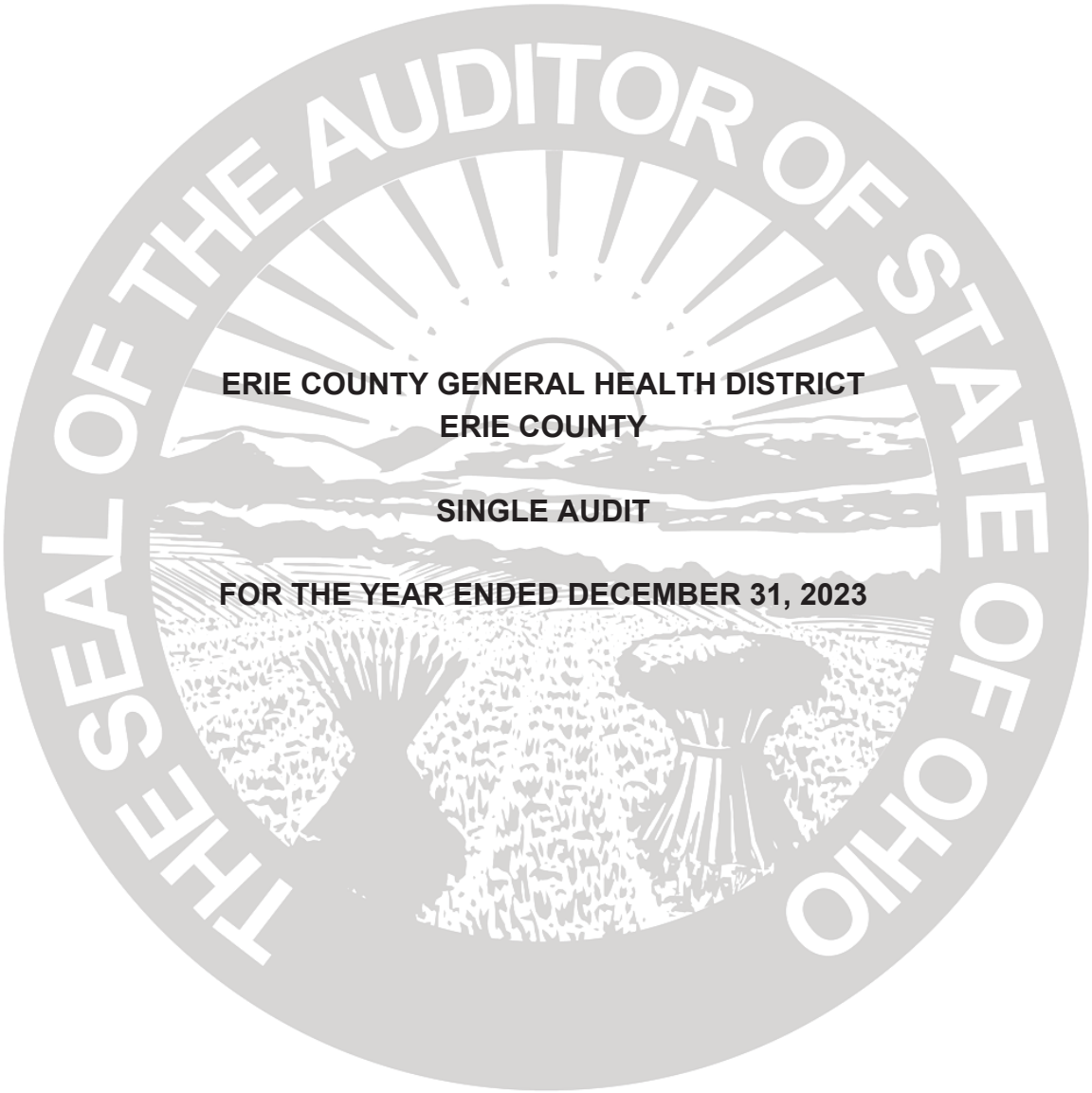

ERIE COUNTY GENERAL HEALTH DISTRICT
ERIE COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2023

OHIO AUDITOR OF STATE
KEITH FABER

ERIE COUNTY GENERAL HEALTH DISTRICT
ERIE COUNTY
DECEMBER 31, 2023

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OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT

