

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY**

AUDIT REPORT

FOR THE YEARS ENDED DECEMBER 31, 2017 & 2016



**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
AUDIT REPORT**
For the Years Ended December 31, 2017 and 2016

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 COSHOCTON COUNTY
 AUDIT REPORT**
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INDEPENDENT AUDITOR'S REPORT

General Health District
Coshocton County
724 South Seventh Street
Coshocton, Ohio 43812

To the District Board of Health:

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the General Health District, Coshocton County, Ohio (the District), as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 2; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the General Health District, Coshocton County, Ohio, as of December 31, 2017 and 2016, and the respective changes in cash basis financial position and the respective budgetary comparison for the General, Child and Family Health Services, Women, Infants and Children (WIC), Solid Waste Grant, Public Health Emergency Preparedness and Household Sewage Treatment funds thereof for the years then ended in accordance with the accounting basis described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
May 29, 2018

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS
December 31, 2017**

	<u>Governmental Activities</u>
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 293,365
TOTAL ASSETS	<u><u>\$ 293,365</u></u>
NET POSITION	
Restricted for:	
Other Purposes	\$ 215,610
Unrestricted	77,755
TOTAL NET POSITION	<u><u>\$ 293,365</u></u>

See accompanying notes to the basic financial statements.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY**

**STATEMENT OF ACTIVITIES CASH BASIS
For the Year Ended December 31, 2017**

	Program Cash Receipts			Net (Disbursements) Receipts & Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants & Contributions	Governmental Activities
Governmental Activities:				
Health	\$ 864,197	\$ 195,265	\$ 461,829	\$ (207,103)
Total Governmental Activities	\$ 864,197	\$ 195,265	\$ 461,829	(207,103)
 General Receipts:				
Subdivision Revenue				132,000
Unrestricted Contributions & Donations				49,948
Miscellaneous				5,022
Total General Receipts				186,970
Change in Net Position				(20,133)
Net position - beginning of year				313,498
Net position - end of year				\$ 293,365

See accompanying notes to the basic financial statements.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY**

**STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Child & Family Health Services Fund	Women, Infants and Children (WIC) Fund	Solid Waste Grant Fund	Public Hlth Emerg. Prep (PHEP) Fund	Household Sewage Treatment Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$ 49,011	\$ 15,501	\$ 55,686	\$ 8,066	\$ 35,996	\$ 51,350	\$ 293,365
Total Assets	<u>\$ 49,011</u>	<u>\$ 15,501</u>	<u>\$ 55,686</u>	<u>\$ 8,066</u>	<u>\$ 35,996</u>	<u>\$ 51,350</u>	<u>\$ 293,365</u>
Fund Balances							
Restricted	\$ -	\$ 15,501	\$ 55,686	\$ 8,066	\$ 35,996	\$ 51,350	\$ 215,610
Assigned	3,211	-	-	-	-	-	3,211
Unassigned	74,544	-	-	-	-	-	74,544
Total Fund Balances	<u>\$ 49,011</u>	<u>\$ 15,501</u>	<u>\$ 55,686</u>	<u>\$ 8,066</u>	<u>\$ 35,996</u>	<u>\$ 51,350</u>	<u>\$ 293,365</u>

See accompanying notes to the basic financial statements

**GENERAL HEALTH DISTRICT
COSHOCKTON COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BASIS FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Fund	Child & Family Services Health Fund	Women, Infants and Children (WIC) Fund	Solid Waste Grant Fund	Public Hlth Emerg. Prep (PHEEP) Fund	Household Sewage Treatment Fund	Other Governmental Funds	Total Governmental Funds
Cash Receipts:								
Subdivision Revenue	\$ 132,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,000
Intergovernmental	35,269	54,185	225,601	47,150	75,257	-	24,367	461,829
Contributions	-	49,948	-	-	-	-	-	49,948
Fees, Licenses and Permits	20,808	-	-	43,950	-	35,199	73,190	173,147
Charges for Services	3,740	3,578	-	-	-	14,800	-	22,118
Other	2,369	539	1,081	161	319	257	296	5,022
Total Cash Receipts	194,186	108,250	226,682	91,261	75,576	50,256	97,853	844,064
Cash Disbursements:								
Health	225,657	108,187	224,886	80,866	85,830	47,378	91,393	864,197
Total Cash Disbursements	225,657	108,187	224,886	80,866	85,830	47,378	91,393	864,197
Excess of Cash Receipts Over (Under) Cash Disbursements	(31,471)	63	1,796	10,395	(10,254)	2,878	6,460	(20,133)
Other financing Receipts/(disbursements):								
Advance-In	20,000	-	-	-	-	-	-	20,000
Advance-Out	-	-	(20,000)	-	-	-	-	(20,000)
Transfer-In	-	-	-	-	-	-	3,000	3,000
Transfer-Out	-	-	-	-	-	(1,000)	(2,000)	(3,000)
Total Other Financing Receipts/(Disbursements)	20,000	-	(20,000)	-	-	(1,000)	1,000	-
Net Change in Fund Balances	(11,471)	63	(18,204)	10,395	(10,254)	1,878	7,460	(20,133)
Fund Cash Balance-January 1	89,226	48,948	33,705	45,291	18,320	34,118	43,890	313,498
Fund Cash Balance-December 31	\$ 77,755	\$ 49,011	\$ 15,501	\$ 55,686	\$ 8,066	\$ 35,996	\$ 51,350	\$ 293,365

