	34,274	28,924	5,350
Public Employee's Retirement . . . . .	42,000	45,000	42,382	2,618
Hospitalization . . . . .	120,000	148,180	144,459	3,721
Medicare . . . . .	4,350	4,350	4,273	77
Unemployment Compensation . . . . .	5,000	3,000	1,185	1,815
Worker's Compensation . . . . .	4,650	2,996	2,996	-
Other . . . . .	48,000	21,138	15,862	5,276
Utilities . . . . .	2,000	2,000	1,657	343
Total budgetary basis disbursements . . . . .	<u>690,000</u>	<u>690,000</u>	<u>664,230</u>	<u>25,770</u>
Net change in fund cash balance . . . . .	(150,000)	(150,000)	(53,191)	96,809
<b>Fund cash balance at beginning of year . . . . .</b>	<u>196,203</u>	<u>196,203</u>	<u>196,203</u>	<u>-</u>
<b>Fund cash balance at end of year . . . . .</b>	<u>\$ 46,203</u>	<u>\$ 46,203</u>	<u>\$ 143,012</u>	<u>\$ 96,809</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH  
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)  
EARLY START FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
<b>Budgetary basis receipts:</b>				
Intergovernmental . . . . .	\$ -	\$ -	\$ 49,198	\$ 49,198
Other . . . . .	-	-	3,719	3,719
Total budgetary basis receipts. . . . .	<u>-</u>	<u>-</u>	<u>52,917</u>	<u>52,917</u>
<b>Budgetary basis disbursements:</b>				
Supplies. . . . .	-	4,289	709	3,580
Contracts - Services. . . . .	-	25,000	9,358	15,642
Total budgetary basis disbursements . . . . .	<u>-</u>	<u>29,289</u>	<u>10,067</u>	<u>19,222</u>
Net change in fund cash balance. . . . .	-	(29,289)	42,850	72,139
<b>Fund cash balance at beginning of year . . . . .</b>	<u>29,289</u>	<u>29,289</u>	<u>29,289</u>	<u>-</u>
<b>Fund cash balance at end of year. . . . .</b>	<u>\$ 29,289</u>	<u>\$ -</u>	<u>\$ 72,139</u>	<u>\$ 72,139</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH  
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)  
CANCER LEVY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
<b>Budgetary basis receipts:</b>				
Taxes . . . . .	\$ 141,114	\$ 158,227	\$ 177,892	\$ 19,665
Intergovernmental . . . . .	22,176	24,865	27,955	3,090
Other . . . . .	42,866	48,064	54,038	5,974
Total budgetary basis receipts. . . . .	<u>206,156</u>	<u>231,156</u>	<u>259,885</u>	<u>28,729</u>
<b>Budgetary basis disbursements:</b>				
Salaries. . . . .	160,000	155,773	135,946	19,827
Supplies . . . . .	3,000	3,000	2,120	880
Contracts - Services . . . . .	150,000	51,420	29,169	22,251
Travel. . . . .	480	480	-	480
Public Employee's Retirement . . . . .	22,400	22,400	16,942	5,458
Hospitalization . . . . .	55,000	60,000	58,778	1,222
Medicare . . . . .	2,320	2,320	1,280	1,040
Worker's Compensation . . . . .	2,480	1,707	1,706	1
Other . . . . .	1,320	3,820	3,447	373
Total budgetary basis disbursements. . . . .	<u>397,000</u>	<u>300,920</u>	<u>249,388</u>	<u>51,532</u>
Net change in fund cash balance . . . . .	(190,844)	(69,764)	10,497	80,261
<b>Fund cash balance at beginning of year. . . . .</b>	<u>69,764</u>	<u>69,764</u>	<u>69,764</u>	<u>-</u>
<b>Fund cash balance (deficit) at end of year . . . . .</b>	<u>\$ (121,080)</u>	<u>\$ -</u>	<u>\$ 80,261</u>	<u>\$ 80,261</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH  
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)  
HOME SEWAGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
<b>Budgetary basis receipts:</b>				
Intergovernmental . . . . .	\$ 30,387	\$ 62,643	\$ 77,673	\$ 15,030
Fees . . . . .	12,037	24,815	30,768	5,953
Licenses and permits . . . . .	20,621	42,512	52,712	10,200
Other . . . . .	1,955	4,030	4,997	967
Total budgetary basis receipts. . . . .	<u>65,000</u>	<u>134,000</u>	<u>166,150</u>	<u>32,150</u>
<b>Budgetary basis disbursements:</b>				
Salaries. . . . .	48,000	45,157	45,150	7
Supplies . . . . .	500	500	272	228
Remittance to State . . . . .	2,340	2,841	2,575	266
Contracts - Services . . . . .	-	79,350	79,100	250
Travel. . . . .	3,000	3,000	1,865	1,135
Advertising and printing . . . . .	-	200	160	40
Public Employee's Retirement . . . . .	6,720	6,720	6,311	409
Hospitalization . . . . .	15,000	15,000	14,995	5
Medicare . . . . .	696	696	654	42
Worker's Compensation . . . . .	744	243	243	-
Other . . . . .	1,000	800	216	584
Total budgetary basis disbursements. . . . .	<u>78,000</u>	<u>154,507</u>	<u>151,541</u>	<u>2,966</u>
Net change in fund cash balance . . . . .	(13,000)	(20,507)	14,609	35,116
<b>Fund cash balance at beginning of year. . . . .</b>	<u>20,507</u>	<u>20,507</u>	<u>20,507</u>	<u>-</u>
<b>Fund cash balance at end of year . . . . .</b>	<u>\$ 7,507</u>	<u>\$ -</u>	<u>\$ 35,116</u>	<u>\$ 35,116</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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

