

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

***CASH BASIS BASIC  
FINANCIAL STATEMENTS***

***FOR THE YEAR ENDED  
DECEMBER 31, 2010***

**CECILE DONAHEY, FISCAL OFFICER**



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

**CASH BASIS BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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## **Julian & Grube, Inc.**

*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

### Accountant's Compilation Report

To the Columbiana County General Health District  
Lisbon, Ohio

We have compiled the basic financial statements, as listed in the table of contents, for the Columbiana County General Health District (the "Health District"), as of and for the year ended December 31, 2010, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The management's discussion and analysis, on pages 3 through 11, is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

*Julian & Grube, Inc.*

February 23, 2011

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)**

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, 2010, 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 2010 are as follows:

- For 2010 the total net cash assets of the Health District increased \$42,738, which represents a 10.41% increase from 2009.
- For 2010, general cash receipts accounted for \$511,817 or 25.59% of total governmental activities cash receipts. Program specific cash receipts accounted for \$1,488,466 or 74.41% of total governmental activities cash receipts.
- For 2010, the Health District had \$1,957,545 in cash disbursements related to governmental activities; \$1,488,466 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily property taxes) of \$511,817 were adequate to provide for these programs.
- The Health District's major funds are the general fund, the public health emergency response fund, the early start fund, the cancer levy fund and the home sewage fund. The general fund, the Health District's largest major fund, had cash receipts of \$457,225 in 2010. The cash disbursements of the general fund, totaled \$399,118 in 2010. The general fund's cash balance increased \$58,107 from 2009 to 2010.
- The public health emergency response fund, a Health District major fund, had cash receipts of \$273,470 in 2010. The public health emergency response fund had cash disbursements of \$325,083 in 2010. The public health emergency response fund cash balance decreased \$51,613 from 2009 to 2010.
- The early start fund, a Health District major fund, had cash receipts of \$305,891 in 2010. The early start fund had cash disbursements of \$313,015 in 2010. The early start fund cash balance decreased \$7,124 from 2009 to 2010.
- The cancer levy fund, a Health District major fund, had cash receipts of \$315,114 in 2010. The cancer levy fund had cash disbursements of \$258,864 in 2010. The cancer levy fund cash balance increased \$56,250 from 2009 to 2010.
- The home sewage fund, a Health District major fund, had cash receipts of \$257,050 in 2010. The home sewage fund had cash disbursements of \$256,857 in 2010. The home sewage fund cash balance increased \$193 from 2009 to 2010.

**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.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

The statement of net assets – 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 five major governmental funds. The general fund is the most significant major fund.

**Reporting the Health District as a Whole**

*Statement of Net Assets and the Statement of Activities*

The statement of net assets – cash basis and the statement of activities – cash basis answer the question, how did we do financially during 2010? These statements include *only net assets* 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 assets and changes in those assets on a cash basis. This change in net cash assets 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 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. 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 assets – cash basis and the statement of activities – cash basis, governmental activities include the Health District's programs and services, including public health infrastructure, public health emergency response, early start, cancer levy, home sewage and general government.

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

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

*Fund Financial Statements*

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

***Governmental Funds***

All of the Health District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed view of the Health District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various Health District programs. Since the Health District is reporting on the cash basis of accounting, there are no differences in the net assets and fund cash balances or changes in net assets and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements. The governmental fund statements can be found on pages 14-17 of this report.

The Health District's budgetary process accounts for certain transactions on a cash basis. The budgetary statements for the general fund, the public health emergency response fund, the early start fund, the cancer levy fund and the home sewage fund are presented to demonstrate the Health District's compliance with annually adopted budgets. The budgetary statements can be found on pages 18-22 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 23-29 of this report.

**Government-Wide Financial Analysis**

Recall that the statement of net assets – 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 assets at December 31, 2010 and December 31, 2009.

	<u>Net Cash Assets</u>	
	Governmental Activities 2010	Governmental Activities 2009
<u>Assets</u>		
Equity in pooled cash and cash equivalents	\$ 453,236	\$ 410,498
Total assets	<u>453,236</u>	<u>410,498</u>
<u>Net Assets</u>		
Restricted	283,004	289,518
Unrestricted	<u>170,232</u>	<u>120,980</u>
Total net assets	<u>\$ 453,236</u>	<u>\$ 410,498</u>

For 2010, the total net cash assets of the Health District increased \$42,738, which represents a 10.41% increase.

