



**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2015



Dave Yost • Auditor of State

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Greene County Combined Health District
Greene County
360 Wilson Drive
Xenia, Ohio 45385

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 the Greene County Combined Health District, Greene County, Ohio (the District), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Greene County Combined Health District, Greene County, Ohio, as of December 31, 2015, and the respective changes in cash financial position and the respective budgetary comparison for the General, Clinic Health Services, and Health Education Funds thereof for the years then ended in accordance with the accounting basis described in Note 2.

Accounting Basis

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

Other Matters

Supplemental Information

Our audit was conducted to opine on the financial statements taken as a whole.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2017, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

February 22, 2017

GREENE COUNTY COMBINED HEALTH DISTRICT

GREENE COUNTY

Statement of Net Position - Cash Basis

December 31, 2015

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$6,653,330</u>
<i>Total Assets</i>	<u><u>\$6,653,330</u></u>
Net Position	
Restricted for:	
Other Purposes	1,714,055
Unrestricted	<u>4,939,275</u>
<i>Total Net Position</i>	<u><u>\$6,653,330</u></u>

See accompanying notes to the basic financial statements

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2015*

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Public Health Services	<u>\$5,814,237</u>	<u>\$1,876,011</u>	<u>\$1,516,410</u>	(\$2,421,816)
General Receipts:				
Property Taxes Levied for General Purposes				2,692,009
Subdivision Fees				121,994
Grants/Entitlements not Restricted to Specific Programs				384,002
Sale of Capital Assets				1,856
Miscellaneous				<u>120,749</u>
<i>Total General Receipts</i>				<u>3,320,610</u>
Change in Net Position				898,794
<i>Net Position Beginning of Year</i>				<u>5,754,536</u>
<i>Net Position End of Year</i>				<u><u>\$6,653,330</u></u>

See accompanying notes to the basic financial statements

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY
Statement of Assets and Fund Balances- Cash Basis
Governmental Funds
December 31, 2015

	General	Clinic Health Services Fund	Health Education Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$4,939,275	\$243,940	\$156,004	\$1,314,111	\$6,653,330
<i>Total Assets</i>	<u>\$4,939,275</u>	<u>\$243,940</u>	<u>\$156,004</u>	<u>\$1,314,111</u>	<u>\$6,653,330</u>
Fund Balances					
Restricted			\$156,004	\$939,781	\$1,095,785
Committed		\$243,940		\$374,330	618,270
Assigned	\$1,662,382				1,662,382
Unassigned (Deficit)	<u>\$3,276,893</u>				<u>3,276,893</u>
<i>Total Fund Balances</i>	<u>\$4,939,275</u>	<u>\$243,940</u>	<u>\$156,004</u>	<u>\$1,314,111</u>	<u>\$6,653,330</u>

See accompanying notes to the basic financial statements

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

*Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds
For the Year Ended December 31, 2015*

	General	Clinic Health Services Fund	Health Education Fund	Other Governmental Funds	Total Governmental Funds
Receipts					
Property Taxes	\$2,692,009				\$2,692,009
Subdivision Fees	121,994				121,994
Contractual Services	233,658				233,658
Fees, Licenses and Permits	225,326	186,513		1,230,514	1,642,353
Intergovernmental:					
Federal Grants			336,433	867,178	1,203,611
State Grants	384,002	900	281,899		666,801
Local Grants				30,000	30,000
Miscellaneous	35,898	73,860	2,757	8,234	120,749
<i>Total Receipts</i>	<u>3,692,887</u>	<u>261,273</u>	<u>621,089</u>	<u>2,135,926</u>	<u>6,711,175</u>
Disbursements					
Current:					
Public Health Services:					
Personal Services	1,114,079	910,497	569,229	1,925,453	4,519,258
Materials & Supplies	74,710	62,082	14,368	124,661	275,821
Contractual Services	166,029	53,182	28,451	174,324	421,986
Remittance to State	123,506			129,608	253,114
Other	79,836	9,149	8,563	41,552	139,100
Capital Outlay	125,361	6,378	1,911	71,308	204,958
<i>Total Disbursements</i>	<u>1,683,521</u>	<u>1,041,288</u>	<u>622,522</u>	<u>2,466,906</u>	<u>5,814,237</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>2,009,366</u>	<u>(780,015)</u>	<u>(1,433)</u>	<u>(330,980)</u>	<u>896,938</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	1,856				1,856
Transfers In		800,000		510,000	1,310,000
Transfers Out	(1,310,000)				(1,310,000)
Advances In	30,000			81,000	111,000
Advances Out	(81,000)			(30,000)	(111,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,359,144)</u>	<u>800,000</u>	<u>0</u>	<u>561,000</u>	<u>1,856</u>
<i>Net Change in Fund Balances</i>	650,222	19,985	(1,433)	230,020	898,794
<i>Fund Balances Beginning of Year</i>	<u>4,289,053</u>	<u>223,955</u>	<u>157,437</u>	<u>1,084,091</u>	<u>5,754,536</u>
<i>Fund Balances End of Year</i>	<u>\$4,939,275</u>	<u>\$243,940</u>	<u>\$156,004</u>	<u>\$1,314,111</u>	<u>\$6,653,330</u>

