

**Mary Taylor, CPA**  
Auditor of State



**LORAIN COUNTY GENERAL HEALTH DISTRICT  
LORAIN COUNTY**

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Lorain County General Health District  
Lorain County  
9880 South Murray Ridge Road  
Elyria, Ohio 44035

To the Board of Health:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lorain County General Health District, Lorain County, Ohio, (the District) as of and for the year ended December 31, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lorain County General Health District, Lorain County, Ohio, as of December 31, 2008, and the respective changes in financial position, and the respective budgetary comparisons for the General and WIC funds, thereof for the year then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2009, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Federal Awards Expenditures is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. We subjected the Schedule of Federal Awards Expenditures to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



**Mary Taylor, CPA**  
Auditor of State

March 13, 2009

LORAIN COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)

Management's discussion and analysis of the Lorain County General Health District's (District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2008, within the limitations of the District's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

### **Highlights**

**Key highlights for 2008 are as follows:**

Net assets of governmental activities increased \$ 1,361,865 or 64.3% during 2008.

The largest source of District revenue was from voted property tax receipts. These receipts represented 45.0% of total revenue. Grants, entitlements and contributions provided the second largest source of revenue, representing 32.9% of total revenue.

### **Using the Basic Financial Statements**

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

### **Report Components**

The statement of net assets and the statement of activities provide information about the cash activities of the District as a whole. Fund financial statements provide a greater level of detail. Funds segregate money based on legal regulations or for specific purposes. These statements present financial information by fund, presenting major funds in separate columns. The notes to the financial statements are an integral part of the District-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

### **Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. These financial statements follow the basis of accounting the Auditor of State prescribes or permits. The District has elected to present its financial statements on the 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, rather than when earned, and disbursements when paid, rather than when a liability is incurred.

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

LORAIN COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)

**Reporting the Health District as a Whole**

The statement of net assets and the statement of activities reflect how the District did financially during 2008. The statement of net assets presents the cash balances of the governmental type activities of the District at year-end. The statement of activities compares cash disbursements with program receipts for each Governmental program activity. Program receipts include charges paid by the recipient for the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each Governmental function draws from the District's general receipts.

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

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

Fund financial statements provide detailed information about the District's major funds, not the District as a whole. The District establishes separate funds to manage its many activities and to help demonstrate that money that is restricted in its use is spent for the intended purpose.

All of the District's activities are reported as governmental activities. Governmental fund financial statements provide a detailed view of the District's governmental operations and the basic services it provides. Governmental fund information helps determine the availability of financial resources to support the District's programs. The District's major Governmental funds have separate columns on the financial statements. The District's major Governmental funds are the General Fund and the Women, Infants and Children (WIC) Fund. The programs reported in Governmental funds are those reported in the Governmental activities section of the entity-wide statements.



LORAIN COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)

**The District as a Whole**

Table 1 provides a summary of the District's net assets for 2008 compared to 2007 on a cash basis:

**TABLE 1**  
Net Assets

	Governmental Activities	
	2008	2007
Assets		
Equity in pooled cash	\$ 3,480,513	\$ 2,118,648
Total assets	<u>3,480,513</u>	<u>2,118,648</u>
Net assets		
Restricted for special purposes	450,015	383,785
Unrestricted	<u>3,030,498</u>	<u>1,734,863</u>
	<u>\$ 3,480,513</u>	<u>\$ 2,118,648</u>

