



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
P.O. Box 309
Lisbon, Ohio 44432

To the Board of Health:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Columbiana General Health District, Columbiana County, Ohio (the "Health District"), as of and for the year ended December 31, 2013, 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, 2013, and the respective changes in cash financial position and the respective budgetary comparison for the General, 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, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

Other Matters

Supplemental and Other Information

We audited to opine on the Health District's financial statements that collectively comprise its basic financial statements.

Management's Discussion & Analysis includes tables of net position, changes in net position, and governmental activities. This information provides additional analysis and is not a required part of the basic financial statements.

These tables are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these tables to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling these tables 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, these tables are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other than the aforementioned procedures applied to the tables, we applied no procedures to any other information in Management's Discussion & Analysis, and we express no opinion or any other assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 23, 2014, 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.

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

July 23, 2014

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(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, 2013, 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 2013 are as follows:

- For 2013 the total net cash position of the Health District decreased \$70,097, which represents a 14.97% decrease from 2012.
- For 2013, general cash receipts accounted for \$529,397 or 36.99% of total governmental activities cash receipts. Program specific cash receipts accounted for \$901,751 or 63.01% of total governmental activities cash receipts.
- For 2013, the Health District had \$1,501,245 in cash disbursements related to governmental activities; \$901,751 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily property taxes) of \$529,397 were not adequate to provide for these programs.
- The Health District's major funds are the general fund, the cancer levy fund and the home sewage fund. The general fund, the Health District's largest major fund, had cash receipts of \$582,045 in 2013. The cash disbursements of the general fund totaled \$589,514 in 2013. The general fund's cash balance decreased \$7,469 from 2012 to 2013.
- The cancer levy fund, a Health District major fund, had cash receipts of \$245,582 in 2013. The cancer levy fund had cash disbursements of \$284,275 in 2013. The cancer levy fund cash balance decreased \$38,693 from 2012 to 2013.
- The home sewage fund, a Health District major fund, had cash receipts of \$223,922 in 2013. The home sewage fund had cash disbursements of \$207,497 in 2013. The home sewage fund cash balance increased \$16,425 from 2012 to 2013.

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 three 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, 2013
(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 2013? 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 14-15 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 11.

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)

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 16-17 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 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 18-20 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 21-29 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, 2013 and December 31, 2012.

	<u>Net Cash Position</u>	
	Governmental Activities	Governmental Activities
	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Equity in pooled cash and cash equivalents	\$ 398,058	\$ 468,155
Total assets	<u>398,058</u>	<u>468,155</u>
<u>Net Position</u>		
Restricted	172,872	225,533
Unrestricted	<u>225,186</u>	<u>242,622</u>
Total net position	<u>\$ 398,058</u>	<u>\$ 468,155</u>

For 2013, the total net cash position of the Health District decreased \$70,097, which represents a 14.97% decrease.

The balance of government-wide unrestricted net cash position of \$225,186 at December 31, 2013 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, 2013
(UNAUDITED)

The table below shows the changes in net cash position for 2013 and 2012.

	Change in Net Cash Position	
	Governmental Activities	Governmental Activities
	<u>2013</u>	<u>2012</u>
Cash Receipts:		
Program cash receipts:		
Charges for services	\$ 515,503	\$ 496,861
Operating grants and contributions	<u>386,248</u>	<u>446,032</u>
Total program cash receipts	<u>901,751</u>	<u>942,893</u>
General cash receipts:		
Property and other taxes	447,092	450,152
Unrestricted grants	74,347	81,878
Other	<u>7,958</u>	<u>3,838</u>
Total general cash receipts	<u>529,397</u>	<u>535,868</u>
Total cash receipts	<u>1,431,148</u>	<u>1,478,761</u>
Cash Disbursements:		
Salaries	701,658	730,020
Supplies	19,488	22,977
Remittance to State	68,072	65,043
Equipment	3,560	6,416
Contracts - Services	281,908	277,113
Membership/Subscriptions	986	413
Travel	36,412	65,913
Advertising and printing	824	941
Public Employee's Retirement	97,990	99,528
Hospitalization	221,513	223,400
Medicare	9,392	9,306
Worker's Compensation	9,129	13,302
Other	48,806	35,608
Utilities	<u>1,507</u>	<u>3,005</u>
Total cash disbursements	<u>1,501,245</u>	<u>1,552,985</u>
Change in net cash position	(70,097)	(74,224)
Net cash position at beginning of year	<u>468,155</u>	<u>542,379</u>
Net cash position at end of year	<u>\$ 398,058</u>	<u>\$ 468,155</u>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)**