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund

For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Subdivision Revenue	\$ 132,000	\$ 132,000	\$ 132,000	\$ -
Intergovernmental	63,250	48,350	35,269	(13,081)
Fees, Licenses and Permits	17,850	19,650	20,808	1,158
Charges for Services	6,000	4,000	3,740	(260)
Other	-	2,400	2,369	(31)
Total Cash Receipts	<u>219,100</u>	<u>206,400</u>	<u>194,186</u>	<u>(12,214)</u>
Cash Disbursements:				
Salaries	142,185	142,385	137,396	4,989
Employee Fringe Benefits	53,804	52,704	48,688	4,016
Supplies	8,000	8,000	6,176	1,824
Contract Services	6,700	6,942	6,331	611
Travel/Conferences	2,000	2,908	2,767	141
Other Expenses	37,263	38,986	27,510	11,476
Total Disbursements	<u>249,952</u>	<u>251,925</u>	<u>228,868</u>	<u>23,057</u>
Excess of Receipts Over (Under)				
Disbursements	(30,852)	(45,525)	(34,682)	10,843
Other financing receipts (disbursements):				
Transfer-out	(1,000)	(1,000)	(1,000)	-
Advance-In	-	20,000	20,000	-
Total other financing receipts (disbursements)	<u>(1,000)</u>	<u>19,000</u>	<u>19,000</u>	<u>-</u>
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements				
	(31,852)	(26,525)	(15,682)	10,843
Fund Balance-January 1	81,765	81,765	81,765	-
Prior Year Encumbrances Appropriated	<u>5,461</u>	<u>5,461</u>	<u>5,461</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 55,374</u>	<u>\$ 60,701</u>	<u>\$ 71,544</u>	<u>\$ 10,843</u>

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Child and Family Health Services Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Intergovernmental	\$ 38,500	\$ 55,000	\$ 54,185	\$ (815)
Charges for Services	5,500	5,500	3,578	(1,922)
Contributions	50,000	50,000	49,948	(52)
Other	-	-	539	539
Total Cash Receipts	<u>94,000</u>	<u>110,500</u>	<u>108,250</u>	<u>(2,250)</u>
Cash Disbursements:				
Salaries	52,504	52,504	49,998	2,506
Employee Fringe Benefits	10,332	10,332	8,873	1,459
Supplies	3,600	17,955	17,394	561
Equipment	0	1,100	1,030	70
Contract Services	24,000	30,100	28,870	1,230
Travel	100	100	0	100
Other Expenses	2,750	3,750	2,022	1,728
Total Disbursements	<u>93,286</u>	<u>115,841</u>	<u>108,187</u>	<u>7,654</u>
Excess of Receipts Over (Under)				
Disbursements	714	(5,341)	63	5,404
Fund Balance-January 1	33,268	33,268	33,268	-
Prior Year Encumbrances Appropriated	<u>15,680</u>	<u>15,680</u>	<u>15,680</u>	<u>-</u>
Fund Balance-December 31	<u>\$49,662</u>	<u>\$43,607</u>	<u>\$49,011</u>	<u>\$5,404</u>

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCKTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Women, Infants and Children (WIC) Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Intergovernmental	\$ 226,567	\$ 226,567	\$ 225,601	\$ (966)
Other	-	1,080	1,081	1
Total Cash Receipts	<u>226,567</u>	<u>227,647</u>	<u>226,682</u>	<u>(965)</u>
Cash Disbursements:				
Salaries	165,184	171,584	167,747	3,837
Employee Fringe Benefits	54,964	46,189	42,380	3,809
Contract Services	2,000	2,000	1,792	
Supplies	12,323	15,186	15,001	185
Total Disbursements	<u>234,471</u>	<u>234,959</u>	<u>226,920</u>	<u>7,831</u>
Excess of Receipts Over (Under)				
Disbursements	(7,904)	(7,312)	(238)	7,074
Other financing receipts (disbursements):				
Advance-Out	-	(20,000)	(20,000)	-
Total other financing receipts (disbursements)	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements				
	(7,904)	(27,312)	(20,238)	7,074
Fund Balance-January 1	29,827	29,827	29,827	-
Prior Year Encumbrances Appropriated	<u>301</u>	<u>301</u>	<u>301</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 22,224</u>	<u>\$ 2,816</u>	<u>\$ 9,890</u>	<u>\$ 7,074</u>

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Solid Waste Grant Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Intergovernmental	\$ 47,035	\$ 47,035	\$ 47,150	\$ 115
Fees, Licenses and Permits	37,000	45,500	43,950	(1,550)
Other	-	-	161	161
Total Cash Receipts	<u>84,035</u>	<u>92,535</u>	<u>91,261</u>	<u>(1,274)</u>
Cash Disbursements:				
Salaries	27,434	27,434	27,434	-
Employee Fringe Benefits	20,495	20,495	16,159	4,336
Travel	2,000	2,034	653	1,381
Other Expenses	32,587	43,191	36,731	6,460
Total Disbursements	<u>82,516</u>	<u>93,154</u>	<u>80,977</u>	<u>12,177</u>
Excess of Receipts Over (Under)				
Disbursements	1,519	(619)	10,284	10,903
Fund Balance-January 1	45,257	45,257	45,257	-
Prior Year Encumbrances Appropriated	<u>34</u>	<u>34</u>	<u>34</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 46,810</u>	<u>\$ 44,672</u>	<u>\$ 55,575</u>	<u>\$ 10,903</u>

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Public Health Emergency Prepared (PHEP) Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Intergovernmental	\$69,806	\$76,445	\$75,257	(\$1,188)
Other	0	720	319	(401)
Total Cash Receipts	<u>69,806</u>	<u>77,165</u>	<u>75,576</u>	<u>(1,589)</u>
Cash Disbursements:				
Salaries	43,419	49,419	48,907	512
Employee Fringe Benefits	13,416	14,360	13,222	1,138
Supplies	3,780	19,474	16,196	3,278
Contract Services	8,439	8,439	7,506	933
Total Disbursements	<u>69,054</u>	<u>91,692</u>	<u>85,831</u>	<u>5,861</u>
Excess of Receipts Over (Under)				
Disbursements	752	(14,527)	(10,255)	4,272
Fund Balance-January 1	15,194	15,194	15,914	(720)
Prior Year Encumbrances Appropriated	<u>2,407</u>	<u>2,407</u>	<u>2,407</u>	<u>-</u>
Fund Balance-December 31	<u>\$18,353</u>	<u>\$3,074</u>	<u>\$8,066</u>	<u>\$3,552</u>

