

**REGULAR SESSION**

**THURSDAY**

**SEPTEMBER 6, 2012**

The Board of Huron County Commissioners met this date in Regular Session. Roll being called found the following members present: Gary W. Bauer, Joe Hintz, Larry J. Silcox.

12-240

**IN THE MATTER OF AGREEMENT BY AND BETWEEN HURON COUNTY COMMISSIONER THROUGH THE HURON COUNTY DEPARTMENT OF JOB AND FAMILY SERVICES (hereinafter referred to as the "DEPARTMENT") AND HUMAN SERVICES, 6410 RIDGE ROAD, PARMA, OHIO 44129 (INDEPENDENT CONTRACTOR)**

Larry J. Silcox moved the adoption of the following resolution:

**WHEREAS**, Department has agreed to contract for the provisions of services for financial and Human Resource consulting, troubleshooting, advising, and training as needed; and

**WHEREAS**, Independent contractor desires to provide these services, and agrees to provide qualifications and certifications as required prior to services rendered; and

**WHEREAS**, the Department and Independent contractor have agreed to the training and/or services that Independent contractor will furnish and the compensation the Department will pay Independent contractor for said training and/or services; now therefore

**BE IT RESOLVED**, that the Board of Huron County Commissioners approves of the agreement with Human Services Associates, Inc. as attached hereto and incorporated herein; and further

**BE IT RESOLVED**, that the foregoing resolution was adopted and all actions and deliberations of the Board of Commissioners of the County of Huron, Ohio, relating thereto were conducted in meetings open to the public, in compliance with all applicable legal requirements, including Section 121.22 of the Ohio Revised Code.

Joe Hintz seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer  
Aye – Joe Hintz  
Aye – Larry J. Silcox

\* agreement on file.

12-241

**IN THE MATTER OF AMENDING THE PERSONNEL POLICY MANUAL TO INCLUDE SECTION 8.19 FRAUD REPORTING**

Joe Hintz moved the adoption of the following resolution: and

**WHEREAS**, an addition has been made to the personnel policy manual; section 8.19 Fraud Reporting; now therefore

**BE IT RESOLVED**, that the Board of Huron County Commissioners, hereby amends the personnel policy manual to include section 8.19 fraud reporting as attached hereto and incorporated herein as if fully written herein; and further

**BE IT RESOLVED**, that the foregoing resolution was adopted and all actions and deliberations of the Board of Commissioners of the County of Huron, Ohio, relating thereto were conducted in meetings open to the public, in compliance with all applicable legal requirements, including Section 121.22 of the Ohio Revised Code.

Larry J. Silcox seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer  
Aye – Joe Hintz  
Aye – Larry J. Silcox

## **Section 8.19 FRAUD REPORTING**

Ohio House Bill 66, effective May 4, 2012, required that each public office make all of its employees aware of the State's fraud-reporting system. All Huron County employees were made aware of this new law and were required to sign an "Acknowledgement of Receipt," which was placed in their personnel files. In addition to this, the Act requires that all new employees be provided with information about the fraud-reporting system and the means of reporting fraud at the time of their employment. Each new employee must confirm receipt of the information within 30 days after beginning employment.

This policy applies to all Huron County employees, including those from other offices or agencies, and this or a similar policy that meets the requirements of the Act must be adopted by each Huron County Elected Official.

### **Act Summary**

- Requires the Auditor of State to establish a fraud-reporting system for residents and public employees to anonymously report fraud and misuse of public funds by public offices.
- Extends the whistle-blower protections provided in Ohio Revised Code (ORC) against retaliatory firing or other disciplinary action to employees who file a complaint with the Auditor of State's fraud-reporting system.

### **What is Fraud?**

According to the Institute of Internal Auditors (1985), an employee . . . perpetrates a fraud against an organization for direct or indirect personal benefit. In general, the perpetrator conceals or misrepresents events or data, or makes false claims. Examples of fraud include, but may not be limited to:

- Embezzlement, taking money which one has been entrusted with on behalf of another party
- False billing
- False insurance claims
- Forgery of documents or signatures
- Taking payment for goods ordered with no intention of delivering them
- Tax fraud, not reporting revenue or illegally avoiding taxes
- Theft of cash or inventory items
- Violation of state or federal statutes, rules, or regulations
- Misuse of public funds

### **Your Responsibility as an Employee**

Employees should read and be familiar with this policy, sign and date the "Acknowledgement of Receipt" (Appendix "x") and return it to their supervisor, department head, or appointing authority who will see that it is filed in the employee's personnel file.