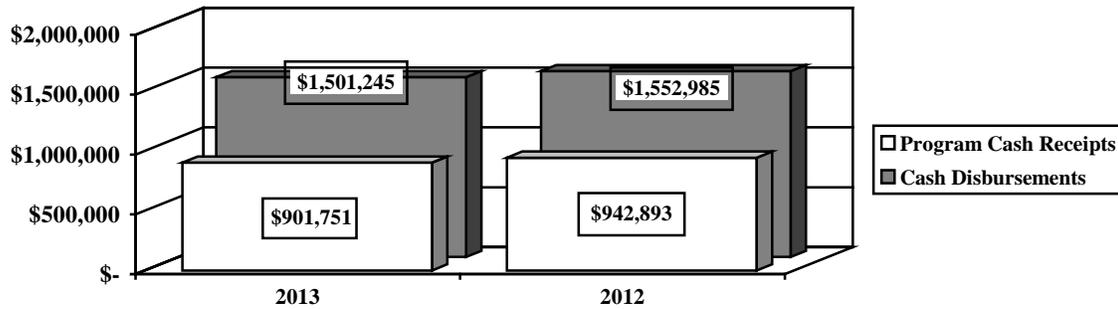
Governmental Activities

Governmental cash position decreased by \$70,097 in 2013 from 2012.

Salaries represent the largest cash disbursement of the Health District. In 2013, salary cash disbursements totaled \$701,658, or 46.74% of total governmental cash disbursements. Salary cash disbursements were supported by \$385,036 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 2013 and 2012. 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**

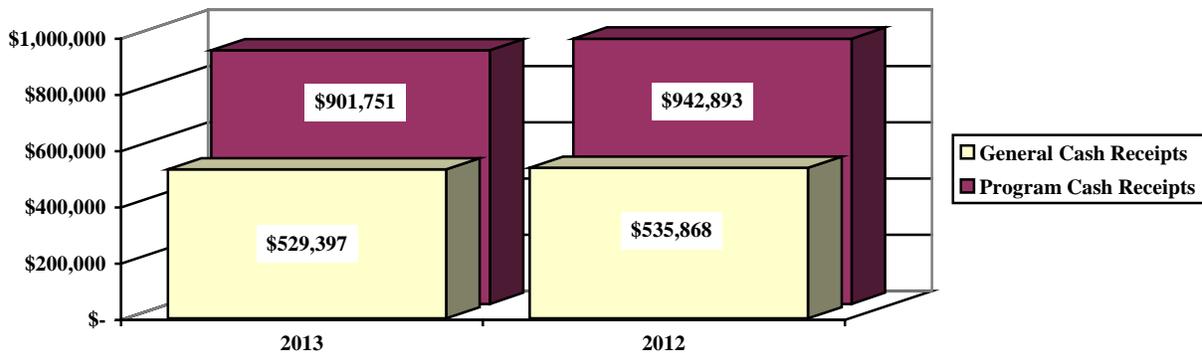
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)**