The balance of government-wide unrestricted net cash assets of \$170,232 at December 31, 2010, 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, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

The table below shows the changes in net cash assets for 2010 and 2009.

	<b>Change in Net Cash Assets</b>	
	Governmental Activities	Governmental Activities
	<u>2010</u>	<u>2009</u>
<b>Cash Receipts:</b>		
Program cash receipts:		
Charges for services	\$ 428,777	\$ 469,976
Operating grants and contributions	<u>1,059,689</u>	<u>856,677</u>
Total program cash receipts	<u>1,488,466</u>	<u>1,326,653</u>
General cash receipts:		
Property and other taxes	389,660	387,718
Unrestricted grants	102,206	135,841
Other	<u>19,951</u>	<u>64,174</u>
Total general cash receipts	<u>511,817</u>	<u>587,733</u>
Total cash receipts	<u>2,000,283</u>	<u>1,914,386</u>
<b>Cash Disbursements:</b>		
Salaries	805,993	883,513
Supplies	50,562	41,480
Remittance to State	50,646	64,193
Equipment	39,781	4,798
Contracts - Services	414,030	218,349
Membership/Subscriptions	375	50
Travel	62,413	59,382
Advertising and printing	1,266	340
Public Employee's Retirement	113,057	123,813
Hospitalization	265,533	237,065
Medicare	10,372	11,666
Worker's Compensation	10,032	11,677
Other	131,045	109,187
Utilities	<u>2,440</u>	<u>2,464</u>
Total cash disbursements	<u>1,957,545</u>	<u>1,767,977</u>
Change in net cash assets	42,738	146,409
Net cash assets at beginning of year	<u>410,498</u>	<u>264,089</u>
Net cash assets at end of year	<u>\$ 453,236</u>	<u>\$ 410,498</u>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

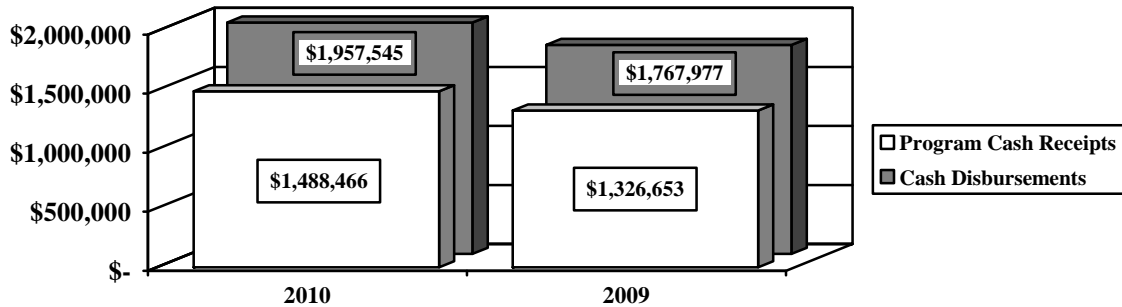
**Governmental Activities**

Governmental cash assets increased by \$42,738 in 2010 from 2009.

Salaries represent the largest cash disbursement of the Health District. In 2010, salary cash disbursements totaled \$805,993, or 41.17% of total governmental cash disbursements. Salary cash disbursements were supported by \$598,575 in direct charges to users for services and operating grants.

The statement of activities – cash basis shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2010 and 2009. 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**