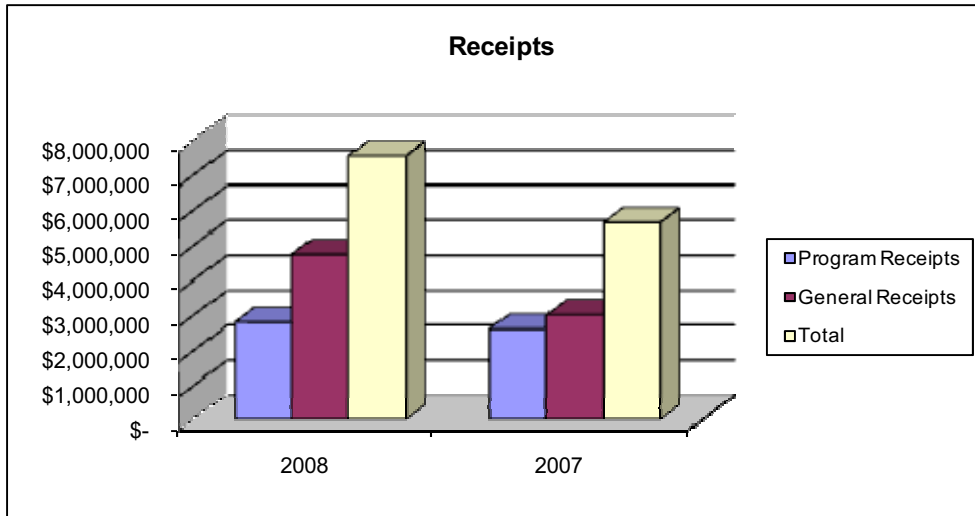
As mentioned previously, net assets of Governmental activities increased \$ 1,361,865 during 2008. The increase was primarily associated with the General Fund, which increase amounted to \$ 1,295,635.

Table 2 reflects the changes in net assets in 2008 compared to 2007 on a cash basis.

**Table 2**  
Change in Net Assets

	Governmental Activities 2008	Governmental Activities 2007
Receipts		
Program receipts		
Charges for services and sales	\$ 1,520,248	\$ 1,510,707
Operating grants and contributions	<u>1,292,082</u>	<u>1,115,913</u>
Total program receipts	<u>2,812,330</u>	<u>2,626,620</u>
General receipts		
Property and other local taxes	3,408,513	2,059,836
Grants and entitlements	1,197,454	836,928
Miscellaneous	<u>152,018</u>	<u>133,099</u>
Total general receipts	<u>4,757,985</u>	<u>3,029,863</u>
Total receipts	<u>7,570,315</u>	<u>5,656,483</u>
Disbursements		
Public health services	<u>6,208,450</u>	<u>5,666,891</u>
Excess of receipts over disbursements	1,361,865	(10,408)
Net assets, beginning of year	<u>2,118,648</u>	<u>2,129,056</u>
Net assets, end of year	<u>\$ 3,480,513</u>	<u>\$ 2,118,648</u>

LORAIN COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)



Program receipts in 2008 represent 37.1 percent of total receipts as compared to 46.4 percent in 2007. These receipts are primarily comprised of restricted intergovernmental receipts and fees received for home health services, immunizations, inspections, and food service licenses.

General receipts represent 62.9 percent of the District's total receipts, and of this amount, 71.6 percent are local taxes.

**Governmental Activities**

If one looks at the Statement of Activities, the first column lists the major service provided by the District. The next column identifies the costs of providing that service. The major program disbursements for governmental activities are for public health services. The next two columns of the Statement entitled Program Receipts identify amounts collected through fees and grants received by the District that have a restricted use. The Net (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the services that expend general receipts, the source of which to a significant extent, is the local taxpayer. A comparison between the total cost of services and the net cost is presented below.

	Total Cost of Services	Program Receipts	Net Cost of Services
Public health services	\$ 6,208,450	\$ 2,812,330	\$ 3,396,120

Property taxes and other general receipts support 76.6 percent of the governmental activities.

**The District's Funds**

Total Governmental funds had receipts of \$ 7,570,315 and disbursements of \$ 6,208,450. The greatest change within Governmental funds occurred within the General Fund. The General Fund balance increased by \$ 1,295,635 in 2008, as compared to a decrease of \$ 54,265 in 2007.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2008  
(UNAUDITED)

**General Fund Budget Highlights**

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

During 2008 the Board of Health amended the General Fund budget as necessary to reflect incremental revenues and corresponding expenditures. The Health Commissioner approves all adjustments to categories within the Board approved appropriations.