Employees should understand what may constitute fraud and promptly report any suspected or

known fraud activity to the Auditor of the State of Ohio.

### **Reporting Fraud**

Employees may report fraud in one of three ways:

1. Online at [www.auditor.state.oh.us](http://www.auditor.state.oh.us)
2. By calling the Fraud Hotline toll free at 1-866-FRAUD OH (1-866-372-8364)
3. By sending a written complaint to *Ohio Auditor of State's Office, Special Investigations Unit, 88 East Broad Street, P.O. Box 1140, Columbus, OH 43215*

### **Whistle-blower Protection for Reporting**

If a classified or unclassified public employee becomes aware in the course of employment of a violation of state or federal statutes, rules, or regulations, or of the misuse of public resources, and reports it to a supervisor, appointing authority, or the office of internal auditing, and under the Act to the Auditor of State's fraud-reporting system, the employee is protected against specified retaliatory or disciplinary action by an officer or another employee. If disciplinary or retaliatory action is taken against an employee who makes a report or files a complaint, that employee can file an appeal with the State Personnel Board of Review (SERB).

12-242

### **IN THE MATTER OF APPROVING OF THE CONTRACT BY AND BETWEEN WEISGARBER TRUCKING., JAMES M. SUHANIC (CONSULTING FORESTER) AND THE BOARD OF HURON COUNTY COMMISSIONERS**

Larry J. Silcox moved the adoption of the following resolution:

**WHEREAS**, it is the desire of the Board of Huron County Commissioners to harvest timber at the Huron County Airport; and

**WHEREAS**, the Board of Commissioners desires to enter into contract with Weisgarber Trucking and James M. Suhanic (consulting forester) for these services; now therefore

**BE IT RESOLVED**, that the Board of Huron County Commissioners hereby approves the contract with Weisgarber Trucking and James M. Suhanic (consulting forester) as attached hereto and incorporated herein; and further

**BE IT RESOLVED**, that the foregoing resolution was adopted and all actions and deliberations of the Board of Commissioners of the County of Huron, Ohio, relating thereto were conducted in meetings open to the public, in compliance with all applicable legal requirements, including Section 121.22 of the Ohio Revised Code.

Joe Hintz seconded the motion.

Discussion: Discussion, Gary Bauer discussed the terms of this contract and also discussed the contract and the work that was performed at the South Norwalk Road Park.

The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer  
Aye – Joe Hintz  
Aye – Larry J. Silcox

\* Agreement on file.

RESOLUTION ACCEPTING THE AMOUNTS AND RATES AS DETERMINED BY THE BUDGET COMMISSION AND AUTHORIZING THE NECESSARY TAX LEVIES AND CERTIFYING THEM TO THE COUNTY AUDITOR (BOARD OF COUNTY COMMISSIONERS)

Rev. Code, Secs. 5705.34, .35

Resolution 12-243

The Board of County Commissioners of Huron County, Ohio,

met in Regular session on the 6th day of September 20 12 at the office of (Regular or Special)

Huron County Commissioners with the following members present:

Gary W Bauer

Joe Hintz

Larry J Silcox

Mr. Larry J. Silcox moved the adoption of the following Resolution:

WHEREAS, The Budget Commission of Huron County, Ohio, has certified its action thereon to this Board together with an estimate by the County Auditor of the rate of each tax necessary to be levied by this Board, and what part thereof is without, and what part within, the ten mill tax limitation; therefore be it

RESOLVED, By the Board of County Commissioners of Huron County, Ohio, that the amounts and rates, as determined by the Budget Commission in its certification, be and the same are hereby accepted; and be it further

RESOLVED, That there be and is hereby levied on the 2012 tax duplicate of said County the rate of each tax necessary to be levied within and without the ten mill limitation as follows:

**SCHEDULE A**  
**SUMMARY OF AMOUNTS REQUIRED FROM GENERAL PROPERTY TAX APPROVED BY BUDGET**  
**COMMISSION AND COUNTY AUDITOR'S ESTIMATED TAX RATES**

