

**CARROLL COUNTY
GENERAL HEALTH DISTRICT**

CARROLL COUNTY, OHIO

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021



OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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Board of Trustees
Carroll County General Health District
PO Box 98
Carrollton, Ohio 44615

We have reviewed the *Independent Auditor's Report* of the Carroll County General Health District, Carroll County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2021 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Carroll County General Health District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 14, 2023

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**CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Carroll County General Health District
Carroll County
PO Box 98
Carrollton, Ohio 44615

To the Board of Health:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Carroll County General Health District, Carroll County (the District), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of December 31, 2022 and 2021, or the changes in financial position, thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by District on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Emphasis of Matter

As discussed in Note 11 to the financial statements for 2022 and 2021, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District. We did not modify our opinions regarding this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control 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

Charles E. Harris & Associates, Inc.
June 26, 2023

**CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Charges for Services	\$ 43,251	\$ 402,147	\$ 445,398
Fines, Licenses and Permits	-	152,910	152,910
Intergovernmental:			
Apportionments	177,980	21,682	199,662
Grants	16,223	462,685	478,908
Other	77,939	68,026	145,965
<i>Total Cash Receipts</i>	<u>315,393</u>	<u>1,107,450</u>	<u>1,422,843</u>
Cash Disbursements			
Current:			
Health			
Personal Services	110,566	617,797	728,363
Emp. Fringe Benefits	31,880	185,327	217,207
Admin Fees	10,074	6,645	16,719
Contract Services	54,192	122,175	176,367
Advertising	384	5,096	5,480
Supplies	14,661	108,567	123,228
Equipment	1,100	9,656	10,756
Remittance to State	21,006	22,390	43,396
Other Expenses	477	1,261	1,738
Rental/Lease	-	7,159	7,159
Repairs	-	1,353	1,353
State Fees	-	4,817	4,817
<i>Total Cash Disbursements</i>	<u>244,340</u>	<u>1,092,243</u>	<u>1,336,583</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	71,053	15,207	86,260
Other Financing Receipts & Disbursements			
Advances In	42,000	22,000	64,000
Advances Out	(22,000)	(42,000)	(64,000)
Transfers In	-	25,794	25,794
Transfers Out	(25,794)	-	(25,794)
<i>Total Other Financing Receipts</i>	<u>(5,794)</u>	<u>5,794</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	65,259	21,001	86,260
<i>Fund Cash Balances, January 1</i>	<u>179,019</u>	<u>676,360</u>	<u>855,379</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 244,278</u>	<u>\$ 697,361</u>	<u>\$ 941,639</u>

The notes to the financial statements are an integral part of this statement.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Carroll County General Health District, Carroll County, Ohio (the District), as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. The District's services include immunization clinics, inspections, public health nursing services and issuing health-related licenses and permits.

Public Entity Risk Pool

The District participates in Public Entity Pool (PEP), a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which is organized on a fund type basis.

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 funds of the District are presented below:

General Fund 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 District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Fund:

Public Health Nursing Fund The public health nursing fund accounts for and reports the receipt of fees restricted for providing nursing services to elderly and homebound persons.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

Budgetary Process

The Ohio Revised Code requires the District to budget each fund annually.

Appropriations Budgetary disbursements (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2022 budgetary activity appears in Note 3.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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

Nonspendable The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the District.

Restricted Fund balance is *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 Trustees can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included 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.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 332,392	\$ 315,393	\$ (16,999)
Special Revenue	1,155,244	1,133,244	(22,000)
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 396,750	\$ 270,134	\$ 126,616
Special Revenue	1,346,020	1,092,243	253,777

Note 4 – Deposits and Investments

As required by the Ohio Revised Code, the Carroll County Treasurer is custodian for the District's deposits. The County's deposit and investment pool holds the District's assets, valued at the Treasurer's reported carrying amount.

Note 5 – Intergovernmental Funding

The County apportions the excess of the District's appropriations over other 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 intergovernmental receipts.

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

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

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.

Risk Pool Membership

The District is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the District's policy. The Pool covers the following risks (most current information available):

- General Liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31 (latest information available):

	<u>2021</u>
Cash and investments	\$ 41,996,850
Actuarial liabilities	\$ 14,974,099

Note 7 – Defined Benefit Pension Plan

Public Employees Retirement System

All District employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates, OPERS members contributed 10% of their gross salaries, and the District contributed an amount equaling 14% of participants' gross salaries. The District has paid all contributions required through December 31, 2022.