Actual receipts exceeded final budget receipts by \$ 79,872, primarily due to charges for services. The final disbursements budget was \$ 4,986,285 while actual disbursements were \$ 4,763,998. The \$ 222,287 variance was primarily due to salaries and benefits, medical supplies, distributions to state, and other expenditures being less than appropriated.

**Capital Assets and Debt Administration**

**Capital Assets**

The District currently tracks its capital assets. However, since the financial statements are presented on a cash basis, capital assets are not reflected on the District's financial statements. Instead, the acquisitions of property, plant and equipment are recorded as disbursements when paid.

**Debt**

The District has no debt obligations.

**Current Issues**

The slow down in the economy has caused a decrease in the environmental income activity. This decrease has amounted in some loss in income but not significant to affect the agency.

In May 2008, we realized the additional income to the Lorain County General Health District from the passage of the 1 Mil replacement levy. This additional income has created a temporary surplus in funds that is anticipated to last for a few years until costs increase to match income.

We are currently in the process of upgrading software and digitizing vital statistic records. Other projects such as the Jarod's Law School Inspections, which is an unfunded mandate from the state, has increased our costs and the demand for public health services due to the economy.

While Public Health Infrastructure has declined it hasn't been significant. Our data infrastructure and web based development is designed to improve our continuity operations plan.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. If you have any questions about this report or need additional information, contact Kenneth G. Pearce, M.P.H. at Lorain County General Health District, 9880 S. Murray Ridge Road, Elyria, Ohio 44035, or by telephone at 440-284-3219.

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LORAIN COUNTY GENERAL HEALTH DISTRICT  
 STATEMENT OF NET ASSETS – CASH BASIS  
 DECEMBER 31, 2008

	Governmental Activities
Assets	
Equity in pooled cash	\$ 3,480,513
Total assets	3,480,513
Net assets	
Restricted for special purposes	450,015
Unrestricted	3,030,498
	\$ 3,480,513

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF ACTIVITIES – CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Cash</u> <u>Disbursements</u>	<u>Program Cash Receipts</u>		<u>Net</u> <u>(Disbursements)</u> <u>Receipts and</u> <u>Changes in</u> <u>Net Assets</u>
		<u>Charges</u> <u>for Services</u> <u>and Sales</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	
Governmental activities				
Public health services	\$ 6,208,450	\$ 1,520,248	\$ 1,292,082	\$ (3,396,120)
General receipts				
Property taxes levied for:				
General purposes				3,408,513
Grants and entitlements not restricted to specific purposes				1,197,454
Miscellaneous				152,018
Total general receipts				<u>4,757,985</u>
Change in net assets				1,361,865
Net assets at beginning of year				2,118,648
Net assets at end of year				<u>\$ 3,480,513</u>

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
 COMBINED STATEMENT OF CASH BASIS ASSETS AND  
 FUND BALANCES – GOVERNMENTAL FUNDS

DECEMBER 31, 2008

	General Fund	WIC Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in pooled cash	\$ 3,030,498	\$ 66,095	\$ 383,920	\$ 3,480,513
Total assets	3,030,498	66,095	383,920	3,480,513
Reserved for encumbrances	101,750	-	84,410	186,160
Unreserved, reported in:				
General fund	2,928,748	-	-	2,928,748
Special revenue funds	-	66,095	299,510	365,605
Total fund balances	\$ 3,030,498	\$ 66,095	\$ 383,920	\$ 3,480,513

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
 COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN  
 CASH BASIS FUND BALANCES – GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2008