<b>Fund</b>	<b>Amount Approved by Budget Commission inside 10 M Limitation</b>	<b>Amount to Be Derived From Levies Outside the 10 M Limitation</b>	<b>County Auditor's Estimate of Tax Rate to be Levied Inside 10 M Limit</b>	<b>County Auditor's Estimate of Tax Rate to be Levied Outside 10 M Limit</b>
A. General Fund	2,202,741		2.10	
D. Road and Bridge Fund				
E. District Board of Health		500,872		.75
O. General Bond Retirement Funds				
Q. Road Construction Funds				
S. Relief and Welfare Special Levy Funds				
S. Child Welfare Services Special Levy Funds / Christie Lane		3,519,954		4.00
S. Health, Mental Health/Clinics SpLevy Fnd/ADAMHS BD		125,473		.50
S. Parks and Recreation Special Levy Funds				
S. Other - Miscellaneous/Special Levy Funds/Senior Services		483,767		.50
<b>Total</b>	2,202,741	4,630,066	2.10	5.75

**SCHEDULE B  
LEVIES OUTSIDE 10 MILL LIMITATION, EXCLUSIVE OF DEBT LEVIES**

Fund	Maximum Rate Authorized to Be Levied	County Auditor's Estimate of Yield of Levy (Carry to Schedule A, Column II)
<b>GENERAL FUND: GENERAL HEALTH DISTRICT</b>		
Current expense levy authorized by voters on <b>November 7, 2006</b>	<b>.30</b>	<b>192,890</b>
not to exceed <b>10</b> years		
Current expense levy authorized by voters on <b>November 7, 2006</b>	<b>.20</b>	<b>128,594</b>
not to exceed <b>10</b> years		
Current expense levy authorized by voters on <b>November 3, 2009</b>	<b>.25</b>	<b>179,388</b>
not to exceed <b>10</b> years		
Current expense levy authorized by voters on		
not to exceed _____ years		
<b>TOTAL GENERAL FUND OUTSIDE 10 M. LIMITATION</b>		
<b>SPECIAL LEVY FUNDS:</b>		
Levy authorized by voters on <b>November 6, 1984</b> <b>Christie Lane</b>	<b>.20</b>	<b>50,189</b>
not to exceed <b>cont.</b> years		
Levy authorized by voters on <b>May 8, 2001</b> <b>Christie Lane</b>	<b>1.30</b>	<b>1,161,260</b>
not to exceed <b>cont.</b> years		
Levy authorized by voters on <b>November 4, 2003</b> <b>Christie Lane</b>	<b>1.50</b>	<b>1,340,846</b>
not to exceed <b>cont.</b> years		
Levy authorized by voters on <b>November 2, 2004</b> <b>ADAMHS BD.</b>	<b>.50</b>	<b>125,473</b>
not to exceed <b>10</b> years		
Levy authorized by voters on <b>November 4, 2008</b> <b>Senior Service</b>	<b>.50</b>	<b>483,767</b>
not to exceed <b>5</b> years		
Levy authorized by voters on <b>May 3, 2011</b> <b>Christie Lane</b>	<b>1.00</b>	<b>967,659</b>
not to exceed <b>5</b> years		

and be it further

RESOLVED, That the Clerk of this Board be and he is hereby directed to certify a copy of this Resolution to the County Auditor of said County.

Mr. Joe Hintz seconded the Resolution and the roll being called upon its adoption the vote resulted as follows:

Mr. Ray W. Baum, \_\_\_\_\_  
 Mr. Joe Hintz, \_\_\_\_\_  
 Mr. Garry Silcox, \_\_\_\_\_

Adopted the 6th day of September, 2012

Attest:

  
 Clerk of the Board of County Commissioners of

\_\_\_\_\_ Huron County, Ohio.

CERTIFICATE OF COPY

ORIGINAL ON FILE

The State of Ohio, Huron County, ss

I, Cheryl Nolan, Clerk of the Board of County Commissioners within and for said County, and in whose custody the Files and Records of said Board are required by the Laws of the State of Ohio to be kept, do hereby certify that the foregoing is taken and copied from the original Commissioners' Journal Vol. 90

now on file with said Board, that the foregoing has been compared by me with said original and copied from the original document, and that the same is a true and correct copy thereof.