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Household Sewage Treatment Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Fees, Licenses and Permits	\$ 37,160	\$ 34,660	\$ 35,199	\$ 539
Charges for Services	14,000	14,000	14,800	800
Other	-	-	257	257
Total Cash Receipts	<u>51,160</u>	<u>48,660</u>	<u>50,256</u>	<u>1,596</u>
Cash Disbursements:				
Salaries	31,317	31,317	29,796	1,521
Employee Fringe Benefits	13,436	13,436	10,767	2,669
Supplies	500	567	450	117
Equipment	2,000	2,000	1,819	181
Other Expenses	4,700	6,150	5,850	300
Total Disbursements	<u>51,953</u>	<u>53,470</u>	<u>48,682</u>	<u>4,788</u>
Excess of Receipts Over (Under)				
Disbursements	(793)	(4,810)	1,574	6,384
Other financing receipts (disbursements):				
Transfer-out	-	(1,000)	(1,000)	-
Total other financing receipts (disbursemen	<u>-</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements	(793)	(5,810)	574	6,384
Fund Balance-January 1	33,001	33,001	33,001	-
Prior Year Encumbrances Appropriated	<u>1,117</u>	<u>1,117</u>	<u>1,117</u>	<u>-</u>
Fund Balance-December 31	<u>\$33,325</u>	<u>\$28,308</u>	<u>\$34,692</u>	<u>\$6,384</u>

See accompanying notes to the basic financial statements

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

Note 1 - Reporting Entity

Empowered by Section 3709.01, Revised Code, the General Health District, Coshocton County (the District) consists of the County's 22 Townships and 5 Villages. The District is directed by a five-member Board appointed by the District Advisory Council, which is composed of publicly elected officials from the governmental subdivisions within the District, a Health Commissioner, and a Fiscal Administrator.

As a separate political entity, the General Health District operates autonomously from the government of Coshocton County. However, the Revised Code charges the county auditor and county treasurer to serve in similar capacities for the District. Charged with maintaining the health and welfare of the General Health District, the District is empowered to enforce the laws, rules and regulations as promulgated by the appropriate federal and state legislatures, departments, and agencies. The District provides general governmental services, including health services relative to communicable disease investigations, immunization clinics, tuberculosis screening, home nursing visits, inspections, birth and death certificates, various licenses and permits, and related services.

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

Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Health District. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, the issuance of health-related licenses and permits, and emergency response planning.

As health districts are structured in Ohio, the County Auditor and County Treasurer serve respectively as fiscal officer and custodian of funds for the District. As fiscal officer, the County Auditor certifies the availability of cash and appropriations prior to the processing of payments. As the custodian of public funds, the County Treasurer invests District monies held on deposit in the county treasury.

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest, or (b) an ongoing financial responsibility. Under the cash basis of accounting, the District does not report assets for equity interest in joint ventures.

The District participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity. This organization is the Public Entities Pool of Ohio (PEP). PEP provides property, casualty, and liability coverage.

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

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

Note 2 - Summary of Significant Accounting Policies

As discussed further in the “Basis of Accounting” section of this note, 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 (GAAP). Generally accepted accounting principles 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. Following are the more significant of the Health District’s accounting policies.

Basis of Presentation

The District’s basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program 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 expenses with program receipts identifies the extent to which each governmental program is self-financing or draws from the general receipts of the District.

Fund Financial Statements During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the 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.

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

Governmental Funds Governmental funds are those through which most governmental functions of the District are financed. The following are the District’s major governmental funds:

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

Coshocton County General Health District

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2017*

Child and Family Health Services Fund This is a combination of federal and state grant funds used to fund services for well children and pregnant women. Patient fees and charitable donations also help this fund with revenues for the Maternal and Child Health Center.

Women, Infants and Children (WIC) Fund This fund accounts for and reports federal grant monies restricted to the Women, Infants and Children program.

Solid Waste Grant Fund This fund is used to account for permits issued and grants from the Four County Solid Waste District.

Public Health Emergency Preparedness (PHEP) Fund This is a federal grant fund used to assure the District is prepared for any public health emergencies, both natural and man-made.

Household Sewage Treatment Fund This fund is used to account for the use and receipt of sewage treatment systems fees for various permits and duties authorized by Ohio R.C. 3718 as well as lot/split review fees and occasional state EPA grants.

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

Basis of Accounting

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.

Budgetary Process

The District is required by Ohio Revised Code Section 3709.28 to file an annual budget with the county auditor. The District adopts an appropriation measure and estimates revenues for the ensuing year and submits these estimates to the county auditor by April 1. The auditor submits this to the Budget Commission for review, modification, or approval. The District's Board and County Budget Commission approve any changes made to these estimates during the year. The District filed the required budgets with their administrative agent for 2016 and 2017.

All funds are legally required to be budgeted and appropriated (except certain agency funds). The major documents prepared are the appropriations measure, and certificate of estimated resources, both of which are prepared on the budgetary basis of accounting. The appropriations measure demonstrates a need for existing or increased assessments to the townships and villages within the District. The certificate of estimated resources establishes a limit on the amount the District may appropriate.

The appropriations resolution is the District's authorization to spend resources and set limits on disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established at the object level for the General Fund and at the fund level for all other funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District Fiscal Officer. The amounts reported in the original budget on the budgetary statements reflect the amounts on the certificate of estimated resources when the original

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

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 District.

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 appropriation amounts passed by the District during the year.

Cash and Investments

As required by Ohio Revised Code, the County Treasurer is custodian for the District's cash. The District's assets are held in the county's cash and investment pool and are valued at the County Treasurer's reported carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County. The District's carrying amount of cash on deposit with the County at December 31, 2017, was \$293,365. The Coshocton County Treasurer's Office is located at 349 Main Street, Coshocton, Ohio 43812. The phone number is (740) 622-2731.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Inventory and Prepaid Items

The District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

Capital Assets

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

Interfund Receivables/Payables

The District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long-Term Obligations

The District's cash basis financial statements do not report liabilities for long-term obligations. Proceeds for debt are reported when cash is received and principal and interest payments are reported when paid.