Erie County General Health District
Erie County
420 Superior Street
Sandusky, Ohio 44870-1815

To the Members of the Board:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Erie County General Health District, Erie County, Ohio (the District), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Erie County General Health District, Erie County, Ohio as of December 31, 2023, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and Clinical Patient Services funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 *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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension and other post-employment benefit assets / liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2024, 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.

Keith Faber
Auditor of State
Columbus, Ohio

August 22, 2024

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The discussion and analysis of the Erie County General Health District's financial performance provides an overview of the Health District's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole.

HIGHLIGHTS

Highlights for 2023 are as follows:

Net position increased $844,524 from the prior year.

Approximately 88 percent of the Health District's revenues are program revenues in 2023; 41 percent are charges for services (including Medicare and/or Medicaid reimbursements) and 47 percent are grants. The remainder of the Health District's revenues is generally made up of property tax levies and tax related reimbursements (homestead and rollback) and State provided resources (operating subsidy)

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the Erie County General Health District's financial position.

The statement of net position and the statement of activities provide information about the activities of the Health District as a whole, presenting both an aggregate and a longer-term view of the Health District.

Fund financial statements provide a greater level of detail. These statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the Health District's most significant funds individually and the Health District's non-major funds in a single column. The Health District's major funds are the General Fund and the Clinical Patient Services special revenue fund.

REPORTING THE HEALTH DISTRICT AS A WHOLE

The statement of net position and the statement of activities reflect how the Health District did financially during 2023. These statements include all assets and liabilities using the accrual basis of accounting similar to that used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the Health District's net position and changes in net position. This change in net position is important because it tells the reader whether the financial position of the Health District as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors include such items as changes in the Health District's property tax base and the condition of the Health District's capital assets. These factors must be considered when assessing the overall health of the Health District.

In the statement of net position and the statement of activities, all of the Health District's activities are reflected as governmental activities. The programs and services reported here include general health and health clinic. These services are primarily funded by charges to clients (patients), Medicare and Medicaid reimbursements, and property taxes.

REPORTING THE HEALTH DISTRICT'S MOST SIGNIFICANT FUNDS

Fund financial statements provide detailed information about the Health District's major funds, the General Fund and the Clinical Patient Services special revenue fund. While the Health District uses a number of funds to account for its financial transactions, these are the most significant.

The Health District's governmental funds are used to account for the same programs reported as governmental activities on the government-wide financial statements. All of the Health District's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The fund financial statements provide a detailed short-term view of the Health District's general government operations and the basic services being provided.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Health District's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to help make this comparison between governmental funds and governmental activities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the Health District's net position for 2023 and 2022.

Table 1
Net Position

	Governmental Activities		
		(Restated)	
	2023	2022	Change
Assets			
Current and Other Assets	$11,780,580	$10,950,213	$830,367
Net Pension Asset	118,032	139,374	(21,342)
Net OPEB Asset	0	1,561,348	(1,561,348)
Capital Assets, Net	11,170,391	9,788,212	1,382,179
Total Assets	23,069,003	22,439,147	629,856
Deferred Outflows of Resources			
Pension	6,280,707	2,591,680	3,689,027
OPEB	958,379	249,884	708,495
Total Deferred Outflows of Resources	7,239,086	2,841,564	4,397,522

(continued)

Table 1
Net Position
(continued)