	General Fund	WIC Fund	Other Governmental Funds	Totals (Memorandum Only)
Receipts				
Taxes	\$ 3,408,513	\$ -	\$ -	\$ 3,408,513
Intergovernmental				
Federal	-	745,488	425,887	1,171,375
State and local	1,196,106	-	110,000	1,306,106
Charges for services				
Home health services	44,840	-	-	44,840
Immunizations	185,936	-	-	185,936
Inspection fees	61,785	-	-	61,785
Contractual services	460,942	-	-	460,942
Licenses	70,827	-	262,990	333,817
Miscellaneous				
Other receipts	70,270	-	64,297	134,567
Other fees	314,353	-	-	314,353
Refunds	144,311	1,204	2,566	148,081
Total receipts	<u>5,957,883</u>	<u>746,692</u>	<u>865,740</u>	<u>7,570,315</u>
Disbursements				
Salaries and benefits	3,540,572	643,914	542,208	4,726,694
Travel	72,089	7,277	9,383	88,749
Office supplies	51,066	6,084	4,984	62,134
Medical supplies	161,847	2,245	-	164,092
Equipment	91,931	300	-	92,231
Contracts - repair/service	239,287	-	112,662	351,949
Distribution to state	148,060	-	129,041	277,101
Other expenditures	357,396	26,828	61,276	445,500
Total disbursements	<u>4,662,248</u>	<u>686,648</u>	<u>859,554</u>	<u>6,208,450</u>
Excess receipts over disbursements	<u>1,295,635</u>	<u>60,044</u>	<u>6,186</u>	<u>1,361,865</u>
Other financing sources (uses)				
Advances in	52,500	52,500	-	105,000
Advances out	(52,500)	(52,500)	-	(105,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess receipts over/(under) disbursements and other sources (uses)	1,295,635	60,044	6,186	1,361,865
Cash balance, beginning of year	<u>1,734,863</u>	<u>6,051</u>	<u>377,734</u>	<u>2,118,648</u>
Cash balance, end of year	<u>\$ 3,030,498</u>	<u>\$ 66,095</u>	<u>\$ 383,920</u>	<u>\$ 3,480,513</u>

See accompanying notes to the basic financial statements.



LORAIN COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN  
FUND BALANCE – BUDGET AND ACTUAL (BUDGETARY BASIS) – GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Receipts				
Taxes	\$ 3,735,835	\$ 3,893,988	\$ 3,408,513	\$ (485,475)
Intergovernmental				
State and local	707,023	708,262	1,196,106	487,844
Charges for services				
Home health services	37,723	45,000	44,840	(160)
Immunizations	137,755	173,000	185,936	12,936
Inspection fees	109,987	60,000	61,785	1,785
Contractual services	389,375	400,000	460,942	60,942
Licenses	68,974	67,000	70,827	3,827
Miscellaneous				
Other receipts	5,500	70,200	70,270	70
Other fees	211,785	317,561	314,353	(3,208)
Refunds	10,000	143,000	144,311	1,311
Total receipts	<u>5,413,957</u>	<u>5,878,011</u>	<u>5,957,883</u>	<u>79,872</u>
Disbursements				
Salaries and benefits	3,137,950	3,614,500	3,540,572	73,928
Travel	77,675	84,675	74,589	10,086
Office supplies	37,730	68,780	52,566	16,214
Medical supplies	229,715	197,469	174,465	23,004
Equipment	86,035	121,733	108,431	13,302
Contracts - repair/service	119,875	296,417	279,372	17,045
Distribution to state	119,350	184,764	160,560	24,204
Other expenditures	311,625	417,947	373,443	44,504
Total disbursements	<u>4,119,955</u>	<u>4,986,285</u>	<u>4,763,998</u>	<u>222,287</u>
Excess receipts over disbursements	<u>1,294,002</u>	<u>891,726</u>	<u>1,193,885</u>	<u>302,159</u>
Other financing sources (uses)				
Advances in	-	72,500	52,500	(20,000)
Transfers out	(40,000)	-	-	-
Advances out	(60,000)	(52,500)	(52,500)	-
Total other financing sources (uses)	<u>(100,000)</u>	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Excess receipts over/(under) disbursements and other sources (uses)	1,194,002	911,726	1,193,885	282,159
Prior year encumbrances	44,948	44,948	44,948	
Cash balance, beginning of year	<u>1,689,915</u>	<u>1,689,915</u>	<u>1,689,915</u>	<u>-</u>
Cash balance, end of year	<u>\$ 2,928,865</u>	<u>\$ 2,646,589</u>	<u>\$ 2,928,748</u>	<u>\$ 282,159</u>