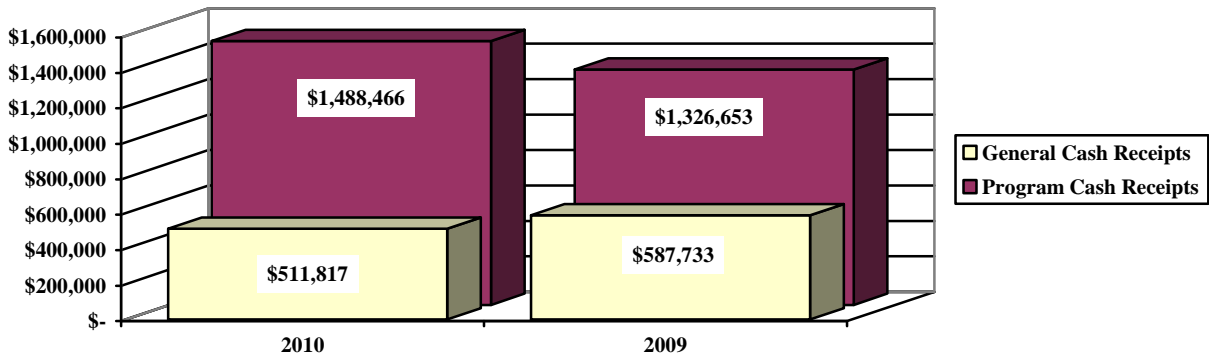
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**Governmental Activities**

	Total Cost of Services 2010	Net Cost of Services 2010	Total Cost of Services 2009	Net Cost of Services 2009
Cash disbursements:				
Current:				
Salaries	\$ 805,993	\$ 207,418	\$ 883,513	\$ 242,082
Supplies	50,562	15,641	41,480	8,055
Remittance to State	50,646	16,692	64,193	23,120
Equipment	39,781	6,316	4,798	(2,257)
Contracts - Services	414,030	73,750	218,349	42,477
Membership/Subscriptions	375	228	50	30
Travel	62,413	12,861	59,382	8,602
Advertising and printing	1,266	131	340	(160)
Public Employee's Retirement	113,057	29,206	123,813	36,203
Hospitalization	265,533	69,464	237,065	65,472
Medicare	10,372	2,421	11,666	2,726
Worker's Compensation	10,032	2,552	11,677	3,867
Other	131,045	32,343	109,187	11,201
Utilities	2,440	56	2,464	(94)
<b>Total</b>	<b>\$ 1,957,545</b>	<b>\$ 469,079</b>	<b>\$ 1,767,977</b>	<b>\$ 441,324</b>

The dependence upon general cash receipts for governmental activities is apparent; with 23.96% of cash disbursements supported through taxes and other general cash receipts during 2010.

**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, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**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 \$453,236, which is \$42,738 more than last year's total of \$410,498. The schedule below indicates the fund cash balance and the total change in fund cash balance as of December 31, 2010 and December 31, 2009, for all major and nonmajor governmental funds.

	<u>Fund Cash Balance</u> <u>December 31, 2010</u>	<u>Fund Cash Balance</u> <u>December 31, 2009</u>	<u>Increase/</u> <u>(Decrease)</u>
Major Funds:			
General	\$ 111,349	\$ 53,242	\$ 58,107
Public Health Emergency Response	7	51,620	(51,613)
Early Start	83,022	90,146	(7,124)
Cancer Levy	123,243	66,993	56,250
Home Sewage	12,699	12,506	193
Other Nonmajor Governmental Funds	<u>122,916</u>	<u>135,991</u>	<u>(13,075)</u>
Total	<u>\$ 453,236</u>	<u>\$ 410,498</u>	<u>\$ 42,738</u>

During 2010, the Health District's fund cash balance increased \$42,738. This increase can primarily be attributed to the activity of both the general fund and the cancer levy fund. The general fund experienced significantly lower cash disbursements during 2010 due to reductions in salaries paid, remittance to the State, contributions to the Ohio Public Employees Retirement System and costs related to hospitalization. These cuts in cash disbursements allowed declining cash receipts in the general fund to still outpace cash disbursements. The cancer levy fund experienced increased cash receipts due to grant proceeds from the Susan G. Komen for the Cure organization. These receipts more than offset increased cash disbursements in the cancer levy fund during 2010.

**General Fund**

The general fund, the Health District's largest major fund, had cash receipts of \$457,225 in 2010. The cash disbursements of the general fund totaled \$399,118 in 2010. The general fund's cash balance increased \$58,107 from 2009 to 2010.

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

	<u>2010</u> <u>Amount</u>	<u>2009</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Cash Receipts:</u></b>			
Taxes	\$ 218,146	\$ 218,155	(0.00) %
Intergovernmental	71,714	85,950	(16.56) %
Fees	155,996	192,948	(19.15) %
Other	<u>11,369</u>	<u>17,796</u>	(36.11) %
Total	<u>\$ 457,225</u>	<u>\$ 514,849</u>	(11.19) %

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

During 2010, the cash receipts of the general fund decreased \$57,624. This decrease can mainly be attributed to a decrease in fees of \$36,952, which was due to the expiration and nonrenewal of the Health District's contract with the City of Salem in June of 2009.