	Governmental Activities		
		(Restated)	
	2023	2022	Change
Liabilities			
Current and Other Liabilities	$1,122,555	$938,010	($184,545)
Long-Term Liabilities			
Pension	14,525,136	4,241,968	(10,283,168)
OPEB	309,925	0	(309,925)
Other Amounts	978,984	961,612	(17,372)
Total Liabilities	16,936,600	6,141,590	(10,795,010)
Deferred Inflows of Resources			
Pension	55,583	5,185,998	5,130,415
OPEB	102,661	1,613,189	1,510,528
Other Amounts	2,315,385	2,286,598	(28,787)
Total Deferred Inflows of Resources	2,473,629	9,085,785	6,612,156
Net Position			
Net Investment in Capital Assets	10,896,999	9,552,328	1,344,671
Restricted	440,693	2,185,187	(1,744,494)
Unrestricted (Deficit)	(439,832)	(1,684,179)	1,244,347
Total Net Position (Deficit)	$10,897,860	$10,053,336	$844,524

The net pension/OPEB liability (asset) reported by the Health District at December 31, 2023, is reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". For reasons discussed below, end users of these financial statements will gain a clearer understanding of the Health District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability (asset), and the net OPEB asset to the reported net position and subtracting deferred outflows related to pension and OPEB.

GASB standards are national standards and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB Statement No. 27) and postemployment benefits (GASB Statement No. 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension or net OPEB liability. GASB Statements No. 68 and No. 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and State law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB Statements No. 68 and No. 75 require the net pension liability (asset) and the net OPEB asset to equal the Health District's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange", that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Health District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement system to provide health care to eligible benefit recipients. The retirement system may allocate a portion of the employer contribution to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or in the case of compensated absences (i.e. vacation and sick leave) are satisfied through paid time off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability (when applicable). As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the Health District. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability (when applicable) are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB Statements No. 68 and No. 75, the Health District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in the net pension liability (asset) and the net OPEB asset, respectively, not accounted for as deferred outflows/inflows.

Pension/OPEB changes noted in the above table reflect a decrease in the net pension asset and the net OPEB asset, an overall increase in deferred outflows, and an overall decrease in deferred inflows. These changes are affected by changes in benefits, contribution rates, return on investments, and actuarial assumptions. The increase in the net pension liability and in the net OPEB liability represent the Health District's proportionate share of the unfunded benefits.

In addition to the changes related to pension/OPEB, there were only a couple other changes of significance from the prior year. The increase in current and other assets is primarily an increase in cash and cash equivalents. However, this increase was partially offset by a decrease in amounts due from other governments. The increase in net capital assets and the investment in capital assets is largely due to continued construction for the Kaptur House building project which started in 2023.

Table 2 reflects the change in net position for 2023 and 2022.

Table 2
Change in Net Position

	Governmental Activities		
	2023	2022	Change
Revenues			
Program Revenues			
Charges for Services	$8,735,481	$7,785,147	$950,334
Operating Grants and Contributions	8,607,818	8,429,946	177,872
Capital Grants and Contributions	1,461,481	429,468	1,032,013
Total Program Revenues	18,804,780	16,644,561	2,160,219
General Revenues			
Property Taxes Levied for General Purposes	2,143,313	2,148,089	(4,776)
Grants and Entitlements not Restricted to Specific Programs	182,943	375,075	(192,132)
Other	347,543	255,565	91,978
Total General Revenues	2,673,799	2,778,729	(104,930)
Total Revenues	21,478,579	19,423,290	2,055,289
Program Expenses			
General Health	11,251,209	7,859,087	(3,392,122)
Health Clinic	9,358,547	7,233,596	(2,124,951)
Interest Expense	24,299	13,664	(10,635)
Total Expenses	20,634,055	15,106,347	(5,527,708)
Increase in Net Position	844,524	4,316,943	(3,472,419)
Net Position Beginning of Year	10,053,336	5,736,393	4,316,943
Net Position End of Year	$10,897,860	$10,053,336	$844,524

Approximately 88 percent (86 percent in 2022) of the Health District's revenues are program revenues, primarily charges for the services, Medicare and/or Medicaid reimbursements, and restricted grants. There was a significant increase in charges for services due to a full year of services provided to clients (patients) with the expansion of the health clinic and capital grants and contributions due to grant funding for the construction of the Kaptur House. During 2023, operating grants and contributions continues to increase as the Health District continues to support its expanding programs with grants. There was little change in general revenues.