Note 8 – Postemployment Benefits

Public Employees Retirement System

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plan, which includes 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. The portion of employer contributions allocated to health care for members in the traditional pension plan and Combined Plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4% during calendar year 2022.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

Note 8 – Postemployment Benefits (Continued)

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to see reimbursement for plan premiums and other qualified expenses.

Note 9 – Contingent Liabilities

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor 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.

Note 10 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. There were no encumbrances at year-end.

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue would include the outstanding encumbrances. In the general fund, outstanding encumbrances would be considered assigned.

Note 11 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District. In addition, the impact on the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Note 12 – Transfer & Advances

During 2022, advances were made from the General fund to the Public Health Workforce fund to subsidize operations. Advances were also made from the General Fund to the Covid 19 Enhanced Operations fund to subsidize operations. In 2022 transfers were made from the General fund to the COVID-19 Vaccine fund, the COVID-19 Contact Tracing fund, and the General Environmental fund. All advances and transfers were made in accordance with the Ohio Revised Code.

Outstanding advances at December 31, 2022, consisted of \$12,000 advanced to Public Health Workforce fund and \$10,000 advanced to the COVID-19 Enhanced Operations fund.

**CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Charges for Services	\$ 44,327	\$ 272,649	\$ 316,976
Fines, Licenses and Permits	-	148,451	148,451
Intergovernmental:			
Apportionments	177,817	-	177,817
Grants	5,027	676,152	681,179
Other	59,477	45,291	104,768
<i>Total Cash Receipts</i>	<u>286,648</u>	<u>1,142,543</u>	<u>1,429,191</u>
Cash Disbursements			
Current:			
Health			
Personal Services	64,906	502,598	567,504
Emp. Fringe Benefits	16,676	154,726	171,402
Contract Services	72,084	134,635	206,719
Advertising	91	4,176	4,267
Supplies	21,294	189,832	211,126
Equipment	425	61,057	61,482
Remittance to State	19,709	15,606	35,315
Other Expenses	19,166	19,607	38,773
<i>Total Cash Disbursements</i>	<u>214,351</u>	<u>1,082,237</u>	<u>1,296,588</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	72,297	60,306	132,603
Other Financing Receipts & Disbursements			
Advances In	-	42,000	42,000
Advances Out	(42,000)	-	(42,000)
Transfers In	-	20,000	20,000
Transfers Out	(20,000)	-	(20,000)
<i>Total Other Financing Receipts</i>	<u>(62,000)</u>	<u>62,000</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	10,297	122,306	132,603
<i>Fund Cash Balances, January 1</i>	<u>168,722</u>	<u>554,054</u>	<u>722,776</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 179,019</u>	<u>\$ 676,360</u>	<u>\$ 855,379</u>

The notes to the financial statements are an integral part of this statement.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Carroll County General Health District, Carroll County, Ohio (the District), as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. The District's services include immunization clinics, inspections, public health nursing services and issuing health-related licenses and permits.

Public Entity Risk Pool

The District participates in Public Entity Pool (PEP), a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which is organized on a fund type basis.

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 funds of the District are presented below:

General Fund 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 District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Fund:

Public Health Nursing Fund The public health nursing fund accounts for and reports the receipt of fees restricted for providing nursing services to elderly and homebound persons.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

Budgetary Process

The Ohio Revised Code requires the District to budget each fund annually.

Appropriations Budgetary disbursements (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2021 budgetary activity appears in Note 3.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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

Nonspendable The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the District.

Restricted Fund balance is *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 Trustees can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included 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.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 266,649	\$ 286,648	\$ 19,999
Special Revenue	1,204,542	1,162,543	(41,999)

2021 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 253,700	\$ 234,351	\$ 19,349
Special Revenue	1,332,830	1,082,237	250,593

Note 4 – Deposits and Investments

As required by the Ohio Revised Code, the Carroll County Treasurer is custodian for the District's deposits. The County's deposit and investment pool holds the District's assets, valued at the Treasurer's reported carrying amount.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

Note 5 – Intergovernmental Funding

The County apportions the excess of the District's appropriations over other 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 intergovernmental receipts.

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

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.

Risk Pool Membership

The District is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the District's policy. The Pool covers the following risks:

- General Liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2021</u>
Cash and investments	\$ 41,996,850
Actuarial liabilities	14,974,099

Note 7 – Defined Benefit Pension Plan

Public Employees Retirement System

All District employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates, OPERS members contributed 10% of their gross salaries, and the District contributed an amount equaling 14% of participants' gross salaries. The District has paid all contributions required through December 31, 2021.

CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

Note 8 – Postemployment Benefits

Public Employees Retirement System

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plan, which includes 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. The portion of employer contributions allocated to health care for members in the traditional pension plan and Combined Plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4% during calendar year 2021.

Note 9 – Contingent Liabilities

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor 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.

Note 10 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. There were no encumbrances at year end.

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue would include the outstanding encumbrances. In the general fund, outstanding encumbrances would be considered assigned.

Note 11 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended June, 2021 while the national state of emergency continues. During 2021, the District received COVID-19 funding. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District. In addition, the impact on the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Note 12 – Transfer and Advances

During 2021, advances were made from the General fund to the Public Health Workforce fund to subsidize operations. Advances were also made from the General Fund to the Covid 19 Enhanced Operations fund to subsidize operations. In 2021 transfers were made from the General fund to the Water fund and General Environmental fund. All advances and transfers were made in accordance with the Ohio Revised Code.

Outstanding advances at December 31, 2021, consisted of \$30,000 advanced to Public Health Workforce fund and \$12,000 advanced to the COVID-19 Enhanced Operations fund.

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

Carroll County General Health District
Carroll County
PO Box 98
Carrollton, Ohio 44615

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type of the Carroll County General Health District, Carroll County (the District) as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, and have issued our report thereon dated June 26, 2023, wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the District.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying corrective action plan. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.
June 26, 2023

**CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY**

SCHEDULE OF FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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Finding Number 2022-001

Material Weakness - Posting of Receipts

Sound financial reporting is the responsibility of the Fiscal Officer and Board of Trustees and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The District did not correctly post certain receipts. The District Fiscal Officer has agreed to the following adjustments, which are reflected in the accompanying financial statements and District records:

During 2022,

- Charges for Services receipts were classified as Intergovernmental-Other in the amount of \$19,829
- Intergovernmental-Grants receipts were classified as Intergovernmental-Other in the amount of \$173,224.
- Fines, Licenses and Permits receipts were classified as Intergovernmental-Other in the amount of \$110,393.
- Charges for Services receipts were classified as Fines, Licenses and Permits in the amount of \$78,531.
- A Transfer Out was recorded against Intergovernmental receipts in the amount of \$25,000.

During 2021,

- Charges for Services receipts were classified as Intergovernmental-Other in the amount of \$46,999.
- Charges for Services receipts were classified as Fines, Licenses and Permits in the amount of \$225,838.
- Fines, Licenses and Permits receipts were classified as Intergovernmental-Other in the amount of \$18,686.

Failure to consistently properly post all transactions increases the possibility the District will not be able to identify, assemble, analyze, classify record and report its transactions correctly or to document compliance with finance related legal and contractual requirements.

Sound financial reporting is the responsibility of the District and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. We recommend the District adopt policies and procedures to identify and correct errors and omissions in a timely manner. Management can use the Auditor of State guidance to aid in properly identifying account classifications and preparing annual financial statements.

Management Response:

See Corrective Action Plan.

**CARROLL COUNTY GENERAL HEALTH DISTRICT
CARROLL COUNTY**

CORRECTIVE ACTION PLAN
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Prepared by Management

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2022-001	The District has recognized the error made and will ensure the financial statements are properly presented going forward.	Immediately	Amy Campbell, Fiscal Officer

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OHIO AUDITOR OF STATE KEITH FABER



CARROLL COUNTY GENERAL HEALTH DISTRICT

CARROLL COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 8/24/2023

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov

**Carroll County General Health District
Carroll County
Scheduled of Expenditures of Federal Awards
For the Year Ended December 31, 2021**