Net Position

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

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

Fund Balance

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

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

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Health or a Health District official delegated that authority by resolution, or by State Statute. The District may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget in the General Fund.

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Note 3 - Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis presented for the General, Child and Family Health Services, WIC, Solid Waste Grant, Public Health Emergency Preparedness and Household Sewage Treatment funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than restricted, committed or assigned fund balance (cash basis).

The following table summarizes the adjustments necessary to reconcile the cash basis statements to the budgetary basis statements for the General, WIC, Household Sewage Treatment, and Solid Waste Grant funds.

For the Year Ended December 31, 2017

	General Fund	Women's Infants & Children (WIC)	Household Sewage Treatment	Solid Waste Grant
Fund Balance, Cash Accounting Basis	\$ 77,755	\$ 15,501	\$ 35,996	\$ 55,686
Year-end Encumbrances	(3,211)	(2,034)	(1,304)	(111)
Perspective Difference:				
Net activity of Fund Reclassified:				
Dist. Health Reserve	(3,000)	-	-	-
WIC Reserve	-	(3,578)	-	-
Fund Balance Budget Basis	\$ 71,544	\$ 9,889	\$ 34,692	\$ 55,575

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

Note 4 - Intergovernmental

The County apportions the excess of the District's appropriations over estimated receipts among the townships and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. The financial statements present these amounts as subdivision revenue.

Note 5 – Interfund Receivables/Payables

Interfund balances at December 31, 2017, consisted of the following individual fund receivables and payables:

	<u>Advance to Other Funds</u>	<u>Advance from Other Funds</u>
Major Funds		
General fund	\$12,000	
Public Health Emergency Preparedness fund		12,000
<i>Total Governmental Activities</i>	<u>12,000</u>	<u>12,000</u>
Total	<u>\$12,000</u>	<u>\$12,000</u>

Interfund balances at December 31, 2017, consisted of \$12,000 advanced from the General fund to the Public Health Emergency Preparedness fund to provide working capital for operations. This advance was made prior to January of 2014 and has been extended by the Board as of December 31, 2017. During 2017 the WIC fund repaid a prior year \$20,000 advance to the General Fund.

Note 6 - Risk Management

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

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

The District provides for employee health insurance through the Coshocton County Commissioners. The county's Self-Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on an actuarially determined cost per employee. The District's required contribution for its employees' health insurance coverage to the county for the years ended December 31, 2017, 2016 and 2015 were \$80,176, \$78,580, and \$82,832 respectively. The full amount has been contributed for 2017, 2016 and 2015.

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2016, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

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

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2016:

	<u>2016</u>
Assets	\$42,182,281
Liabilities	<u>(13,396,700)</u>
Net Position	<u>\$28,785,581</u>

At December 31, 2016 the liabilities above include approximately \$12.0 million of estimated incurred claims payable. The assets above also include approximately \$11.5 million of unpaid claims to be billed. The Pool's membership increased to 520 members in 2016. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the District's share of these unpaid claims collectible in future years is approximately \$4,000.

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

<u>Contributions to PEP</u>
<u>2016</u>
\$6,803

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

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

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

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

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

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

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

Coshocton County General Health District

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2017*

COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

2017 Statutory Maximum Contribution Rates

Employer	14.0 %
Employee	10.0 %

2017 Actual Contribution Rates

Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	<u>1.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

The District's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2017, 2016 and 2015 were \$67,988, \$58,485, and \$62,434 respectively. The full amount has been contributed for 2017, 2016 and 2015.

Note 8 - Postemployment Benefits

Ohio Public Employees Retirement System

A. Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

Coshocton County General Health District

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2017*

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

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

B. Funding Policy

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 to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017 the District contributed at a rate of 14.00% of earnable salary for state and local employees. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund the OPEB Plan.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2017 was 4.0%.

Actual employer contributions which were used to fund postemployment benefits for the years ended December 31, 2017, 2016, and 2015 were \$4,827, \$8,304, and \$8,919 respectively, 100% has been contributed for 2017, 2016, and 2015.

Coshocton County General Health District

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2017*

Note 9 – Fund Balances

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

Fund Balances for year-end December 31, 2017.

Fund Balances	District Health Fund	Child & Family Health Fund	Women, Infants and Children WIC Fund	Solid Waste Grant Fund	Public Health Emerg Prep Fund	Household Sewage Treatment Fund	Other Govt'l Funds	Total
Restricted for:								
WIC	\$-	\$ -	\$15,501	\$ -	\$ -	\$ -	\$ -	\$15,501
Child & Family Hlth Fund	-	49,011	-	-	-	-	-	49,011
Solid Waste	-	-	-	55,686	-	-	-	55,686
Public Health Emergency	-	-	-	-	8,066	-	-	8,066
Environmental Reserve	-	-	-	-	-	-	8,500	8,500
Household Sewage Treat	-	-	-	-	-	35,996	-	35,996
Swimming Pool	-	-	-	-	-	-	3,630	3,630
Water	-	-	-	-	-	-	25,913	25,913
DH Construction & Demo	-	-	-	-	-	-	2,416	2,416
Campground	-	-	-	-	-	-	4,848	4,848
Food Service	-	-	-	-	-	-	6,043	6,043
Total Restricted	-	49,011	15,501	55,686	8,066	35,996	51,350	215,610
Assigned for:								
Operating Expense	\$3,211	=	=	=	=	=	=	3,211
Total Assigned	3,211	-	-	-	-	-	-	3,211
Unassigned	74,544	=	=	=	=	=	=	74,544
Total Fund Balances	\$77,755	\$49,011	\$15,501	\$55,686	\$8,066	\$35,996	\$51,350	\$293,365

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

Note 10 - Interfund Transfers

Following is a summary of transfers in and out of all funds for 2017:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Water System Fund	\$ 0	\$ 1,000
Food Service Fund	0	1,000
Household Sewage Treatment Fund	0	1,000
Environmental Health Reserve Fund	3,000	0
Totals	<u>\$ 3,000</u>	<u>\$ 3,000</u>

Transfers represent the allocation of unrestricted receipts collected in the Water, Food and Household Sewage Treatment funds to the Environmental Health Reserve fund to provide funding for the future retirement of employees.