Approximately 55 percent (52 percent 2022) of the Health District's expenses are related to providing general health services which includes the women, infants, and children program; provision of nursing services; administration of vital statistics; issuance of various licenses and permits; the 211 referral service; and numerous community and family health programs. Approximately 45 percent (48 percent in 2022) of the Health District's expenses are for the operations of the health clinic. These costs which will vary annually dependent on patients served. The remainder of the Health District's expenses account for interest expense related to leases and financed purchases.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3
Governmental Activities

	Total Cost of Services 2023	Net Cost of Services 2023	Total Cost of Services 2022	Net Cost of Services 2022
General Health	$11,251,209	($1,040,983)	$7,859,087	$339,790
Health Clinic	9,358,547	(763,993)	7,233,596	1,212,088
Interest Expense	24,299	(24,299)	13,664	(13,664)
	$20,634,055	($1,829,275)	$15,106,347	$1,538,214

As noted in the above table, 91 percent (over 100 percent in 2022) of the costs of providing general health services were paid for with program revenues; by charges for services provided to clients (patients) and through reimbursements from Medicare/Medicaid as well as through various grants. Approximately 92 percent (over 100 percent in 2022) of the cost of services provided through the health clinic was paid for through program revenues. Resources received through property tax levies (general revenue) generally make up the balance of the costs for services provided.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The Health District's major governmental funds are the General Fund and the Clinical Patient Services special revenue fund.

Fund balance increased 18 percent in the General Fund. The increase in revenues was insignificant. However, there was over $3.2 million decrease in expenditures, due to in the prior year the Health District purchased land and completed a building addition project to expand the health clinic.

There was a decrease in fund balance in the Clinical Patient Services Fund. The change in fund balance is insignificant.

BUDGETARY HIGHLIGHTS

The Health District prepares an annual budget of revenues and expenditures/expenses for all funds of the Health District for use by Health District officials and such other budgetary documents as are required by State statute, including the annual appropriations measure which is effective the first day of January.

The Health District's most significant budgeted fund is the General Fund. For revenues, there was no change from the original budget to the final budget and the change from final budget to actual revenue was insignificant. For expenditures, the change from the original budget to the final budget and change from final budget to actual expenditure were insignificant.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The Health District's investment in capital assets as of December 31, 2023, was $11,170,391 (net of accumulated depreciation). Additions included construction in progress (Kaptur House building project), land purchased at 3201 W. Monroe Street, and new equipment and furniture for the building addition and various clinic sites. Disposals were minimal. For further information regarding the Health District's capital assets, refer to Note 8 to the basic financial statements.

Debt - At December 31, 2023, the Health District's outstanding long-term obligations included the net pension liability, the net OPEB liability, the liability for compensated absences (future severance payments), the liability for leases, and the liability for SBITAs. For further information regarding the Health District's long-term obligations, refer to Note 13 to the basic financial statements.

CURRENT ISSUES

2023 represented a significant transformation for the Erie County Health Department and our Erie County Community Health Center (Federally Qualified Health Center, FQHC). This significance was solely due to our agency regaining full strength following the pandemic. 2023 afforded our local health department and our FQHC to fully implement programs and services that had been stalled in 2020 by the advent of COVID-19. Our staff and programs excelled at peak performance, as our communities rallied behind the use of our services.

The grant administration progress of our department led to a record number of deliverables being met, which in turn, yielded very successful outcomes in terms of quality of life and co-morbidity values.

The capstone 2023 project was the start of the new behavioral/mental health short term housing facility being started on our campus August 1, 2023.

This project yielded a new organizational chart and upgraded position descriptions with some adjusted salary classifications. Our agency, in 2023, was poised to hire the best, most competent staff newcomers. This ability to be ultra-selective in hiring is due to our campus wide approach to integration of services, and professional persons want to be a part of what we are doing here locally and in our region.