Federal Grantor/Pass Through Grantor, Program Title	Pass Through Entity Number	Federal CFDA Number	Passed Through to Subrecipients	Expenditures
<u>U.S. Department of Health & Human Services</u>				
Maternal and Child Health & Human Services Block Grant to the States <i>Passed through Ohio Department of Health/ Passed through Harrison County General Health District</i>				
Reproductive Health & Wellness Grant	01-01-001-1-RH-0521	93.217	\$5,113.34	\$39,808.72
Reproductive Health & Wellness Grant	01-01-001-1-RH-0521	93.994	\$0.00	\$3,816.98
Reproductive Health & Wellness Grant	01-01-001-1-RH-0622	93.217	\$22,280.03	\$83,663.08
Reproductive Health & Wellness Grant	01-01-001-1-RH-0622	93.994	\$0.00	\$0.00
Total Maternal and Child Health & Human Services Block Grant to the States			\$27,393.37	\$127,288.78
Public Health Emergency Preparedness (PHEP) <i>Passed through Ohio Department of Health</i>				
Public Health Emergency Preparedness Grant	01-01-001-2-PH-1221	93.069	0	\$55,112.50
Public Health Emergency Preparedness Grant	01-01-001-2-PH-1322	93.069	0	\$22,233.00
Total Public Health Emergency Preparedness (PHEP)				\$77,345.50
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response <i>Passed through Ohio Department of Health</i>				
Coronavirus Response	01-01-001-2-CO-0120	93.354	0	\$5,184.42
Public Health Workforce	01-01-001-2-WF-0122	93.354	0	\$4,316.62
Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response				\$9,501.04
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) <i>Passed through Ohio Department of Health</i>				
Covid-19 Enhanced Operations	01-01-001-2-EO-0121	93.323	0	\$32,393.80
Covid-19 Contact Tracing Supplemental	01-01-001-2-CT-0121	93.323		\$15,711.32
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				\$48,105.12
Immunization and Vaccines for Children <i>Passed through Ohio Department of Health</i>				
Covid-19 Vaccine Equity Supplement Local Health Department Subgrants	01-01-001-2-VE-0121	93.268	0	\$50,000.00
Total Immunization and Vaccines for Children				\$50,000.00
Centers for Disease Control and Prevention Investigations & Technical Assistance <i>Passed through Ohio Department of Health</i>				
Tobacco Use Prevention and Cessation	01-01-001-4TU-0420	93.387	0	\$1,100.00
Total Centers for Disease Control and Prevention Investigations & Technical Assistance				\$1,100.00
<u>U.S. Department of the Treasury</u>				
Coronavirus Relief Fund <i>Passed through Ohio Department of Health</i>				
COVID-19 Contact Tracing	01-01-001-2-CT-0120	21.019	0	\$26,250.00
Coronavirus Response Supplemental	01-01-001-2-CO-0121	21.019	0	\$162,500.00
Total Coronavirus Relief Fund				\$188,750.00
Total Expenditure of Federal Awards			\$27,393.37	\$502,090.44

**Carroll County General Health District
Carroll County
Scheduled of Expenditures of Federal Awards
For the Year Ended December 31, 2022**

Federal Grantor/Pass Through Grantor, Program Title	Pass Through Entity Number	Federal CFDA Number	Passed Through to Subrecipients	Expenditures
<u>U.S. Department of Health & Human Services</u>				
Maternal and Child Health & Human Services Block Grant to the States <i>Passed through Ohio Department of Health/ Passed through Harrison County General Health District</i>				
Reproductive Health & Wellness Grant	01-01-001-1-RH-0622	93.217	\$10,666.68	\$54,736.91
Reproductive Health & Wellness Grant	01-01-001-1-RH-0622	93.994	\$0.00	\$11,101.01
Total Maternal and Child Health & Human Services Block Grant to the States			\$10,666.68	\$65,837.92
Public Health Emergency Preparedness (PHEP) <i>Passed through Ohio Department of Health</i>				
Public Health Emergency Preparedness Grant	01-01-001-2-PH-1322	93.069	0	\$41,749.00
Public Health Emergency Preparedness Grant	01-01-001-2-PH-1423	93.069	0	\$14,950.00
Total Public Health Emergency Preparedness (PHEP)				\$56,699.00
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response <i>Passed through Ohio Department of Health</i>				
Public Health Workforce	01-01-001-2-WF-0122	93.354	0	\$85,775.77
Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response				\$85,775.77
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) <i>Passed through Ohio Department of Health</i>				
Covid-19 Enhanced Operations	01-01-001-2-EO-0121	93.323	0	\$65,728.45
Covid-19 Enhanced Operations	01-01-001-2-EO-0222	93.323	0	\$8,996.73
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				\$74,725.18
Immunization and Vaccines for Children <i>Passed through Ohio Department of Health</i>				
Covid-19 Vaccination	01-01-001-2-CN-0122	93.268	0	\$11,842.02
Total Immunization and Vaccines for Children				\$11,842.02
Centers for Disease Control and Prevention Investigations & Technical Assistance <i>Passed through Ohio Department of Health</i>				
Tobacco Use Prevention and Cessation	01-01-001-4-TU-0622	93.387	0	\$4,380.00
Tobacco Use Prevention and Cessation	01-01-001-4-TU-0723	93.387	0	\$9,950.00
Total Centers for Disease Control and Prevention Investigations & Technical Assistance				\$14,330.00
Total Expenditure of Federal Awards			\$10,666.68	\$309,209.89