Governmental Activities

	Total Cost of Services <u>2013</u>	Net Cost of Services <u>2013</u>	Total Cost of Services <u>2012</u>	Net Cost of Services <u>2012</u>
Cash disbursements:				
Current:				
Salaries	\$ 701,658	\$ 316,622	\$ 730,020	\$ 296,216
Supplies	19,488	9,955	22,977	11,429
Remittance to State	68,072	24,944	65,043	20,136
Equipment	3,560	2,014	6,416	2,324
Contracts - Services	281,908	55,271	277,113	103,582
Membership/Subscriptions	986	558	413	229
Travel	36,412	17,633	65,913	23,798
Advertising and printing	824	315	941	333
Public Employee's Retirement	97,990	44,202	99,528	39,050
Hospitalization	221,513	93,547	223,400	86,666
Medicare	9,392	3,936	9,306	3,417
Worker's Compensation	9,129	3,950	13,302	6,026
Other	48,806	25,694	35,608	15,692
Utilities	1,507	853	3,005	1,194
Total	<u>\$ 1,501,245</u>	<u>\$ 599,494</u>	<u>\$ 1,552,985</u>	<u>\$ 610,092</u>

The dependence upon general cash receipts for governmental activities is apparent; with 39.93% of cash disbursements supported through taxes and other general cash receipts during 2013.

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, 2013
(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 \$398,058, which is \$70,097 less than last year's total of \$468,155. The schedule below indicates the fund cash balance and the total change in fund cash balance as of December 31, 2013 and December 31, 2012, for all major and nonmajor governmental funds.

	<u>Fund Cash Balance</u> <u>December 31, 2013</u>	<u>Fund Cash Balance</u> <u>December 31, 2012</u>	<u>Increase/</u> <u>(Decrease)</u>
Major Funds:			
General	\$ 196,203	\$ 203,672	\$ (7,469)
Cancer Levy	69,764	108,457	(38,693)
Home Sewage	20,507	4,082	16,425
Other Nonmajor Governmental Funds	<u>111,584</u>	<u>151,944</u>	<u>(40,360)</u>
 Total	 <u>\$ 398,058</u>	 <u>\$ 468,155</u>	 <u>\$ (70,097)</u>

During 2013, the Health District's fund cash balance decreased \$70,097. This decrease can primarily be attributed to the activity of the water fund, public health infrastructure fund and the cancer levy fund. The water fund experienced significantly higher cash disbursements during 2013 due to an increase in salaries. The public health infrastructure fund experienced lower cash receipts due to a decrease in intergovernmental revenue. The cancer levy fund experienced higher cash disbursements due to an increase in salaries.

General Fund

The general fund, the Health District's largest major fund, had cash receipts of \$582,045 in 2013. The cash disbursements of the general fund totaled \$589,514 in 2013. The general fund's cash balance decreased \$7,469 from 2012 to 2013.

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

	<u>2013</u> <u>Amount</u>	<u>2012</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Cash Receipts:</u>			
Taxes	\$ 273,000	\$ 273,000	- %
Intergovernmental	46,550	54,108	(13.97) %
Fees	206,292	207,385	(0.53) %
Other	<u>56,203</u>	<u>35,654</u>	57.63 %
 Total	 <u>\$ 582,045</u>	 <u>\$ 570,147</u>	 2.09 %

During 2013, the cash receipts of the general fund increased \$11,898. This increase can mainly be attributed to an increase in vital statistics fees of \$15,774. Intergovernmental revenue decreased \$7,558 from 2012 to 2013.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)

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

	2013 <u>Amount</u>	2012 <u>Amount</u>	Percentage <u>Change</u>
<u>Cash Disbursements</u>			
Salaries	\$ 283,742	\$ 257,666	10.12 %
Supplies	11,114	13,590	(18.22) %
Remittance to State	43,036	36,879	16.70 %
Equipment	3,560	1,166	100.00 %
Contracts - Services	26,505	51,399	(48.43) %
Membership/Subscriptions	986	413	138.74 %
Travel	30,620	28,048	9.17 %
Advertising and Printing	500	290	72.41 %
Public Employee's Retirement	40,239	33,540	19.97 %
Hospitalization	103,966	90,813	14.48 %
Medicare	4,094	3,255	25.78 %
Worker's Compensation	3,221	3,922	(17.87) %
Other	36,424	20,896	74.31 %
Utilities	1,507	993	51.76 %
Total	<u>\$ 589,514</u>	<u>\$ 542,870</u>	8.59 %

During 2013, the cash disbursements of the general fund increased \$46,644. This increase can mainly be attributed to increases in salaries paid, other cash disbursements, and costs related to insurance premiums.