WITNESS my signature, this 6<sup>th</sup> day of September, 2012

Cheryl Nolan  
Clerk of the Board of County Commissioners,  
Huron County, Ohio.

A copy of this Resolution must be certified by the County Auditor before the first day of October, or at such later date as may be approved by the Department of Taxation of Ohio.

IN THE MATTER OF TRAVEL

Joe Hintz moved to approve the following travel requests this day. Larry J. Silcox seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

- Aye – Gary W. Bauer
- Aye – Joe Hintz
- Aye – Larry J. Silcox

Cheryl Nolan/Commissioners on September 14, 2012, to Ashtabula County, for CCC/EAPA Regional meeting.

**REGULAR SESSION**

**THURSDAY**

**SEPTEMBER 6, 2012**

**IN THE MATTER OF REQUEST FOR LEAVE**

**Jason Roblin/EMA/sick/August 28, 2012; August 30, 2012; August 31, 2012 8:00 a.m. – 4:30 p.m./sick bereavement/ August 25, 2012./sick/8:00 a.m. – 12:00 p.m. September 9, 2012.**

**Vickie Ziemba/Commissioners/sick/2:15 p.m. – 4:30 p.m. September 6, 2012.**

**Peter Welch/SWM/sick/1:00 p.m. – 3:30 p.m. September 5, 2012/ September 12, 2012.**

**OTHER BUSINESS**

Discussion was had in regards to the tickler list and the various items that need to be completed.

Discussion was also had in regards to the five year plan and updating this plan.

**At 9-30 a.m.** Public Comment

**At 9:38 a.m.** the board recessed

**At 10:31 a.m.** regular session resumed.

Alioune Gueye presented the post audit report. Mr. Gueye reviewed the following letter and audit report presented.

**GUEYE & ASSOCIATES, CPA**  
**MANAGEMENT LETTER**

Board of County Commissioners  
Huron County  
180 Milan Avenue, Suite 7  
Norwalk, Ohio 44857

To the County Commissioners:

In accordance with *Government Auditing Standards* applicable to financial audits, we have audited the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Huron County, Ohio (the County), as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statement, and have issued our report thereon dated August 17 2012.

*Government Auditing Standards* also require that we describe the scope of our testing of compliance with laws and regulations and internal control over financial reporting and report any irregularities, illegal acts, other material noncompliance, and reportable conditions in internal controls. We have issued the required report dated August 17 2012, for the year ended December 31, 2011.

We are also submitting for your consideration the following comments on the County's compliance with applicable laws and regulations and on its internal controls. These comments reflect matters that, while in our opinion do not represent material instances of noncompliance or significant deficiencies in internal control, we believe represent matters for which improvements in compliance or internal controls or operational efficiencies might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing the recommendations suggested below. However, these comments reflect our continuing desire to assist your government. If you have any questions or concerns regarding these comments please do not hesitate to contact us.

**MATTERS FOR IMPROVEMENT**

**1. Capital Assets Management**

An effective internal control system to manage the County fixed assets requires maintaining proper records regarding the use and disposition of those assets. It is necessary for the County to safeguard and maintain its fixed assets in order to receive the maximum benefit from those assets, to comply with State and Federal requirements regarding the use and disposition of fixed assets, and to properly account for its fixed assets for financial statements purposes.

The county uses an Excel spreadsheet to maintain its fixed assets. However, it was noted during our tests that the spreadsheet did not always correctly identify additions or dispositions of the fixed assets. Consequently, we identified additions that were not included in the listing, although they were not material to warrant an adjustment to the financial statements.

Failure to correctly identify fixed asset additions or dispositions might lead to material misstatements to the County's financial statements. Further, failure to account for all fixed assets might lead to misappropriation of the County's assets and/or non-compliance with federal and state regulations.

We recommend the County to use fixed asset tracking software that would enable a more accurate tracking of the County's fixed assets, and reduce the related risks.



**2. Mental Health and Alcohol and Drug Addiction Boards Medicaid Claims on the Federal Schedule**

Medicaid reforms adopted under House Bill 153 of the 129<sup>th</sup> Ohio General Assembly indicates that local Mental Health Boards are no longer subrecipient of Medicaid and Children's Health Insurance programs administered by ODADAS and ODMH, effective for claims with dates of service on or after July 1, 2011.