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

	<u>2010</u> <u>Amount</u>	<u>2009</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Cash Disbursements</u></b>			
Salaries	\$ 204,353	\$ 243,979	(16.24) %
Supplies	20,044	15,812	26.76 %
Remittance to State	22,231	37,402	(40.56) %
Contracts - Services	11,197	13,396	(16.42) %
Membership/Subscriptions	375	50	650.00 %
Travel	16,926	16,583	2.07 %
Public Employee's Retirement	28,968	33,942	(14.65) %
Hospitalization	61,328	82,989	(26.10) %
Medicare	2,536	3,037	(16.50) %
Worker's Compensation	2,783	4,628	(39.87) %
Other	28,377	30,618	(7.32) %
Utilities	-	175	(100.00) %
Total	<u>\$ 399,118</u>	<u>\$ 482,611</u>	(17.30) %

During 2010, the cash disbursements of the general fund decreased \$83,493. This decrease can mainly be attributed to reductions in salaries paid, remittance to the State, contributions to the Ohio Public Employees Retirement System and costs related to hospitalization.

***Public Health Emergency Response Fund***

The public health emergency response fund, a Health District major fund, had cash receipts of \$273,470 in 2010. The public health emergency response fund had cash disbursements of \$325,083 in 2010. The public health emergency response fund cash balance decreased \$51,613 from 2009 to 2010.

***Early Start Fund***

The early start fund, a Health District major fund, had cash receipts of \$305,891 in 2010. The early start fund had cash disbursements of \$313,015 in 2010. The early start fund cash balance decreased \$7,124 from 2009 to 2010.

***Cancer Levy Fund***

The cancer levy fund, a Health District major fund, had cash receipts of \$315,114 in 2010. The cancer levy fund had cash disbursements of \$258,864 in 2010. The cancer levy fund cash balance increased \$56,250 from 2009 to 2010.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

***Home Sewage Fund***

The home sewage fund, a Health District major fund, had cash receipts of \$257,050 in 2010. The home sewage fund had cash disbursements of \$256,857 in 2010. The home sewage fund cash balance increased \$193 from 2009 to 2010.

***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 2010, the general fund final budget basis receipts of \$400,500 exceeded original budget estimates of \$248,000 by \$152,500. Actual cash receipts of \$457,225 were more than final budget estimates by \$56,725. The final budgetary basis disbursements of \$453,741 exceeded original budget estimates of \$248,000 by \$205,741. The actual budgetary basis disbursements of \$399,118 were \$54,623 less than the final budget estimates.

**Capital Assets and Debt Administration**

***Capital Assets***

The Health District does not record capital assets in the accompanying cash basis basic financial statements, but records payments for capital assets as disbursements. The Health District had equipment cash disbursements of \$39,781 during 2010.

***Debt Administration***

The Health District did not have any long-term obligations at December 31, 2010.

**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.

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**CASH BASIS BASIC  
FINANCIAL STATEMENTS**

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

STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2010

(SEE ACCOUNTANT'S COMPILATION REPORT)

	<u>Governmental Activities</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 453,236
 Total assets . . . . .	 <u>453,236</u>
 <b>Net assets:</b>	
Restricted for:	
Public health infrastructure . . . . .	43,631
Emergency response . . . . .	7
Early start . . . . .	83,022
Cancer levy . . . . .	123,243
Home sewage . . . . .	12,699
Home health. . . . .	13,698
Food service. . . . .	6,704
Unrestricted . . . . .	<u>170,232</u>
 Total net assets . . . . .	 <u>\$ 453,236</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

(SEE ACCOUNTANT'S COMPILATION REPORT)