Cancer Levy Fund

The cancer levy fund, a Health District major fund, had cash receipts of \$245,582 in 2013. The cancer levy fund had cash disbursements of \$284,275 in 2013. The cancer levy fund cash balance decreased \$38,693 from 2012 to 2013.

Home Sewage Fund

The home sewage fund, a Health District major fund, had cash receipts of \$223,922 in 2013. The home sewage fund had cash disbursements of \$207,497 in 2013. The home sewage fund cash balance increased \$16,425 from 2012 to 2013.

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 2013, the general fund original and final budget basis receipts were \$600,000 and \$574,000 respectively. Actual cash receipts of \$582,045 were more than final budget estimates by \$8,045. The original and final budgetary basis disbursements were \$600,000. The actual budgetary basis disbursements of \$589,514 were \$10,486 less than the final budget estimates.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)**

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 \$3,560 during 2013.

Debt Administration

The Health District did not have any long-term obligations at December 31, 2013.

Contacting the Health District's Financial Management

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

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

STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2013

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and cash equivalents.	\$ 398,058
 Total assets	 <u>398,058</u>
 Net position:	
Restricted for:	
Public health infrastructure.	23,772
IAP grant	23,445
Early start.	29,289
Cancer levy.	69,764
Other purposes.	26,602
Unrestricted.	<u>225,186</u>
 Total net position	 <u>\$ 398,058</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ASSETS AND CASH FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	<u>General</u>	<u>Cancer Levy</u>	<u>Home Sewage</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash assets:					
Equity in pooled cash and cash equivalents. . . .	\$ 196,203	\$ 69,764	\$ 20,507	\$ 111,584	\$ 398,058
Total assets	<u>\$ 196,203</u>	<u>\$ 69,764</u>	<u>\$ 20,507</u>	<u>\$ 111,584</u>	<u>\$ 398,058</u>
Fund cash balances:					
Restricted	\$ -	\$ 69,764	\$ 20,507	\$ 82,601	\$ 172,872
Committed	-	-	-	28,983	28,983
Unassigned	<u>196,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>196,203</u>
Total fund cash balances	<u>\$ 196,203</u>	<u>\$ 69,764</u>	<u>\$ 20,507</u>	<u>\$ 111,584</u>	<u>\$ 398,058</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 BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>General</u>	<u>Cancer Levy</u>	<u>Home Sewage</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash receipts:					
Taxes	\$ 273,000	\$ 174,092	\$ -	\$ -	\$ 447,092
Intergovernmental	46,550	27,797	166,270	174,051	414,668
Fees	206,292	-	14,550	6,528	227,370
Vital statistics fees	49,811	-	-	-	49,811
Licenses and permits	-	-	37,500	181,197	218,697
Other	6,392	43,693	5,602	17,823	73,510
Total cash receipts	<u>582,045</u>	<u>245,582</u>	<u>223,922</u>	<u>379,599</u>	<u>1,431,148</u>
Cash disbursements:					
Salaries	283,742	163,417	23,275	231,224	701,658
Supplies	11,114	3,173	-	5,201	19,488
Remittance to State	43,036	-	2,200	22,836	68,072
Equipment	3,560	-	-	-	3,560
Contracts - Services	26,505	52,801	164,844	37,758	281,908
Membership/Subscriptions	986	-	-	-	986
Travel	30,620	177	1,816	3,799	36,412
Advertising and printing	500	63	261	-	824
Public Employee's Retirement	40,239	22,429	3,254	32,068	97,990
Hospitalization	103,966	35,272	10,921	71,354	221,513
Medicare	4,094	1,612	338	3,348	9,392
Worker's Compensation	3,221	2,096	588	3,224	9,129
Other	36,424	3,235	-	9,147	48,806
Utilities	1,507	-	-	-	1,507
Total cash disbursements	<u>589,514</u>	<u>284,275</u>	<u>207,497</u>	<u>419,959</u>	<u>1,501,245</u>