**NOTE 1 - DESCRIPTION OF THE HEALTH DISTRICT**

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

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting**

These financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America. Generally accepted accounting principles (GAAP) 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. The following are the more significant of the Health District’s accounting policies.

The Health District’s financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Health District’s financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

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

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

**B. Fund Accounting**

The Health District uses funds to maintain its financial records during the year. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts. The Health District classifies each fund as either governmental, proprietary or fiduciary.

**Governmental Funds** - The Health District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants) and other nonexchange transactions as governmental funds.

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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

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

The following are the Health District's major governmental funds:

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

Early start fund - This fund accounts for activity that is restricted to account for grants received to provide services to children from birth to three years that are at risk or have special needs.

Cancer levy fund - This fund accounts mainly for tax monies that are restricted for reducing the incidence and mortality of cancer through programs for prevention, early detection, treatment and care.

Home sewage fund - This fund accounts for fees, permits and licenses committed to the landfill and solid wastes. The home sewage fund also accounts for the water pollution control loan.

Other governmental funds of the Health District are used to account for specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

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

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

**C. Basis of Presentation and Measurement Focus**

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

The statement of net position - cash basis presents the cash balance of the governmental activities of the Health District at year end. The statement of activities - cash basis compares disbursements and program receipts for each program or function of the Health District's governmental activities.

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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

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

Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Health District is responsible.

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

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

Fund Financial Statements - Fund financial statements report detailed information about the Health District. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

**D. Budgetary Process**

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Health District. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the County Board of Health.

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

**E. Cash and Cash Equivalents**

The Columbiana County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County Treasurer, Linda Bolon, 105 S. Market Street, Lisbon, Ohio 44432.

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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

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

**F. Capital Assets**

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

**G. Unpaid Vacation and Sick Leave**

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

**H. Long-Term Obligations**

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

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

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 4 and 5 the employer contributions include portions for pension benefits and for postretirement health care benefits.

**J. Net Position**

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

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

**K. Fund Balance**

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

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the Health District for specific purposes but do not meet the criteria to be classified as restricted nor 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 policies of the Board of Health, which includes giving the Fiscal Officer the authority to constrain monies for intended purposes.