	Program Cash Receipts			Net (Cash Disbursements) Cash Receipts and Changes in Net Cash Assets
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>				
Salaries . . . . .	\$ 805,993	\$ 210,621	\$ 387,954	\$ (207,418)
Supplies . . . . .	50,562	9,258	25,663	(15,641)
Remittance to State . . . . .	50,646	31,828	2,126	(16,692)
Equipment . . . . .	39,781	-	33,465	(6,316)
Contracts - Services . . . . .	414,030	56,421	283,859	(73,750)
Membership/Subscriptions . . . . .	375	147	-	(228)
Travel . . . . .	62,413	17,383	32,169	(12,861)
Advertising and printing . . . . .	1,266	55	1,080	(131)
Public Employee's Retirement . . . . .	113,057	28,816	55,035	(29,206)
Hospitalization . . . . .	265,533	55,942	140,127	(69,464)
Medicare . . . . .	10,372	2,860	5,091	(2,421)
Worker's Compensation . . . . .	10,032	2,590	4,890	(2,552)
Other . . . . .	131,045	12,783	85,919	(32,343)
Utilities . . . . .	2,440	73	2,311	(56)
Totals . . . . .	\$ 1,957,545	\$ 428,777	\$ 1,059,689	(469,079)
<b>General Cash Receipts:</b>				
Property and other taxes levied for:				
General purposes . . . . .				389,660
Grants and entitlements not restricted to specific programs . . . . .				102,206
Miscellaneous . . . . .				19,951
Total general cash receipts . . . . .				511,817
Change in net cash assets . . . . .				42,738
<b>Net cash assets at beginning of year . . . . .</b>				410,498
<b>Net cash assets at end of year . . . . .</b>				\$ 453,236

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, 2010

(SEE ACCOUNTANT'S COMPILATION REPORT)

	<b>General</b>	<b>Public Health Emergency Response</b>	<b>Early Start</b>	<b>Cancer Levy</b>
<b>Cash assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 111,349	\$ 7	\$ 83,022	\$ 123,243
Total assets . . . . .	<u>\$ 111,349</u>	<u>\$ 7</u>	<u>\$ 83,022</u>	<u>\$ 123,243</u>
<b>Fund cash balances:</b>				
Unreserved, undesignated, reported in:				
General fund. . . . .	\$ 111,349	\$ -	\$ -	\$ -
Special revenue funds . . . . .	-	7	83,022	123,243
Total fund cash balances. . . . .	<u>\$ 111,349</u>	<u>\$ 7</u>	<u>\$ 83,022</u>	<u>\$ 123,243</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Home Sewage</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 12,699	\$ 122,916	\$ 453,236
<u>\$ 12,699</u>	<u>\$ 122,916</u>	<u>\$ 453,236</u>

\$ -	\$ -	\$ 111,349
12,699	122,916	341,887
<u>\$ 12,699</u>	<u>\$ 122,916</u>	<u>\$ 453,236</u>

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

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

(SEE ACCOUNTANT'S COMPILATION REPORT)

	<u>General</u>	<u>Public Health Emergency Response</u>	<u>Early Start</u>	<u>Cancer Levy</u>
<b>Cash receipts:</b>				
Taxes . . . . .	\$ 218,146	\$ -	\$ -	\$ 171,514
Intergovernmental . . . . .	71,714	273,470	296,529	30,492
Fees. . . . .	155,996	-	-	-
Licenses and permits. . . . .	-	-	-	-
Other . . . . .	11,369	-	9,362	113,108
Total cash receipts. . . . .	<u>457,225</u>	<u>273,470</u>	<u>305,891</u>	<u>315,114</u>
<b>Cash disbursements:</b>				
Salaries . . . . .	204,353	68,652	175,141	100,157
Supplies . . . . .	20,044	11,068	4,554	2,023
Remittance to State . . . . .	22,231	-	-	-
Equipment . . . . .	-	39,781	-	-
Contracts - Services . . . . .	11,197	107,777	4,229	88,422
Membership/Subscriptions . . . . .	375	-	-	-
Travel . . . . .	16,926	6,023	19,745	441
Advertising and printing . . . . .	-	803	-	-
Public Employee's Retirement . . . . .	28,968	12,467	24,363	13,441
Hospitalization . . . . .	61,328	8,569	68,392	45,967
Medicare. . . . .	2,536	786	2,436	940
Worker's Compensation . . . . .	2,783	531	2,089	1,306
Other . . . . .	28,377	68,626	9,626	6,167
Utilities . . . . .	-	-	2,440	-
Total cash disbursements . . . . .	<u>399,118</u>	<u>325,083</u>	<u>313,015</u>	<u>258,864</u>
Net change in fund cash balances . . . . .	58,107	(51,613)	(7,124)	56,250
<b>Fund cash balances at beginning of year . .</b>	<u>53,242</u>	<u>51,620</u>	<u>90,146</u>	<u>66,993</u>
<b>Fund cash balances at end of year . . . . .</b>	<u>\$ 111,349</u>	<u>\$ 7</u>	<u>\$ 83,022</u>	<u>\$ 123,243</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Home Sewage</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ 389,660
189,940	186,703	1,048,848
15,000	2,760	173,756
46,400	174,243	220,643
5,710	27,827	167,376
<u>257,050</u>	<u>391,533</u>	<u>2,000,283</u>
41,137	216,553	805,993
-	12,873	50,562
2,875	25,540	50,646
-	-	39,781
189,941	12,464	414,030
-	-	375
-	19,278	62,413
-	463	1,266
5,759	28,059	113,057
15,960	65,317	265,533
588	3,086	10,372
504	2,819	10,032
93	18,156	131,045
-	-	2,440
<u>256,857</u>	<u>404,608</u>	<u>1,957,545</u>
193	(13,075)	42,738
12,506	135,991	410,498
<u>\$ 12,699</u>	<u>\$ 122,916</u>	<u>\$ 453,236</u>