Note 11 – Contingent Liabilities

Amounts grantor agencies pay to the Health District are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

GENERAL HEALTH DISTRICT
COSHOCTON COUNTY

STATEMENT OF NET POSITION - CASH BASIS
December 31, 2016

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents	\$ 313,498
TOTAL ASSETS	<u>313,498</u>
NET POSITION	
Restricted for:	
Other Purposes	224,272
Unrestricted	89,226
TOTAL NET POSITION	<u>\$ 313,498</u>

See accompanying notes to the basic financial statements.

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended December 31, 2016

	Program Cash Receipts			Net (Disbursements) Receipts & Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants & Contributions	Governmental Activities
Governmental Activities:				
Health	\$ 747,669	\$ 197,065	\$ 443,091	\$ (107,513)
Total Governmental Activities	\$ 747,669	\$ 197,065	\$ 443,091	(107,513)
General Receipts:				
Subdivision Revenue				119,579
Grants and Contributions				50,953
Miscellaneous				2,874
Total General Receipts				173,406
Increase (Decrease) in net position				65,893
Net position - beginning of year				247,605
Net position - end of year				\$ 313,498

See accompanying notes to the basic financial statements

GENERAL HEALTH/DISTRICT
COSHOCOTON COUNTY

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	General Fund	Child and Family Hlth Services Fund	Women, Infants and Children (WIC) Fund	Solid Waste Grant Fund	Public Hlth Emergency Preparedness (PHEP) Fund	Household Sewage Treatment Fund	Other Governmental Funds	Total Governmental Funds
Assets								
Equity in Pooled Cash and Cash Equivalents	\$ 89,226	\$ 48,948	\$ 33,705	\$ 45,291	\$ 18,320	\$ 34,118	\$ 43,890	\$ 313,498
Total Assets	\$ 89,226	\$ 48,948	\$ 33,705	\$ 45,291	\$ 18,320	\$ 34,118	\$ 43,890	\$ 313,498
Fund Balances								
Restricted	\$ -	\$ 48,948	\$ 33,705	\$ 45,291	\$ 18,320	\$ 34,118	\$ 43,890	\$ 224,272
Assigned	5,461	-	-	-	-	-	-	5,461
Unassigned	83,765	-	-	-	-	-	-	83,765
Total Fund Balances	\$ 89,226	\$ 48,948	\$ 33,705	\$ 45,291	\$ 18,320	\$ 34,118	\$ 43,890	\$ 313,498

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Fund	Child and Family Health Services Fund	Women, Infants and Children (WIC) Fund	Solid Waste Grant Fund	Public Hlth Emerg. Prep (PHEP) Fund	Household Sewage Treatment Fund	Other Governmental Funds	Total Governmental Funds
Cash Receipts:								
Subdivision Revenue	\$ 119,579	-	-	\$ -	\$ -	\$ -	\$ -	\$ 119,579
Charges for Services	8,400	7,446	-	-	-	15,150	-	30,996
Fees, Licenses and Permits	17,507	-	-	40,450	-	35,050	73,062	166,069
Intergovernmental Contributions	64,483	85,287	197,005	47,035	49,281	-	-	443,091
Other	1,907	321	-	305	-	-	341	50,953
Total Cash Receipts	211,876	144,007	197,005	87,790	49,281	50,200	73,403	813,562
Cash Disbursements:								
Health	168,950	121,414	213,183	84,157	45,971	44,840	69,154	747,669
Total Cash Disbursements	168,950	121,414	213,183	84,157	45,971	44,840	69,154	747,669
Excess of Cash Receipts Over (Under) Cash Disbursements	42,926	22,593	(16,178)	3,633	3,310	5,360	4,249	65,893
Other financing receipts/(disbursements):								
Advance-In	7,000	-	27,000	-	-	-	-	34,000
Advance-Out	(27,000)	-	(7,000)	-	-	-	-	(34,000)
Transfer-In	500	-	-	-	-	-	1,000	1,500
Transfer-Out	(500)	-	-	-	-	(500)	(500)	(1,500)
Total Other financing receipts/(disbursements)	(20,000)	-	20,000	-	-	(500)	500	-
Net Change in Fund Balances	22,926	22,593	3,822	3,633	3,310	4,860	4,749	65,893
Fund Cash Balance-January 1	66,300	26,355	29,883	41,658	15,010	29,258	39,141	247,605
Fund Cash Balance-December 31	\$ 89,226	\$ 48,948	\$ 33,705	\$ 45,291	\$ 18,320	\$ 34,118	\$ 43,890	\$ 313,498

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Subdivision Revenue	\$ 120,000	\$ 120,000	\$ 119,579	\$ (421)
Charges for Services	6,000	6,000	8,400	2,400
Fees, Licenses and Permits	17,350	17,350	17,507	157
Intergovernmental	39,325	65,375	64,483	(892)
Other Revenue	-	1,900	1,907	7
Total Cash Receipts	182,675	210,625	211,876	1,251
Cash Disbursements:				
Salaries	95,225	95,225	95,161	64
Employee Fringe Benefits	32,899	32,519	30,777	1,742
Supplies	7,000	7,500	6,466	1,034
Contract Services	6,700	6,723	5,612	1,111
Travel/Conferences	2,500	2,500	2,446	54
Other Expenses	42,743	45,228	34,449	10,779
Total Disbursements	187,067	189,695	174,911	14,784
Excess of Receipts Over (Under)				
Disbursements	(4,392)	20,930	36,965	16,035
Other financing receipts (disbursements):				
Transfer-out	(500)	(500)	-	(500)
Advance-In	-	7,000	7,000	-
Advance-out	-	(27,000)	(27,000)	-
Total other financing receipts (disbursement)	(500)	(20,500)	(20,000)	(500)
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements				
	(4,892)	430	16,965	15,535
Fund Balance-January 1	59,819	59,819	59,819	-
Prior Year Encumbrances Appropriated	4,981	4,981	4,981	-
Fund Balance-December 31	\$ 59,908	\$ 65,230	\$ 81,765	\$ 15,535