As such, Medicaid reimbursements received by ADHAMS Boards for claims with dates of services on or after July 1, 2011 should not be included in the entity's Schedule of Expenditure of Federal Awards.

The County included in its Schedule of Expenditure of Federal Awards Medicaid claims reimbursement for dates of services after July 1, 2011. The Schedule of Expenditure of Federal Awards has been adjusted to remove those claims with service date after July 1, 2011.

The County should ensure that Medicaid claims from the Mental Health Board and the Alcohol and Drug Addiction Board are no longer included in the County's Schedule of Expenditures of Federal Awards in the future.

This report is intended solely for the information and use of County management and the County Commissioners, and is not intended to be and should not be used by anyone other than these specified parties.

Gueye & Associates, CPA

August 17 2012

**Communication with Those Charged with Governance  
at or Near the Conclusion of the Audit**

September 5, 2012

To the County Commissioners

Huron County

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Huron County for the year ended 12/31/2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our audit report dated June 30, 2012. Professional standards also require that we communicate to you the following information related to our audit.

***Qualitative Aspects of Accounting Practices (Accounting Policies, Estimates, and Disclosures)***

a) Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Huron County are described in Note B to the financial statements. During 2011, the County adopted GASB No 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

b) Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the Governmental Activities and business-type activities' financial statements were:

- Management's estimate of the Landfill Closure and Post Closure Cost is based on EPA estimates.

- Management's estimate of depreciation based on an estimate of the asset's useful life.

- Management's estimate of health care claims payable based on actuarial estimates.

We evaluated the key factors and assumptions used to develop these estimates in determining that they were reasonable in relation to the financial statements taken as a whole.

c) Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements were:

- The disclosure of long-term debt in Note F to the financial statements (page 38 through 40). This disclosure informs lenders and other parties about the County's various debt and their maturities. It may be used by lenders to compute the County's creditworthiness.

- The disclosure of the County's cash and investment positions in Note C to the financial statements (page 33 through 35). This disclosure presents the County's cash and investment balances as of December 31, 2011 and informs readers of custodial, interest rate, and credit risk, if any, related to those balances.

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***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our

audit.

**Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**

We have requested certain representations from management that are included in the management representation letter dated August 15, 2011.

**Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Other Audit Findings or Issue**

In the management letter, we issued a recommendation regarding the completeness of the capital asset listing. We believe the County will be best served to acquire fixed asset inventory software that enables a real time tracking and updating of the fixed asset information. We also have issued a recommendation regarding the completeness of the federal schedule in the mental health board.

**Other Information in Documents Containing Audited Financial Statements (Statistical Section)**

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Huron County Commissioners and management of Huron County and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

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**AUDITOR SUMMARY OF HURON COUNTY FINANCIAL STATEMENTS:**

The Huron County 2011 CAFR (Comprehensive Annual Financial Report) package is composed of four sections:

1) The first section (page 1 through 9) represents the Auditor's reports on the County's Single Audit as required by OMB Circular A-133 and on the County's Internal Control over Financial Reporting and on Compliance as required by Governmental Auditing Standards. This section also presents the County's Schedule of Expenditure of Federal Awards, which details all federal grant program expenditures made by the County during 2011 and is broken down by program.

We did not have any reportable finding in either our report on the County's compliance with OMB Circular A-133 (Single Audit), or our report on the County's Internal Control over Financial Reporting and on Compliance per *Governmental Auditing Standards*.

2) The second section is the introductory section (page I through X) presented by the County Auditor to provide a narrative introduction, overview and analysis of the financial statements

3) The third section, which is called the financial section (pages 1 through 153), presents in much details the County's financial information and is divided between the management discussion and analysis, the actual financial statements, the notes to the financial statements and the supplementary financial information.

a) Pages 1 through 2 represent our audit opinion on the financial statements. As stated in the letter, auditing standards generally accepted in the United States and *Governmental Auditing Standards* require us to plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes also assessing the accounting principles used and the significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the County's financial statements present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the discretely presented component unit (Airport) of Huron County as of December 31, 2011, and the respective changes in financial position, and cash flows, where applicable thereof, and the respective budgetary comparison of the General Fund, Board of Development Disabilities Fund, Job and Family Services Fund, Motor Vehicle Gas Tax Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

b) The Management Discussion and Analysis (MD&A), on page 3 through 9, provides an overall review of the County's financial performance for the year ended December 31, 2011. The MD&A was subjected to our audit procedures and was reasonably stated in relation to the financial statements

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#### **AUDITOR SUMMARY OF HURON COUNTY FINANCIAL STATEMENTS:**

c) The financial statements (pages 11 through 25) represent the County's 2011 net assets and changes in net assets for the governmental activities, business type activities, all major funds, the remaining funds, and the component unit (Airport), in accordance with accounting principles generally accepted in the United States of America.