**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, 2010

(SEE ACCOUNTANT'S COMPILATION REPORT)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Final Budget (Negative)</u>
<b>Budgetary basis receipts:</b>				
Taxes . . . . .	\$ 118,322	\$ 191,081	\$ 218,146	\$ 27,065
Intergovernmental . . . . .	38,898	62,817	71,714	8,897
Fees . . . . .	84,613	136,643	155,996	19,353
Other . . . . .	6,167	9,959	11,369	1,410
Total budgetary basis receipts. . . . .	<u>248,000</u>	<u>400,500</u>	<u>457,225</u>	<u>56,725</u>
<b>Budgetary basis disbursements:</b>				
Salaries . . . . .	100,000	225,000	204,353	20,647
Supplies . . . . .	10,000	27,061	20,044	7,017
Remittance to State . . . . .	15,000	17,500	22,231	(4,731)
Contracts - Services . . . . .	3,000	8,000	11,197	(3,197)
Membership/Subscriptions. . . . .	500	500	375	125
Travel . . . . .	16,000	21,000	16,926	4,074
Public Employee's Retirement . . . . .	14,000	31,500	28,968	2,532
Hospitalization . . . . .	71,800	91,630	61,328	30,302
Medicare . . . . .	1,500	3,350	2,536	814
Worker's Compensation . . . . .	2,000	2,000	2,783	(783)
Other . . . . .	14,200	26,200	28,377	(2,177)
Total budgetary basis disbursements. . . . .	<u>248,000</u>	<u>453,741</u>	<u>399,118</u>	<u>54,623</u>
Net change in fund cash balance . . . . .	-	(53,241)	58,107	111,348
<b>Fund cash balance at beginning of year . . . . .</b>	<u>53,242</u>	<u>53,242</u>	<u>53,242</u>	-
<b>Fund cash balance at end of year . . . . .</b>	<u>\$ 53,242</u>	<u>\$ 1</u>	<u>\$ 111,349</u>	<u>\$ 111,348</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)  
PUBLIC HEALTH EMERGENCY RESPONSE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010