See accompanying notes to the basic financial statements

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2015*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property Taxes	\$2,665,000	\$2,665,000	\$2,692,009	\$27,009
Subdivision Fees	121,970	121,970	121,994	24
Contractual Services	233,658	233,658	233,658	
Fees, Licenses and Permits	197,000	197,000	225,326	28,326
Intergovernmental:				
State	375,103	375,103	384,002	8,899
Miscellaneous	30,000	30,000	35,898	5,898
<i>Total Receipts</i>	<u>3,622,731</u>	<u>3,622,731</u>	<u>3,692,887</u>	<u>70,156</u>
Disbursements				
Current:				
Public Health Services:				
Personal Services	1,175,001	1,184,969	1,114,079	70,890
Materials & Supplies	76,849	81,826	74,710	7,116
Contractual Services	383,861	343,352	166,029	177,323
Remittance to State	115,000	124,000	123,506	494
Other	73,128	94,168	79,836	14,332
Capital Outlay	240,796	220,225	125,361	94,864
<i>Total Disbursements</i>	<u>2,064,635</u>	<u>2,048,540</u>	<u>1,683,521</u>	<u>365,019</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,558,096</u>	<u>1,574,191</u>	<u>2,009,366</u>	<u>435,175</u>
Other Financing Sources (Uses)				
Sale of Capital Assets			1,856	1,856
Transfers Out	(1,310,000)	(1,310,000)	(1,310,000)	
Advances In			30,000	30,000
Advances Out	(30,000)	(81,000)	(81,000)	
<i>Total Other Financing Sources (Uses)</i>	<u>(1,340,000)</u>	<u>(1,391,000)</u>	<u>(1,359,144)</u>	<u>31,856</u>
<i>Net Change in Fund Balance</i>	218,096	183,191	650,222	467,031
<i>Unencumbered Fund Balance Beginning of Year</i>	4,259,003	4,259,003	4,259,003	
Prior Year Encumbrances Appropriated	30,050	30,050	30,050	
<i>Unencumbered Fund Balance End of Year</i>	<u>\$4,507,149</u>	<u>\$4,472,244</u>	<u>\$4,939,275</u>	<u>\$467,031</u>

See accompanying notes to the basic financial statements

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Clinic Health Services Fund
For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Fees, Licenses and Permits	255,000	255,000	186,513	(68,487)
Intergovernmental:				
State			900	900
Miscellaneous			73,860	73,860
<i>Total Receipts</i>	<u>255,000</u>	<u>255,000</u>	<u>261,273</u>	<u>6,273</u>
Disbursements				
Current:				
Public Health Services:				
Personal Services	902,585	917,367	910,497	6,870
Materials & Supplies	81,694	78,897	62,082	16,815
Contractual Services	45,050	79,939	53,182	26,757
Other	10,321	12,329	9,149	3,180
Capital Outlay	24,085	12,870	6,378	6,492
<i>Total Disbursements</i>	<u>1,063,735</u>	<u>1,101,402</u>	<u>1,041,288</u>	<u>60,114</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(808,735)</u>	<u>(846,402)</u>	<u>(780,015)</u>	<u>66,387</u>
Other Financing Sources (Uses)				
Transfers In	800,000	800,000	800,000	
<i>Total Other Financing Sources (Uses)</i>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	
<i>Net Change in Fund Balance</i>	(8,735)	(46,402)	19,985	66,387
<i>Unencumbered Fund Balance Beginning of Year</i>	217,161	217,161	217,161	0
Prior Year Encumbrances Appropriated	6,794	6,794	6,794	0
<i>Unencumbered Fund Balance End of Year</i>	<u>\$215,220</u>	<u>\$177,553</u>	<u>\$243,940</u>	<u>\$66,387</u>