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN  
FUND BALANCE – BUDGET AND ACTUAL (BUDGETARY BASIS) – WIC FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008

	WIC FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Receipts				
Intergovernmental				
Federal	\$ 645,000	\$ 745,000	\$ 745,488	\$ 488
Miscellaneous				
Refunds	-	1,200	1,204	4
Total receipts	<u>645,000</u>	<u>746,200</u>	<u>746,692</u>	<u>492</u>
Disbursements				
Salaries and benefits	617,111	658,611	643,914	14,697
Travel	6,000	7,600	7,277	323
Office supplies	2,189	6,689	6,084	605
Medical supplies	1,500	2,250	2,245	5
Equipment	-	300	300	-
Other expenditures	18,200	31,050	26,828	4,222
Total disbursements	<u>645,000</u>	<u>706,500</u>	<u>686,648</u>	<u>19,852</u>
Excess receipts over disbursements	<u>-</u>	<u>39,700</u>	<u>60,044</u>	<u>20,344</u>
Other financing sources (uses)				
Advances in	-	72,500	52,500	(20,000)
Advances out	-	(57,500)	(52,500)	5,000
Total other financing sources (uses)	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>
Excess receipts over/(under) disbursements and other sources (uses)	<u>-</u>	<u>54,700</u>	<u>60,044</u>	<u>5,344</u>
Prior year encumbrances	-	-	-	
Cash balance, beginning of year	<u>6,051</u>	<u>6,051</u>	<u>6,051</u>	<u>-</u>
Cash balance, end of year	<u>\$ 6,051</u>	<u>\$ 60,751</u>	<u>\$ 66,095</u>	<u>\$ 5,344</u>

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008

**NOTE 1 - DESCRIPTION OF THE GENERAL HEALTH DISTRICT AND REPORTING ENTITY**

The constitution and laws of the State of Ohio establish the rights and privileges of the Lorain County General Health District, (the District) as a body corporate and politic. An eight member Board, including a Health Commissioner govern the District which provides health services to the community including education and prevention of disease.

**REPORTING ENTITY**

A reporting entity is comprised of the primary government, component units and other organizations ensuring that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the 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, public health nursing, water and solid waste programs and emergency preparedness programs.

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

The District's management believes these 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 basis of accounting the Auditor of State prescribes or permits.

The District's Basic Financial Statements consist of government-wide financial statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

**Government-Wide Financial Statements**

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The Statement of Net Assets presents the cash balances of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct disbursements and program receipts for each program or function of the District's governmental activities. Direct disbursements are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program receipts 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. Receipts which are not classified as program receipts are presented as general receipts of the District, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program is self-financing or draws from the general receipts of the District.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION (continued)

Fund Financial Statements

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

B. FUND ACCOUNTING

The District uses fund accounting 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. Funds are used to segregate resources that are restricted as to use. The District utilizes the governmental category of funds.

Governmental Funds

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 District's major governmental funds:

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

Women, Infants and Children (WIC) Fund – this fund receives federal grant funds which are used to provide services through the Special Supplemental Nutrition Program.

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

C. 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.

D. BASIS OF ACCOUNTING

These financial statements are presented in accordance with the cash basis of accounting. As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in 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.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. CASH

As required by Ohio Revised Code, the Lorain 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. Financial information can be obtained from the Lorain County Treasurer, located at 226 Middle Avenue, Elyria, Ohio 44035.

F. 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.

G. COMPENSATED ABSENCES

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The cash basis of accounting does not recognize unpaid leave as a liability.

H. LONG-TERM OBLIGATIONS

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

I. INTERFUND RECEIVABLES/PAYABLES

The statements report exchange transactions between funds as receipts in the seller funds and as disbursements in the purchasing funds. Non-exchange flows of cash from one fund to another are reported as interfund transfers. Governmental funds report interfund transfers as other financing sources/uses.

J. NET ASSETS

These statements report restricted net assets when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use. The Statement of Net Assets reports \$ 450,015 as restricted net assets, none of which is restricted by enabling legislation.

The District first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources.