Net change in fund cash balances	(7,469)	(38,693)	16,425	(40,360)	(70,097)
Fund cash balances at beginning of year . .	203,672	108,457	4,082	151,944	468,155
Fund cash balances at end of year	<u>\$ 196,203</u>	<u>\$ 69,764</u>	<u>\$ 20,507</u>	<u>\$ 111,584</u>	<u>\$ 398,058</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)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
Budgetary basis receipts:				
Taxes	\$ 281,421	\$ 269,226	\$ 273,000	\$ 3,774
Intergovernmental	47,986	45,907	46,550	643
Fees	212,656	203,441	206,292	2,851
Other	57,937	55,426	56,203	777
Total budgetary basis receipts	<u>600,000</u>	<u>574,000</u>	<u>582,045</u>	<u>8,045</u>
Budgetary basis disbursements:				
Salaries	270,000	284,419	283,742	677
Supplies	20,000	11,656	11,114	542
Remittance to State	35,000	43,036	43,036	-
Equipment	3,550	3,700	3,560	140
Contracts - Services	31,800	28,460	26,505	1,955
Membership/Subscriptions	1,100	986	986	-
Advertising and printing	500	500	500	-
Travel	35,200	30,755	30,620	135
Public Employee's Retirement	37,800	40,239	40,239	-
Hospitalization	105,000	109,300	103,966	5,334
Medicare	3,915	4,151	4,094	57
Worker's Compensation	4,185	3,221	3,221	-
Other	50,450	37,871	36,424	1,447
Utilities	1,500	1,706	1,507	199
Total budgetary basis disbursements	<u>600,000</u>	<u>600,000</u>	<u>589,514</u>	<u>10,486</u>
Net change in fund cash balance	-	(26,000)	(7,469)	18,531
Fund cash balance at beginning of year	<u>203,672</u>	<u>203,672</u>	<u>203,672</u>	-
Fund cash balance at end of year	<u>\$ 203,672</u>	<u>\$ 177,672</u>	<u>\$ 196,203</u>	<u>\$ 18,531</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
Budgetary basis receipts:				
Taxes	\$ 268,672	\$ 156,020	\$ 174,092	\$ 18,072
Intergovernmental	42,898	24,912	27,797	2,885
Other	67,430	39,158	43,693	4,535
Total budgetary basis receipts.	<u>379,000</u>	<u>220,090</u>	<u>245,582</u>	<u>25,492</u>
Budgetary basis disbursements:				
Salaries.	152,000	172,000	163,417	8,583
Supplies	2,500	3,700	3,173	527
Contracts - Services	139,000	77,347	52,801	24,546
Travel.	300	300	177	123
Advertising and printing.	460	460	63	397
Public Employee's Retirement	21,280	22,429	22,429	-
Hospitalization	55,000	44,111	35,272	8,839
Medicare	2,204	2,204	1,612	592
Worker's Compensation	2,356	2,096	2,096	-
Other	3,900	3,900	3,235	665
Total budgetary basis disbursements.	<u>379,000</u>	<u>328,547</u>	<u>284,275</u>	<u>44,272</u>
Net change in fund cash balance	-	(108,457)	(38,693)	69,764
Fund cash balance at beginning of year.	<u>108,457</u>	<u>108,457</u>	<u>108,457</u>	<u>-</u>
Fund cash balance at end of year	<u>\$ 108,457</u>	<u>\$ -</u>	<u>\$ 69,764</u>	<u>\$ 69,764</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Intergovernmental	\$ 195,732	\$ 159,689	\$ 166,270	\$ 6,581
Fees	17,128	13,974	14,550	576
Licenses and permits	44,145	36,016	37,500	1,484
Other.	6,594	5,380	5,602	222
Total budgetary basis receipts.	<u>263,599</u>	<u>215,059</u>	<u>223,922</u>	<u>8,863</u>
Budgetary basis disbursements:				
Salaries.	50,000	23,276	23,275	1
Remittance to State	3,000	3,000	2,200	800
Contracts - Services	-	171,494	164,844	6,650
Travel.	4,500	1,816	1,816	-
Advertising and printing	-	300	261	39
Public Employee's Retirement	7,000	3,327	3,254	73
Hospitalization	12,000	10,921	10,921	-
Medicare	725	337	338	(1)
Worker's Compensation	775	588	588	-
Total budgetary basis disbursements.	<u>78,000</u>	<u>215,059</u>	<u>207,497</u>	<u>7,562</u>
Net change in fund cash balance	185,599	-	16,425	16,425
Fund cash balance at beginning of year.	<u>4,082</u>	<u>4,082</u>	<u>4,082</u>	<u>-</u>
Fund cash balance at end of year	<u>\$ 189,681</u>	<u>\$ 4,082</u>	<u>\$ 20,507</u>	<u>\$ 16,425</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, 2013