The financial statements were subjected to our auditing procedures in accordance with generally accepted auditing standards, and *Governmental Auditing Standards*. Accordingly, our opinion is that the financial statements are fairly stated in all material respects in conformity with accounting principles generally accepted in the United States of America.

d) The notes to the financial statements (pages 26 through 48) present disclosures required by GAAP. These disclosures are presented to make the financial statements more understandable to the reader. The notes to the financial statements are an integral part of the financial statements.

e) The supplementary financial information (pages 49 through 152) details the County's individual non-major funds financial information, including budget versus actual comparison. The supplementary financial information provides additional analysis and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The supplementary financial information were subjected to the auditing procedures we applied to the financial statements and in our opinion are fairly stated in all material respects in relation to the basic financial statement as a whole.

4) The fourth section is the statistical section, which depicts various County measurements and year to year comparison of statistical information relating to the County. We have traced certain information to the audited financial statements. However, we did not audit the statistical section and have not expressed any opinion on it.

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#### **FINANCIAL HIGHLIGHTS**

##### **Government-Wide Financial Highlights**

- Total Assets (government wide) were \$68M versus 69M in the prior year due to decrease in cash and investments.
- Total Liabilities (government wide) were 22M versus 20 M in the prior year due mainly to increases in the estimate for the landfill post closure costs.
- Net Assets (Assets minus Liabilities) were 47 M compared to 48M in the prior year due to excess of expenditures over revenues for the County as a whole.
- Total Revenues were 42M compared to 45M in 2010 due to decreases intergovernmental revenues and funding for the job and family services programs as well as health related programs.
- Total Expenditures were 46M compared to 42M in 2010 due to the direct result of the landfill postclosure estimate that was revised upward.

##### **Fund Financial Statements Highlights**

- The General fund balance increased 31% due to increased revenues from sales taxes and charges for services from various departments.
- The Board of Mental Retardation fund balance decreased by 287% due to an increase in Medicaid revenues that are now posted in fund 110 instead of 187.
- The fund balance of Job and Family Services decreased \$557,176 or 74% to \$195,298, due to a large decrease in intergovernmental revenues resulting from the winding down of the federal stimulus monies.
- The fund balance of the Motor Vehicle and Gas Tax Fund was consistent from year-to-year, decreasing only 2%, reflecting an equally proportional reduction in revenues and expenditures.
- The net assets for the Landfill fund were (\$1,726,612) a decrease of (\$1,777,857) from the

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prior year's \$51,245 net asset balance. The decrease was due to the revised estimate for the post closure cost of the landfill.

- The net assets of the Self Insurance Fund decreased 79% to \$219,207 compared to the prior year due to increased claim payments made in 2011.
- The Airport's fund balance increased to \$34,414 from \$22,757, or 51.22% due mainly to decreased expenditures.

2246 S. Hamilton Road, Suite 102  
Columbus, Ohio 43232  
Tel: 614-342-0297  
Fax: 614-423-6615  
www.gueyecpa.com

**At 10:55 a.m.** Joe Hintz moved to adjourn the meeting. Larry J. Silcox seconded the motion. The meeting stood adjourned.

**IN THE MATTER OF OPEN SESSION**

The Huron County Commissioners hereby attest that all actions and deliberations of the Board legally required to be public were conducted in an open session on this date and that the foregoing minutes represent the official action of the Board.

**IN THE MATTER OF CERTIFICATION**

The Clerk to the Board does hereby attest that the foregoing is a true and correct record of all actions taken by the Board of Huron County Commissioners on September 6, 2012.

**IN THE MATTER OF ADJOURNING**

The meeting was called to order at 9:00 a.m. With no further business to come before the Board, the meeting was adjourned at 10:55 a.m.

**Signatures on File**