See accompanying notes to the basic financial statements

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Health Education Fund
For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental:				
Federal			336,433	336,433
State	544,000	544,000	281,899	(262,101)
Miscellaneous			2,757	2,757
<i>Total Receipts</i>	<u>544,000</u>	<u>544,000</u>	<u>621,089</u>	<u>77,089</u>
Disbursements				
Current:				
Public Health Services:				
Personal Services	556,361	571,766	569,229	2,537
Materials & Supplies	16,487	18,678	14,368	4,310
Contractual Services	29,170	30,211	28,451	1,760
Other	11,963	9,539	8,563	976
Capital Outlay	15,000	7,875	1,911	5,964
<i>Total Disbursements</i>	<u>628,981</u>	<u>638,069</u>	<u>622,522</u>	<u>15,547</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(84,981)</u>	<u>(94,069)</u>	<u>(1,433)</u>	<u>92,636</u>
<i>Net Change in Fund Balance</i>	(84,981)	(94,069)	(1,433)	92,636
<i>Unencumbered Fund Balance Beginning of Year</i>	152,508	152,508	152,508	
Prior Year Encumbrances Appropriated	<u>4,929</u>	<u>4,929</u>	<u>4,929</u>	
<i>Unencumbered Fund Balance End of Year</i>	<u><u>\$72,456</u></u>	<u><u>\$63,368</u></u>	<u><u>\$156,004</u></u>	<u><u>\$92,636</u></u>

See accompanying notes to the basic financial statements

Greene County Combined Health District

Greene County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

Note 1 –Reporting Entity

The Greene County Combined Health District (the District), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A thirteen-member Board and Health Commissioner govern the District which provides health services in all of Greene County, including: cities, villages, and townships.

Reporting Entity

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

Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Health District. They comprise the District's legal entity, which provides services associated with immunization, vital statistics, health-related licenses and permits, disease prevention and control, and public health nursing.

The Greene County Commissioners are the taxing authority for the District. The Greene County Auditor and the Greene County Treasurer are responsible for fiscal control of the resources of the District.

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

Note 2 - Summary of Significant Accounting Policies

A. Basis of Presentation

These financial statements follow the cash basis of accounting. The District's Basic Financial Statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

- 1. Government-Wide Financial Statements** The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the District.

Greene County Combined Health District

Greene County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

Note 2 - Summary of Significant Accounting Policies (continued)

A. Basis of Presentation (continued)

2. Fund Financial Statements

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

3. Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions of the Health District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. The following are the Health District's major governmental funds:

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

Clinic Health Services Fund – This fund is used to account for revenue received and expended for the following activities: Bureau for Children with Medical Handicaps (BCMh), health supervision, specialty clinics-hearing and vision, communicable disease program and other primary care programs.

Health Education Fund – This fund is used to account for revenue received and expended from Federal and State Help Me Grow grant monies and other grant programs.

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

4. Measurement Focus

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 are recognized when received in cash, rather than when earned, and disbursements when paid, rather than when a liability is incurred.

Greene County Combined Health District

Greene County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

Note 2 - Summary of Significant Accounting Policies (continued)

A. Basis of Presentation (continued)

5. Basis of Accounting

As a result of using this 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 these 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.

B. Cash

As required by Ohio Revised Code, the County Treasurer is custodian for the District's cash. The District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

C. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. Acquisitions of property are not reflected as an asset under the basis of accounting the District uses.

D. Long-term Debt Obligations

The District did not have any bonds or other long-term obligations.

E. Net Position

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

The District's policy is to first use restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

F. 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 appropriation resolution, all of which are prepared on the budgetary basis of accounting. The budgetary basis reports expenditures when commitments are made (i.e. when an encumbrance is approved). The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the District may appropriate. The appropriation resolution is the District's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the District. The legal level of budgetary control has been established by District at the fund and object level.

Greene County Combined Health District

Greene County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

Note 2 - Summary of Significant Accounting Policies (continued)

F. Budgetary Process (continued)

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

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

Budget versus actual statements for major funds are presented as part of the financial statements.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payment for unused leave. Unpaid leave is not reflected as liability under the basis of accounting the District uses.

H. Fund Balances

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

Non-spendable

The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted

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

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. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. 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.

Greene County Combined Health District

Greene County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

Note 2 - Summary of Significant Accounting Policies (continued)

H. Fund Balances (continued)

Assigned

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board, which includes giving the Director of Administrative Services 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 used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, or unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

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, Clinic Health Services, and Health Education funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as Assigned, Committed or Restricted fund balance (cash basis). At December 31, 2015 there were no encumbrances outstanding.