(SEE ACCOUNTANT'S COMPILATION REPORT)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Budgetary basis receipts:</b>				
Intergovernmental . . . . .	\$ -	\$ 273,470	\$ 273,470	\$ -
Total budgetary basis receipts. . . . .	<u>-</u>	<u>273,470</u>	<u>273,470</u>	<u>-</u>
<b>Budgetary basis disbursements:</b>				
Salaries. . . . .	-	91,800	68,652	23,148
Supplies . . . . .	-	7,000	11,068	(4,068)
Equipment . . . . .	-	40,000	39,781	219
Contracts - Services . . . . .	-	85,550	107,777	(22,227)
Travel . . . . .	-	14,950	6,023	8,927
Advertising and printing . . . . .	-	-	803	(803)
Public Employee's Retirement . . . . .	-	14,000	12,467	1,533
Hospitalization . . . . .	-	11,550	8,569	2,981
Medicare . . . . .	-	1,450	786	664
Worker's Compensation . . . . .	-	1,000	531	469
Other . . . . .	-	57,790	68,626	(10,836)
Total budgetary basis disbursements. . . . .	<u>-</u>	<u>325,090</u>	<u>325,083</u>	<u>7</u>
Net change in fund cash balance . . . . .	-	(51,620)	(51,613)	7
<b>Fund cash balance at beginning of year. . . . .</b>	<u>51,620</u>	<u>51,620</u>	<u>51,620</u>	<u>-</u>
<b>Fund cash balance at end of year . . . . .</b>	<u>\$ 51,620</u>	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 7</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH  
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)  
EARLY START FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Budgetary basis receipts:</b>				
Intergovernmental . . . . .	\$ 271,430	\$ 268,231	\$ 296,529	\$ 28,298
Other . . . . .	8,570	8,469	9,362	893
Total budgetary basis receipts. . . . .	<u>280,000</u>	<u>276,700</u>	<u>305,891</u>	<u>29,191</u>
<b>Budgetary basis disbursements:</b>				
Salaries. . . . .	180,000	203,000	175,141	27,859
Supplies . . . . .	6,000	8,190	4,554	3,636
Contracts - Services . . . . .	500	500	4,229	(3,729)
Membership/Subscriptions . . . . .	175	175	-	175
Travel. . . . .	14,000	17,000	19,745	(2,745)
Advertising and printing . . . . .	375	375	-	375
Public Employee's Retirement . . . . .	25,200	28,420	24,363	4,057
Hospitalization . . . . .	39,760	57,760	68,392	(10,632)
Medicare . . . . .	2,700	3,036	2,436	600
Worker's Compensation . . . . .	3,600	3,600	2,089	1,511
Other . . . . .	7,690	7,690	9,626	(1,936)
Utilities. . . . .	-	400	2,440	(2,040)
Total budgetary basis disbursements . . . . .	<u>280,000</u>	<u>330,146</u>	<u>313,015</u>	<u>17,131</u>
Net change in fund cash balance . . . . .	-	(53,446)	(7,124)	46,322
<b>Fund cash balance at beginning of year. . . . .</b>	<u>90,146</u>	<u>90,146</u>	<u>90,146</u>	-
<b>Fund cash balance at end of year . . . . .</b>	<u>\$ 90,146</u>	<u>\$ 36,700</u>	<u>\$ 83,022</u>	<u>\$ 46,322</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, 2010

(SEE ACCOUNTANT'S COMPILATION REPORT)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>Budgetary basis receipts:</b>				
Taxes . . . . .	\$ 139,071	\$ 139,071	\$ 171,514	\$ 32,443
Intergovernmental . . . . .	24,724	24,724	30,492	5,768
Other . . . . .	91,712	91,712	113,108	21,396
Total budgetary basis receipts. . . . .	<u>255,507</u>	<u>255,507</u>	<u>315,114</u>	<u>59,607</u>
<b>Budgetary basis disbursements:</b>				
Salaries . . . . .	120,000	120,000	100,157	19,843
Supplies . . . . .	1,500	7,500	2,023	5,477
Contracts - Services . . . . .	82,507	122,507	88,422	34,085
Travel . . . . .	1,000	1,000	441	559
Public Employee's Retirement . . . . .	16,800	16,800	13,441	3,359
Hospitalization . . . . .	25,200	36,193	45,967	(9,774)
Medicare . . . . .	1,800	1,800	940	860
Worker's Compensation . . . . .	2,400	2,400	1,306	1,094
Other . . . . .	4,300	14,300	6,167	8,133
Total budgetary basis disbursements. . . . .	<u>255,507</u>	<u>322,500</u>	<u>258,864</u>	<u>63,636</u>
Net change in fund cash balance . . . . .	-	(66,993)	56,250	123,243
<b>Fund cash balance at beginning of year. . . . .</b>	<u>66,993</u>	<u>66,993</u>	<u>66,993</u>	<u>-</u>
<b>Fund cash balance at end of year . . . . .</b>	<u>\$ 66,993</u>	<u>\$ -</u>	<u>\$ 123,243</u>	<u>\$ 123,243</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, 2010