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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Health District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**NOTE 3 - RISK MANAGEMENT**

During 2014, the Health District received liability insurance through the Public Entities Pool of Ohio. Coverage provided by the Public Entities Pool of Ohio is as follows:

Legal Liability - Third Party Claims (\$1,000 deductible)	\$6,000,000
Medical Malpractice Liability (\$1,000 deductible)	6,000,000
Automobile Liability	6,000,000
Wrongful Acts (\$1,000 deductible)	6,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in insurance coverage from the previous year.



**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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

**NOTE 4 - PENSION PLANS**

**Ohio Public Employees Retirement System**

Plan Description - The Health District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the Traditional Pension Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 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 2014, member and contribution rates were consistent across all three plans. The 2014 member contribution rates were 10.00%. The Health District's contribution rate for 2014 was 14.00%.

The Health District's contribution rate for pension benefits for members in the Traditional Plan and Combined Plan for 2014 was 12.00%. The Health District's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2014, 2013, and 2012 were \$85,683, \$69,631, and \$67,080, respectively; 100% has been contributed for 2014, 2013 and 2012.

**NOTE 5 - POSTRETIREMENT BENEFIT PLANS**

**Ohio Public Employees Retirement System**

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

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. 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.

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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

**NOTE 5 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administrated in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2014, local government employers contributed 14.00% of covered payroll. Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan and Combined Plan for 2014 was 2.00%.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The Health District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013, and 2012 were \$14,285, \$28,745, and \$28,456, respectively; 100% has been contributed for 2014, 2013 and 2012.

**NOTE 6 - CONTINGENT LIABILITY**

**Litigation**

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

**NOTE 7 - ACCOUNTABILITY AND COMPLIANCE**

**Change in Accounting Principles**

For 2014, the Health District has implemented GASB Statement No. 69, "Government Combinations and Disposals of Government Operations" and GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees".

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the Health District.

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

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

**NOTE 7 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Statement No. 70 improves the recognition, measurement, and disclosures for state and local governments that have extended or received financial guarantees that are nonexchange transactions. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the Health District.

**NOTE 8 - FUND BALANCE**

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

Fund balance	General	Early Start	Cancer Levy	Home Sewage	Nonmajor Governmental Funds	Total Governmental Funds
Restricted:						
Public health infrastructure	\$ -	\$ -	\$ -	\$ -	\$ 33,608	\$ 33,608
IAP grant	-	-	-	-	6,017	6,017
Rabies grant	-	-	-	-	4,523	4,523
Early start	-	72,139	-	-	-	72,139
Home health	-	-	-	-	11,453	11,453
Cancer levy	-	-	80,261	-	-	80,261
Home Sewage	-	-	-	35,116	-	35,116
Total restricted	<u>-</u>	<u>72,139</u>	<u>80,261</u>	<u>35,116</u>	<u>55,601</u>	<u>243,117</u>
Committed:						
Camp/trailer	-	-	-	-	7,755	7,755
Occupant protection	-	-	-	-	73	73
Water	-	-	-	-	5,539	5,539
Swimming pool	-	-	-	-	3,756	3,756
Food service	-	-	-	-	13,660	13,660
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,783</u>	<u>30,783</u>
Unassigned	<u>143,012</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,012</u>
Total fund balances	<u>\$ 143,012</u>	<u>\$ 72,139</u>	<u>\$ 80,261</u>	<u>\$ 35,116</u>	<u>\$ 86,384</u>	<u>\$ 416,912</u>

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# Dave Yost • Auditor of State

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

Columbiana General Health District  
Columbiana County  
7360 State Route 45  
P.O. Box 309  
Lisbon, Ohio 44432

To the Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana General Health District, Columbiana County, (the "Health District") as of and for the year ended December 31, 2014, 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 18, 2016, wherein we noted the Health District uses a special purpose framework other than generally accepted accounting principles.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the 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 opinion 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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

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

May 18, 2016



# Dave Yost • Auditor of State

**COLUMBIANA COUNTY GENERAL HEALTH DISTRICT**

**COLUMBIANA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 7, 2016**