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budget Basis)
Child and Family Health Services Fund
For the Year Ended December 31, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Charges for Services	\$ 5,250	\$ 5,250	\$ 7,446	\$ 2,196
Intergovernmental	81,331	84,531	85,287	756
Contributions	40,000	50,000	50,953	953
Other Revenue	-	-	321	321
Total Cash Receipts	<u>126,581</u>	<u>139,781</u>	<u>144,007</u>	<u>4,226</u>
Cash Disbursements:				
Salaries	60,993	56,831	56,602	229
Employee Fringe Benefits	17,811	16,817	15,396	1,421
Supplies	29,920	38,523	37,182	1,341
Contract Services	24,000	25,775	25,688	87
Travel	300	300	68	232
Other Expenses	4,000	2,341	2,158	183
Total Disbursements	<u>137,024</u>	<u>140,587</u>	<u>137,094</u>	<u>3,493</u>
Excess of Receipts Over (Under)				
Disbursements	(10,443)	(806)	6,913	7,719
Fund Balance-January 1	24,360	24,360	24,360	-
Prior Year Encumbrances Appropriated	<u>1,995</u>	<u>1,995</u>	<u>1,995</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 15,912</u>	<u>\$ 25,549</u>	<u>\$ 33,268</u>	<u>\$ 7,719</u>

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Women, Infants and Children (WIC) Fund
For the Year Ended December 31, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Intergovernmental	\$ 222,567	\$ 197,567	\$ 197,005	\$ (562)
Total Revenues	222,567	197,567	197,005	(562)
Cash Disbursements:				
Salaries	161,510	161,510	155,892	5,618
Employee Fringe Benefits	53,872	51,258	49,017	2,241
Supplies	10,928	13,683	8,478	5,205
Total Disbursements	226,310	226,451	213,387	13,064
Excess of Receipts Over (Under)				
Disbursements	(3,743)	(28,884)	(16,382)	12,502
Other financing receipts (disbursements):				
Transfer-in	-	8,000	8,000	-
Advance-in	-	27,000	27,000	-
Advance-out	-	(7,000)	(7,000)	-
Total other financing receipts (disbursement)	-	28,000	28,000	-
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements				
	(3,743)	(884)	11,618	12,502
Fund Balance-January 1	17,987	17,987	17,987	-
Prior Year Encumbrances Appropriated	222	222	222	-
Fund Balance-December 31	\$ 14,466	\$ 17,325	\$ 29,827	\$ 12,502

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Solid Waste Grant Fund
For the Year Ended December 31, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Licenses and Permits	\$ 36,400	\$ 39,500	\$ 40,450	\$ 950
Intergovernmental	47,035	47,035	47,035	-
Other Revenue	-	-	305	305
Total Revenues	<u>83,435</u>	<u>86,535</u>	<u>87,790</u>	<u>1,255</u>
Cash Disbursements:				
Salaries	26,635	26,635	26,634	1
Employee Fringe Benefits	21,941	21,961	17,842	4,119
Travel	2,000	2,000	1,697	303
Other Expense	37,000	41,225	38,018	3,207
Total Disbursements	<u>87,576</u>	<u>91,821</u>	<u>84,191</u>	<u>7,630</u>
Excess of Receipts Over (Under) Disbursements	(4,141)	(5,286)	3,599	8,885
Fund Balance-January 1	<u>41,658</u>	<u>41,658</u>	<u>41,658</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 37,517</u>	<u>\$ 36,372</u>	<u>\$ 45,257</u>	<u>\$ 8,885</u>

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Public Health Emergency Preparedness Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Intergovernmental	\$ 70,000	\$ 63,000	\$ 49,281	\$ (13,719)
Total Revenues	<u>70,000</u>	<u>63,000</u>	<u>49,281</u>	<u>(13,719)</u>
Cash Disbursements:				
Salaries	17,676	23,926	23,784	142
Employee Fringe Benefits	4,035	4,615	3,824	791
Supplies	2,632	2,632	1,385	1,247
Contract Services	53,439	46,609	19,384	27,225
Total Disbursements	<u>77,782</u>	<u>77,782</u>	<u>48,377</u>	<u>29,405</u>
Excess of Receipts Over (Under) Disbursements	(7,782)	(14,782)	904	15,686
Fund Balance-January 1	11,480	11,480	11,480	-
Prior Year Encumbrances Appropriated	<u>3,530</u>	<u>3,530</u>	<u>3,530</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 7,228</u>	<u>\$ 228</u>	<u>\$ 15,914</u>	<u>\$ 15,686</u>

See accompanying notes to the basic financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Household Sewage Treatment Fund
For the Year Ended December 31, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Licenses and Permits	\$ 26,580	\$ 31,680	\$ 35,050	\$ 3,370
Charges for Services	<u>10,000</u>	<u>15,100</u>	<u>15,150</u>	<u>50</u>
Total Revenues	<u>36,580</u>	<u>46,780</u>	<u>50,200</u>	<u>3,420</u>
Cash Disbursements:				
Salaries	30,605	30,605	30,290	315
Employee Fringe Benefits	12,155	12,212	11,626	586
Supplies	1,000	1,000	821	179
Other Expense	<u>3,000</u>	<u>3,970</u>	<u>3,219</u>	<u>751</u>
Total Disbursements	<u>46,760</u>	<u>47,787</u>	<u>45,956</u>	<u>1,831</u>
Excess of Receipts Over (Under) Disbursements	(10,180)	(1,007)	4,244	5,251
Other financing receipts (disbursements):				
Transfer-out	<u>-</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Total other financing receipts (disbursements)	<u>-</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements	(10,180)	(1,507)	3,744	5,251
Fund Balance-January 1	27,787	27,787	27,787	-
Prior Year Encumbrances Appropriated	<u>1,470</u>	<u>1,470</u>	<u>1,470</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 19,077</u>	<u>\$ 27,750</u>	<u>\$ 33,001</u>	<u>\$ 5,251</u>

See accompanying notes to the basic financial statements

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2016

Note 1 - Reporting Entity

Empowered by Section 3709.01, Revised Code, the General Health District, Coshocton County (the District) consists of the County's 22 Townships and 5 Villages. The District is directed by a five-member Board appointed by the District Advisory Council, which is composed of publicly elected officials from the governmental subdivisions within the District, a Health Commissioner, and a Fiscal Administrator.