Note 4 – CASH AND CASH EQUIVALENTS

The Greene County Commissioners maintain a cash pool used by all of the County's funds, including those of the District. The Ohio Revised Code prescribes allowable deposits and investments. At year-end, the carrying amount of the District's deposits with the Greene County Commissioner was \$6,653,330. The Greene County Board of Commissioners, as the fiscal agent for the District, is responsible for maintaining adequate depository collateral for all funds in the County's pooled cash and deposits accounts.

Greene County Combined Health District

Greene County

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2015*

Note 5 – PROPERTY TAXES

The Greene County Commissioners serve as a special taxing authority to levy a special levy outside the property tax ten-mill limitation to provide the District with sufficient funds to carry out health programs and general operations. The County Commissioners have placed a countywide levy of .8 mills on the ballot that gained approval by the electors of the county.

Note 6 – INTERFUND TRANSFERS/ADVANCES

Inter-fund cash transfers and advances for the year ended December 31, 2015 were as follows:

		Transfers From	
Transfers To	General		
Clinic Health Services	\$800,000		
Other Governmental Funds	510,000		
Total	<u>\$1,310,000</u>		
		Advances From	
		General	Other Governmental Funds
Advances To	General	Funds	Total
General		\$30,000	\$30,000
Other Governmental Funds	81,000		81,000
Total	<u>\$81,000</u>	<u>\$30,000</u>	<u>\$111,000</u>

The Health District transferred and advanced cash to support unfunded community services and for grant reimbursement purposes due to the timing of the receipt of grant monies. At December 31, 2015 the Reproductive Health & Wellness fund had not repaid an advance of \$51,000 to the general fund. This advance is expected to be repaid during 2016.

Note 7 – RISK MANAGEMENT

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

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

The Health District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. 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 York. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Greene County Combined Health District

Greene County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

Note 7 – RISK MANAGEMENT (continued)

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2015, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

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

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2015:

	<u>2015</u>
Assets	\$38,307,677
Liabilities	<u>(12,759,127)</u>
Net Position	<u>\$25,548,550</u>

At December 31, 2015, the liabilities above include approximately \$11.5 million of estimated incurred claims payable. The assets above also include approximately \$11 million of unpaid claims to be billed. The Pool's membership increased from 488 members in 2014 to 499 members in 2015. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2015, the Health District's share of these unpaid claims collectible in future years is approximately \$22,000.

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

Contributions to PEP

2015
\$36,058

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Settled claims have not exceeded this coverage in any of the last three years. There have been no significant reductions in insurance coverage from last year. The Health District also provides health insurance, dental, and vision coverage to full-time employees through a private carrier.

Greene County Combined Health District

Greene County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

Note 8 – PENSION OBLIGATIONS

Plan Description - District employees participate 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 and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. District employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

Greene County Combined Health District

Greene County

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2015*

Note 8 – PENSION OBLIGATIONS (continued)

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The District's contractually required contributions were \$472,637, \$431,233, and \$427,696, respectively, for the years ended December 31, 2015, 2014, and 2013.

Note 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description – 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 defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

Greene County Combined Health District

Greene County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2015

Note 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

OPERS maintains two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 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 Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, State and Local employers contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5%.

The District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2015 2014, and 2013 were \$67,493, \$61,580, and \$30,537, respectively; 100% was contributed for all three years.

Greene County Combined Health District

Greene County

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2015*

Note 10 – Fund Balances

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

Fund Balances	General Fund	Clinic Health Services Fund	Health Education Fund	Other Governmental Funds	Total
Restricted for					
Health Education			156,004		156,004
Solid Waste				75,922	75,922
Water Program				53,898	53,898
Swimming Pool				40,828	40,828
Food Service				195,712	195,712
House Trailer Park				24,489	24,489
Reproductive Health & Wellness				100,987	100,987
CFHSP				98,630	98,630
Public Health Emergency Prep				88,697	88,697
WIC				44,955	44,955
Infant Immunization				30,751	30,751
Tuberculosis				90,370	90,370
Safe Communities				30,784	30,784
Sewage				63,758	63,758
<i>Total Restricted</i>		0	156,004	939,781	1,095,785
Committed to					
Clinic Health Services		243,940			243,940
Environmental Plumbing Inspection				223,200	223,200
Dental				151,130	151,130
<i>Total Committed</i>		243,940		374,330	618,270
Assigned to					
Budgetary Resources	1,662,382				1,662,382
<i>Total Assigned</i>	1,662,382				1,662,382
Unassigned (deficits):	3,276,893				3,276,893
<i>Total Fund Balances</i>	\$4,939,275	\$243,940	\$156,004	\$1,314,111	\$6,653,330