K. FUND BALANCE RESERVES AND DESIGNATIONS

In the fund financial statement, governmental funds report reservations of fund balance for amounts that are not available for appropriation. Fund balance reserves have been established for encumbrances.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. BUDGETARY PROCESS

The Ohio Revised Code requires that all funds be budgeted and appropriated. The major documents prepared are the appropriations resolution and certificate of estimated resources, which use the budgetary basis of accounting. The budgetary basis reports expenditures when a commitment is made (i.e., when an encumbrance is approved). The certificate of estimated resources establishes a limit on the amounts the Board of Health may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The Board of Health uses the fund/function level as its legal level of control for all funds.

ORC Section 5705.28(C)(1) requires the Health District to file an estimate of contemplated revenue and expenses with the municipalities and townships within the Health District by about June 1 (forty-five days prior to July 15). The county auditor cannot allocate property taxes from the municipalities and townships within the district if the filing has not been made.

ORC Section 3709.28 establishes budgetary requirements for the Health District, which are similar to ORC Chapter 5705 budgetary requirements. On or about the first Monday of April the Health District must adopt an itemized appropriation measure. The appropriation measure, together with an itemized estimate of revenues to be collected during the next fiscal year, shall be certified to the county budget commission. Subject to estimated resources, the Board of Health may, by resolution, transfer appropriations from one appropriation item to another, reduce or increase any item, create new items, and make additional appropriations or reduce the total appropriation. Such appropriation modifications shall be certified to the county budget commission for approval.

The District amends the certificate of estimated resources during the year if the District receives additional or new sources of funds. 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 resources in effect at the time final appropriations were passed by the District.

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

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

The following adjustment is necessary to reconcile the cash basis statement to the budgetary basis statement for the General Fund:

<u>Net Change in Fund Balance</u>	
Budget basis	\$ 1,193,885
Adjustment for encumbrances	101,750
Cash basis, as reported	<u>\$ 1,295,635</u>

LORAIN COUNTY GENERAL HEALTH DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 3 - CASH BALANCES

The Health District's cash pool, used by all funds, is deposited with the Lorain County Treasurer. The cash pool is commingled with Lorain County's cash and investment pool and is not identifiable as to demand deposits or investments. The carrying amount of cash on deposit with the Lorain County Treasurer at December 31, 2008 was \$ 3,480,513.

NOTE 4 - PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Health. The Ohio Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State of Ohio, and are reflected in the accompanying financial statements as intergovernmental receipts. Tax payments are due to Lorain County by December 31. If the property owner elects to make semi-annual payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Health District. Tangible personal property is assessed by the property owners, who must file a list of such property with Lorain County by each April 30.

The full tax rate for all Health District operations for the year ended December 31, 2008, was \$ 0.997485 per \$1,000 of assessed value. The assessed values of real and personal property upon which 2008 property tax receipts were based are as follows:

Real property	\$ 3,775,986,850
Public utility property	75,794,500
Tangible personal property	48,556,991
	<u>\$ 3,900,338,341</u>

Lorain County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Health District.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008

**NOTE 5 – DEFINED BENEFIT PENSION PLAN**

The District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans as described below:

The Traditional Pension Plan—a cost sharing, multiple-employer defined benefit pension plan.

The Member-Directed Plan—a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

The Combined Plan—a cost sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2008, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety exist only within the Traditional Pension Plan. The 2008 member contribution rates were 10.0% for members in classifications other than law enforcement and public safety. For local government employer units, the rate was 14.0% of covered payroll.

The District's contributions for pension obligations to the traditional, combined, and member directed plans for the year ended December 31, 2008, December 31, 2007, and December 31, 2006 were \$ 494,367, \$ 451,124, and \$ 425,880, respectively. 92.8% has been contributed for 2008, with the remaining 7.2% to be paid in January 2009. The full amount has been contributed for 2007 and 2006.



LORAIN COUNTY GENERAL HEALTH DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008

**NOTE 6 - POSTEMPLOYMENT BENEFITS**

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 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.