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, 2013

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.

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, 2013**

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, 2013

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, 2013

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 2013, 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, 2013

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 2013, member and contribution rates were consistent across all three plans. Members in the State and local divisions may participate in all three plans. The 2013 member contribution rates were 10.00% for members in State and local classifications. The Health District's contribution rate for 2013 was 14.00%.

The Health District's contribution rate for pension benefits for members in the Traditional Plan for 2013 was 10.00%. The Health District's contribution rate for pension benefits for members in the Combined Plan for 2013 was 7.95%. The Health District's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were \$69,631, \$67,080, and \$76,223, respectively; 100% has been contributed for 2013, 2012 and 2011.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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.

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 2013, 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 for 2013 was 4.00%. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2013 was 6.05%.

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, 2013, 2012, and 2011 were \$28,745, \$28,456, and \$32,158, respectively; 100% has been contributed for 2013, 2012 and 2011.

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.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 7 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2013, the Health District has implemented GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*" and GASB Statement No. 66, "*Technical Corrections-2012*".

GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. The Statement amends the criteria for reporting component units as if they were part of the primary government in certain circumstances. Finally, the Statement also clarifies the reporting of equity interests in legally separate organizations. The implementation of GASB Statement No. 61 did not have an effect on the financial statements of the Health District.

GASB Statement No. 66 improves accounting and financial reporting by resolving conflicting guidance that resulted from the issuance of two pronouncements; GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*" and GASB Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements*". The implementation of GASB Statement No. 66 did not have an effect on the financial statements of the Health District.

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**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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	Cancer Levy	Home Sewage	Nonmajor Governmental Funds	Total Governmental Funds
Restricted:					
Public health infrastructure	\$ -	\$ -	\$ -	\$ 23,772	\$ 23,772
IAP grant	-	-	-	23,445	23,445
Early start	-	-	-	29,289	29,289
Cancer levy	-	69,764	-	-	69,764
Other purposes	-	-	20,507	6,095	26,602
Total restricted	<u>-</u>	<u>69,764</u>	<u>20,507</u>	<u>82,601</u>	<u>172,872</u>
Committed:					
Camp/trailer	-	-	-	897	897
Occupant protection	-	-	-	492	492
Water	-	-	-	8,824	8,824
Swimming pool	-	-	-	4,882	4,882
Food service	-	-	-	13,888	13,888
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,983</u>	<u>28,983</u>
Unassigned	<u>196,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>196,203</u>
Total fund balances	<u>\$ 196,203</u>	<u>\$ 69,764</u>	<u>\$ 20,507</u>	<u>\$ 111,584</u>	<u>\$ 398,058</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
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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Columbiana General Health District, Columbiana County, (the "Health District") as of and for the year ended December 31, 2013, 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 July 23, 2014, wherein we noted the Health District adopted new accounting guidance in Governmental Accounting Standards Board No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*.

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

July 23, 2014



Dave Yost • Auditor of State

COLUMBIANA GENERAL HEALTH DISTRICT

COLUMBIANA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 12, 2014**