(SEE ACCOUNTANT'S COMPILATION REPORT)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>Budgetary basis receipts:</b>				
Intergovernmental . . . . .	\$ 65,025	\$ 187,276	\$ 189,940	\$ 2,664
Fees . . . . .	5,135	14,790	15,000	210
Licenses and permits . . . . .	15,885	45,749	46,400	651
Other . . . . .	1,955	5,630	5,710	80
Total budgetary basis receipts. . . . .	<u>88,000</u>	<u>253,445</u>	<u>257,050</u>	<u>3,605</u>
<b>Budgetary basis disbursements:</b>				
Salaries. . . . .	55,000	55,000	41,137	13,863
Remittance to State . . . . .	2,400	2,400	2,875	(475)
Contracts - Services . . . . .	-	176,745	189,941	(13,196)
Travel. . . . .	4,500	4,500	-	4,500
Public Employee's Retirement . . . . .	7,700	7,700	5,759	1,941
Hospitalization . . . . .	16,464	16,464	15,960	504
Medicare . . . . .	825	825	588	237
Worker's Compensation . . . . .	825	825	504	321
Other . . . . .	286	286	93	193
Total budgetary basis disbursements. . . . .	<u>88,000</u>	<u>264,745</u>	<u>256,857</u>	<u>7,888</u>
Net change in fund cash balance . . . . .	-	(11,300)	193	11,493
<b>Fund cash balance at beginning of year. . . . .</b>	<u>12,506</u>	<u>12,506</u>	<u>12,506</u>	<u>-</u>
<b>Fund cash balance at end of year . . . . .</b>	<u>\$ 12,506</u>	<u>\$ 1,206</u>	<u>\$ 12,699</u>	<u>\$ 11,493</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, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**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. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. 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, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**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.

Public health emergency response fund - This is a federal grant fund used to account for the support and enhancement of public health infrastructure that is critical to public health preparedness and response.

Early start fund - This fund accounts for activity associated with the contract with the Columbiana County Family and Children First Council to provide services to children from birth to three years that are at risk or have special needs through the federally funded Help Me Grow program.

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

Home Sewage Fund - This fund accounts for septic permits, septic installer registration, and septic hauler licenses for the septic system program needed to meet State requirements.

Other governmental funds of the Health District are used to account for grants and other resources, and capital projects whose use is restricted to a particular purpose.

**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 assets and changes in net assets. 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 assets – 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.

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

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

The statement of net assets – 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. 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.

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

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

**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, Nick Barborak, 105 S. Market Street, Lisbon, Ohio 44432.

**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 Assets**

Net assets are 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 assets are available.

**NOTE 3 - RISK MANAGEMENT**

During 2010, 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

**COLUMBIANA GENERAL HEALTH DISTRICT  
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**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 that may be obtained by 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 2010, member and contribution rates were consistent across all three plans. While members in the State and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2010 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.5% and 11.1%, respectively. The Health District's contribution rate for 2010 was 14.00%, except for those plan members in law enforcement or public safety, for whom the Health District's contribution was 17.87% of covered payroll.

The Health District's contribution rate for pension benefits for members in the Traditional Plan for 2010 was 8.50% from January 1 through February 28, 2010 and 9.00% from March 1 through December 31, 2010. The Health District's contribution rate for pension benefits for members in the Combined Plan for 2010 was 9.27% from January 1 through February 28, 2010 and 9.77% from March 1 through December 31, 2010. The Health District's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2010, 2009, and 2008 were \$74,796, \$71,733, and \$64,831, respectively; these contributions were sufficient to fulfill the requirements.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
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**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 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 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 2010, local government employers contributed 14.00% of covered payroll (17.87% for public safety and law enforcement). 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 2010 was 5.50% from January 1 through February 28, 2010 and 5.00% from March 1 through December 31, 2010. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2010 was 4.73% from January 1 through February 28, 2010 and 4.23% from March 1 through December 31, 2010.

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, 2010, 2009, and 2008 were \$41,914, \$52,080, and \$64,831, respectively; these contributions were sufficient to fulfill the requirements.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**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.