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. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, Attention: Finance Director, 277 East Town Street, Columbus OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2008, local government employer units contributed at 14.0% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for state and local employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2008, the employer contribution allocated to the health care plan was 7.0% of covered payroll. 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.

The District's contributions for post-employment benefits for the year ended December 31, 2008, December 31, 2007, and December 31, 2006 were \$ 247,184, \$ 148,194, and \$ 124,357, respectively. 92.8% has been contributed for 2008, with the remaining 7.2%, to be paid in January 2009. The full amount has been contributed for 2007 and 2006.

On September 9, 2004, OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 7 - RISK MANAGEMENT

The Health District has obtained commercial insurance for comprehensive property and general liability, vehicles, and errors and omissions. Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in coverage from prior years. The Health District provides health, prescription, dental and vision insurance coverage through commercial insurance coverage.

NOTE 8 - CONTINGENT LIABILITIES

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, management believes such refunds, if any, would not be significant.

LORAIN COUNTY GENERAL HEALTH DISTRICT  
 SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
 FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Federal Grantor / Pass Through Grantor Program Title</u>	<u>CFDA Number</u>	<u>Pass Through Entity Number</u>	<u>Disbursements</u>
<u>U.S. Department of Agriculture</u>			
Passed through the Ohio Department of Health			
Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	04710011WA0108 / 04710011WA0209	<u>\$ 686,648</u>
Total U.S. Department of Agriculture			<u>686,648</u>
 <u>U.S. Department of Health and Human Services</u>			
Passed through the Ohio Department of Health			
Immunization Action Plan	93.268	04710012IM0108	92,751
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	04710012PI0108 / 04710012PI0209	<u>231,989</u>
Total U.S. Department of Health and Human Services			<u>324,740</u>
 <u>U.S. Department of Transportation</u>			
Passed through the Office of the Governor's Highway Safety Representative			
Traffic Safety Grant	20.600	SC-2008-47-00-00-00399-00 / SC-2009-47-00-00-004889-02	<u>43,552</u>
Total U.S. Department of Transportation			<u>43,552</u>
Total Federal Awards Expenditures			<u><u>\$ 1,054,940</u></u>

**LORAIN COUNTY GENERAL HEALTH DISTRICT  
LORAIN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Health District's federal award programs. The schedule has been prepared on the cash basis of accounting.

**CFDA** – Catalog of Federal Domestic Assistance



# Mary Taylor, CPA

Auditor of State

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

Lorain County General Health District  
Lorain County  
9880 South Murray Ridge Road  
Elyria, Ohio 44035

To the Board of Health:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lorain County General Health District, Lorain County, Ohio, (the District) as of and for the year ended December 31, 2008, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 13, 2009, wherein we noted the District uses a comprehensive accounting basis other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more than inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

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

We noted certain matters that we reported to the District's management in a separate letter dated March 13, 2009.

### **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, providing an opinion 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*.

We did note a certain noncompliance or other matter that we reported to the District's management in a separate letter dated March 13, 2009.

We intend this report solely for the information and use of the audit committee, management, Board of Health, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

March 13, 2009



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Lorain County General Health District  
Lorain County  
9880 South Murray Ridge Road  
Elyria, Ohio 44035

To the Board of Health:

### Compliance

We have audited the compliance of the Lorain County General Health District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended December 31, 2008. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Lorain County General Health District complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2008.

### Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Lausche Building / 615 Superior Ave., NW / Twelfth Floor / Cleveland, OH 44113-1801  
Telephone: (216) 787-3665 (800) 626-2297 Fax: (216) 787-3361  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more than inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

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 that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We intend this report solely for the information and use of the audit committee, management, Board of Health, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

March 13, 2009



**LORAIN COUNTY GENERAL HEALTH DISTRICT  
LORAIN COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2008**

**1. SUMMARY OF AUDITOR'S RESULTS**

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

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.





**Mary Taylor, CPA**  
Auditor of State

**LORAIN COUNTY GENERAL HEALTH DISTRICT**

**LORAIN 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  
APRIL 16, 2009**