Note 11 – CONTINGENCIES

Grants

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Ohio Department of Health</i>			
Special Supplemental Nutrition Program for Women, Infants, and Children		02910011WA0815	\$370,293
		02910011WA0916	104,620
Total Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		<u>474,913</u>
Total U.S. Department of Agriculture			<u>474,913</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through Greene County Family and Children First Council</i>			
Special Education - Grants for Infants and Families		02910021HG0615	144,045
		02910021HG0716	129,728
Total Special Education - Grants for Infants and Families	84.181		<u>273,773</u>
Total U.S. Department of Education			<u>273,773</u>
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Passed Through Ohio Department of Public Safety Highway Safety Cluster</i>			
State and Community Highway Safety		SC-2015-29-00-00-00468-00	28,591
		SC-2016-29-00-00-00415-00	6,766
Total Highway Safety Cluster	20.600		<u>35,357</u>
Total U.S. Department of Transportation			<u>35,357</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through National Association of County and City Health Officials (NACCHO)</i>			
Medical Reserve Corps Small Grant Program	93.008	HITEP150026-01-00	3,500
<i>Passed Through Ohio Department of Health</i>			
Maternal and Child Health Services Block Grant to the States		02910011MC0915	35,618
		02910011MC1016	20,822
		02910011RH0415	12,674
		02910011RH0516	7,500
Total Maternal and Child Health Services Block Grant to the States	93.994		<u>76,614</u>
<i>Passed Through the City of Portsmouth, Ohio</i>			
HIV Prevention Activities_Health Department Based	93.940	263-440-5238-3 2015	39,220
<i>Passed Through Ohio Department of Health</i>			
Immunization Cooperative Agreements	93.268	02910012IM0815	46,524
Public Health Emergency Preparedness		02910012PH0615	82,324
		02910012PH0716	52,958
Total Public Health Emergency Preparedness	93.069		<u>135,282</u>
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements		U90TP000541	2,078
<i>Passed Through Public Health - Dayton & Montgomery County</i>			
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements		N/A	386
Total Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074		<u>2,464</u>
<i>Passed Through Ohio Department of Health</i>			
Family Planning_Services	93.217	02910011RH0516	83,212
<i>Passed Through Wright State University</i>			
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	5U79SP017356	7,650
<i>Passed Through Association of Food and Drug Officials</i>			
Food and Drug Administration_Research	93.103	G-SP-1410-01763	3,000
Total U.S. Department of Health and Human Services			<u>397,466</u>
Total Expenditures of Federal Awards			<u><u>\$1,181,509</u></u>

The accompanying notes are an integral part of this schedule.

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Greene County Combined Health District (the District) under programs of the federal government for the year ended December 31, 2015. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – MATCHING REQUIREMENTS

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

NOTE D – COMMINGLING

Federal monies received are commingled with other state and local revenues for the following programs:

- Special Education – Grants for Infants and Families (CFDA #84.181)
- HIV Prevention Activities_Health Department Based (CFDA #93.940)
- Substance Abuse and Mental Health Services_Projects of Regional and National Significance (CFDA #93.243)

When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

NOTE E – MEDICAID ADMINISTRATIVE CLAIMING

The District receives Medicaid Administrative Claiming (MAC) reimbursements (CFDA #93.778) from the Ohio Department of Health (ODH). Based on the agreement between ODH and the District, MAC reimbursements disbursed by ODH to the District are not considered federal dollars. In 2015 the District received \$71,504 of MAC reimbursements from ODH. These monies are not reported on the District's Schedule.



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*

Greene County Combined Health District
Greene County
360 Wilson Drive
Xenia, Ohio 45385

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 Greene County Combined Health District, Greene County, (the District) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 22, 2017, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the 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 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 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 District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

February 22, 2017



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Greene County Combined Health District
Greene County
360 Wilson Drive
Xenia, Ohio 45385

To the Board of Health:

Report on Compliance for Each Major Federal Program

We have audited the Greene County Combined Health District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the Greene County Combined Health District's major federal programs for the year ended December 31, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal programs.

Management's Responsibility

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for each of the District's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Greene County Combined Health District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

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

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

February 22, 2017

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2015**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR §200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Supplemental Nutrition Program for Women, Infants, and Children (CFDA #10.557) Special Education – Grants for Infants and Families (CFDA #84.181)
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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Dave Yost • Auditor of State

GREENE COUNTY COMBINED HEALTH DISTRICT

GREENE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MARCH 30, 2017**