As a separate political entity, the General Health District operates autonomously from the government of Coshocton County. However, the Revised Code charges the county auditor and county treasurer to serve in similar capacities for the District. Charged with maintaining the health and welfare of the General Health District, the District is empowered to enforce the laws, rules and regulations as promulgated by the appropriate federal and state legislatures, departments, and agencies. The District provides general governmental services, including health services relative to communicable disease investigations, immunization clinics, tuberculosis screening, home nursing visits, inspections, birth and death certificates, various licenses and permits, and related services.

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

Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Health District. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, the issuance of health-related licenses and permits, and emergency response planning.

As health districts are structured in Ohio, the County Auditor and County Treasurer serve respectively as fiscal officer and custodian of funds for the District. As fiscal officer, the County Auditor certifies the availability of cash and appropriations prior to the processing of payments. As the custodian of public funds, the County Treasurer invests District monies held on deposit in the county treasury.

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest, or (b) an ongoing financial responsibility. Under the cash basis of accounting, the District does not report assets for equity interest in joint ventures.

The District participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity. This organization is the Public Entities Pool of Ohio (PEP). PEP provides property, casualty, and liability coverage.

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

Coshocton County General Health District

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2016*

Note 2 - Summary of Significant Accounting Policies

As discussed further in the “Basis of Accounting” section of this note, 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 (GAAP). Generally accepted accounting principles 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. Following are the more significant of the Health District’s accounting policies.

Basis of Presentation

The District’s basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program 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 expenses with program receipts identifies the extent to which each governmental program is self-financing or draws from the general receipts of the District.

Fund Financial Statements During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the 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.

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

Governmental Funds Governmental funds are those through which most governmental functions of the District are financed. The following are the District’s major governmental funds:

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

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2016

Child and Family Health Services Fund This is a combination of federal and state grant funds used to fund services for well children and pregnant women. Patient fees and charitable donations also help this fund with revenues for the Maternal and Child Health Center.

Women, Infants and Children (WIC) Fund This fund accounts for and reports federal grant monies restricted to the Women, Infants and Children program.

Solid Waste Grant Fund This fund is used to account for permits issued and grants from the Four County Solid Waste District.

Public Health Emergency Preparedness (PHEP) Fund This is a federal grant fund used to assure the District is prepared for any public health emergencies, both natural and man-made.

Household Sewage Treatment Fund This fund is used to account for the use and receipt of sewage treatment systems fees for various permits and duties authorized by Ohio R.C. 3718 as well as lot/split review fees and occasional state EPA grants.

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

Basis of Accounting

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.

Budgetary Process

The District is required by Ohio Revised Code Section 3709.28 to file an annual budget with the county auditor. The District adopts an appropriation measure and estimates revenues for the ensuing year and submits these estimates to the county auditor by April 1. The auditor submits this to the Budget Commission for review, modification, or approval. The District's Board and County Budget Commission approve any changes made to these estimates during the year. The District filed the required budgets with their administrative agent for 2016 and 2017.

All funds are legally required to be budgeted and appropriated (except certain agency funds). The major documents prepared are the appropriations measure, and certificate of estimated resources, both of which are prepared on the budgetary basis of accounting. The appropriations measure demonstrates a need for existing or increased assessments to the townships and villages within the District. The certificate of estimated resources establishes a limit on the amount the District may appropriate.

The appropriations resolution is the District's authorization to spend resources and set limits on disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established at the object level for the General Fund and at the fund level for all other funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District Fiscal Officer. The amounts reported in the original budget on the budgetary statements reflect the amounts on the certificate of estimated resources when the original

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2016

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 District.

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 appropriation amounts passed by the District during the year.

Cash and Investments

As required by Ohio Revised Code, the County Treasurer is custodian for the District's cash. The District's assets are held in the county's cash and investment pool and are valued at the County Treasurer's reported carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County. The District's carrying amount of cash on deposit with the County at December 31, 2016, was \$313,498. The Coshocton County Treasurer's Office is located at 349 Main Street, Coshocton, Ohio 43812. The phone number is (740) 622-2731.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Inventory and Prepaid Items

The District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

Capital Assets

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

Interfund Receivables/Payables

The District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2016

Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long-Term Obligations

The District's cash basis financial statements do not report liabilities for long-term obligations. Proceeds for debt are reported when cash is received and principal and interest payments are reported when paid.

Net Position

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

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

Fund Balance

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

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

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Health or a Health District official delegated that authority by resolution, or by State Statute. The District may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget in the General Fund.

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2016

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Note 3 - Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis presented for the General, Child and Family Health Services, Solid Waste Grant, Public Health Emergency Preparedness and Household Sewage Treatment funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than restricted, committed or assigned fund balance (cash basis).

The following table summarizes the adjustments necessary to reconcile the cash basis statements to the budgetary basis statements for the General, Child & Family Health, WIC, Household Sewage Treatment, Public Health Emergency Preparedness and Solid Waste Grant funds.

For the Year Ended December 31, 2016

	General Fund	Child & Family Health Services	Women's Infants & Children (WIC)	Household Sewage Treatment	Public Hlth Emergency Preparednes	Solid Waste Grant
Fund Balance, Cash Accounting Basis	\$ 89,226	\$ 48,948	\$ 33,705	\$ 34,118	\$17,601	\$ 45,291
Year-end Encumbrances	(5,461)	(15,680)	(300)	(1,117)	(2,407)	(34)
Perspective Difference:						
Net activity of Fund Reclassified:						
Dist. Health Reserve	(2,000)	-	-	-	-	-
WIC Reserve	=	=	(3,578)	=	=	=
Fund Balance Budget Basis	\$ 81,765	\$ 33,268	\$ 29,827	\$ 33,001	\$ 15,194	\$ 45,257

Coshocton County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2016

Note 4 - Intergovernmental

The County apportions the excess of the District's appropriations over estimated receipts among the townships and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. The financial statements present these amounts as subdivision revenue.

Note 5 – Interfund Receivables/Payables

Interfund balances at December 31, 2016, consisted of the following individual fund receivables and payables:

	Advance to Other Funds	Advance from Other Funds
Major Funds		
General fund	\$32,000	
WIC		\$20,000
Public Health Emergency Preparedness fund		12,000
<i>Total Governmental Activities</i>	<u>32,000</u>	<u>32,000</u>
Total	<u><u>\$32,000</u></u>	<u><u>\$32,000</u></u>

Interfund balances at December 31, 2016, consisted of \$32,000 advanced from the General fund to the Public Health Emergency Preparedness fund to provide working capital for operations. \$12,000 in advances were made prior to January of 2014 and has been extended by the Board as of December 31, 2015 and extended again by the Board as of February 22, 2017. The \$20,000 was made to the WIC fund during 2016 and was extended by the Board as of December 31, 2016.

Note 6 - Risk Management

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

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

The District provides for employee health insurance through the Coshocton County Commissioners. The county's Self-Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on an actuarially determined cost per employee. The District's required contribution for its employees' health insurance coverage to the county for the years ended December 31, 2016, 2015 and 2014 were \$78,580, \$82,832, and \$75,322 respectively. The full amount has been contributed for 2016, 2015 and 2014.

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP.

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PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2016, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

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

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2016:

	<u>2016</u>
Assets	\$42,182,281
Liabilities	<u>(13,396,700)</u>
Net Position	<u>\$28,785,581</u>

At December 31, 2016 the liabilities above include approximately \$12.0 million of estimated incurred claims payable. The assets above also include approximately \$11.5 million of unpaid claims to be billed. The Pool's membership increased to 520 members in 2016. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the District's share of these unpaid claims collectible in future years is approximately \$4,000.

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

<u>Contributions to PEP</u>
<u>2016</u>
\$6,803

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

Coshocton County General Health District

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2016*

Note 7 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

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

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

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

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

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

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

	<u>State and Local</u>
2016 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2016 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	<u>2.0</u>
Total Employer	<u><u>14.0 %</u></u>
Employee	<u><u>10.0 %</u></u>

The District's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2016, 2015 and 2014 were \$58,485, \$62,434, and \$67,498 respectively. The full amount has been contributed for 2016, 2015 and 2014.

Note 8 - Postemployment Benefits

Ohio Public Employees Retirement System

A. Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2014 CAFR for details.

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

Coshocton County General Health District

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

B. Funding Policy

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 to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016 the District contributed at a rate of 14.00% of earnable salary for state and local employees. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund the OPEB Plan.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 decreased to 0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2016 was 4.5%.

Actual employer contributions which were used to fund postemployment benefits for the years ended December 31, 2016, 2015, and 2014 were \$8,304, \$8,919, and \$9,642 respectively, 100% has been contributed for 2016, 2015, and 2014.

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Note 9 – Fund Balances

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

Fund Balances for year-end December 31, 2016.

Fund Balances	General Fund	Child & Family Health Services Fund	Women, Infants and Children WIC Fund	Solid Waste Grant Fund	Public Health Emergency Preparedness Fund	Household Sewage Treatment Fund	Other Govt'l Funds	Total
Restricted for:								
WIC	\$-	\$ -	\$33,705	\$ -	\$ -	\$ -	\$ -	\$ 33,705
Child & Family Hlth Fund	-	48,948	-	-	-	-	-	48,948
Solid Waste	-	-	-	45,291				45,291
Public Health Emergency	-	-	-	-	18,320	-	-	18,320
Environmental Reserve	-	-	-	-	-	-	5,500	5,500
Household Sewage Treat	-	-	-	-	-	34,118	-	34,118
Swimming Pool	-	-	-	-	-	-	3,147	3,147
Water	-	-	-	-	-	-	20,791	20,791
DH Construction & Demo	-	-	-	-	-	-	1,854	1,854
Campground	-	-	-	-	-	-	5,358	5,358
Food Service	-	-	-	-	-	-	7,240	7,240
Total Restricted	<u>-</u>	<u>48,948</u>	<u>33,705</u>	<u>45,291</u>	<u>17,601</u>	<u>34,118</u>	<u>43,890</u>	<u>224,272</u>
Assigned for:								
Operating Expense	<u>\$5,461</u>	-	-	-	-	-	-	<u>5,461</u>
Total Assigned	<u>5,461</u>	-	-	-	-	-	-	<u>5,461</u>
Unassigned	<u>83,765</u>	-	-	-	-	-	-	<u>83,765</u>
Total Fund Balances	<u>\$89,226</u>	<u>\$48,948</u>	<u>\$ 33,705</u>	<u>\$ 45,291</u>	<u>\$ 17,601</u>	<u>\$ 34,118</u>	<u>43,890</u>	<u>313,498</u>

Coshocton County General Health District
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Note 10 - Interfund Transfers

Following is a summary of transfers in and out of all funds for 2016:

Fund	Transfer In	Transfer Out
General fund	\$ 0	\$ 500
District Reserve	500	0
Water System Fund	0	500
Household Sewage Treatment Fund	0	500
Environmental Health Reserve Fund	1,000	0
Totals	\$ 1,500	\$ 1,500

Transfers represent the allocation of unrestricted receipts collected in the Water System and Household Sewage Treatment funds and transferred to the Environmental Health Reserve fund. There was also a transfer from the General fund of unrestricted receipts to the District Health Reserve fund.

Note 11 – Contingent Liabilities

Amounts grantor agencies pay to the Health District are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.