In addition, 2023 was a year that we focused on being very diligent about cross training, workforce development, strategic planning, and management principles. 2023 continued our journey to educate our staff toward being a completely integrated team member. We value our staff and expect them to be wise toward efficiency and work balance.

In 2023, we opened our memory loss Adult Day Care facility after much planning. These programs all continue to bridge our mission statement. Financially, we ended the year in a great position and look forward to 2024 being an enormous year for new growth, opportunities, and good governance.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Health District's finances for all those interested in the Health District's financial well being. Questions any of the information provided in this report or requests for additional information should be directed to Joseph Palmucci, CFO, 420 Superior Street, Sandusky, Ohio 44870-1815.

Erie County General Health District
Statement of Net Position
December 31, 2023

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	$7,242,812
Accounts Receivable	268,836
Due from Other Governments	1,619,833
Prepaid Items	1,511
Materials and Supplies Inventory	276,426
Property Taxes Receivable	2,371,162
Net Pension Asset	118,032
Nondepreciable Capital Assets	2,906,994
Depreciable Capital Assets, Net	8,263,397
Total Assets	23,069,003
Deferred Outflows of Resources	
Pension	6,280,707
OPEB	958,379
Total Deferred Outflows of Resources	7,239,086
Liabilities	
Accrued Wages Payable	556,058
Accounts Payable	312,275
Contracts Payable	6,891
Due to Other Governments	143,104
Matured Compensated Absences Payable	5,014
Retainage Payable	99,213
Long-Term Liabilities	
Due Within One Year	329,013
Due in More Than One Year	
Net Pension Liability	14,525,136
Net OPEB Liability	309,925
Other Amounts Due in More Than One Year	649,971
Total Liabilities	16,936,600
Deferred Inflows of Resources	
Property Taxes	2,315,385
Pension	55,583
OPEB	102,661
Total Deferred Inflows of Resources	2,473,629
Net Position	
Net Investment in Capital Assets	10,896,999
Restricted for:	
Other Purposes	322,661
Pension plans	118,032
Unrestricted (Deficit)	(439,832)
Total Net Position	$10,897,860

See Accompanying Notes to the Basic Financial Statements

Erie County General Health District
Statement of Activities
For the Year Ended December 31, 2023

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Health	$11,251,209	$2,854,985	$6,150,608	$1,204,633
Health Clinic	9,358,547	5,880,496	2,457,210	256,848
Interest Expense	24,299	0	0	0
Total Governmental Activities	$20,634,055	$8,735,481	$8,607,818	$1,461,481
General Revenues				
Property Taxes Levied for General Purposes				
Grants and Entitlements not Restricted to Specific Programs				
Other				
Total General Revenues				
Change in Net Position				
Net Position Beginning of Year				
Net Position End of Year				

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue and Change in Net Position
Governmental Activities
($1,040,983)
(763,993)
(24,299)
(1,829,275)
2,143,313
182,943
347,543
2,673,799
844,524
10,053,336
$10,897,860

Erie County General Health District
Balance Sheet
Governmental Funds
December 31, 2023

	General	Clinical Patient Services	Other Governmental	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	$7,242,812	$0	$0	$7,242,812
Accounts Receivable	0	257,541	11,295	268,836
Due from Other Governments	124,429	448,377	1,047,027	1,619,833
Prepaid Items	1,511	0	0	1,511
Materials and Supplies Inventory	0	276,426	0	276,426
Property Taxes Receivable	2,371,162	0	0	2,371,162
Total Assets	$9,739,914	$982,344	$1,058,322	$11,780,580
Liabilities				
Accrued Wages Payable	$6,193	$278,420	$271,445	$556,058
Accounts Payable	10,792	53,955	247,528	312,275
Contracts Payable	0	0	6,891	6,891
Due to Other Governments	14,907	51,658	76,539	143,104
Matured Compensated Absences Payable	0	0	5,014	5,014
Retainage Payable	0	0	99,213	99,213
Total Liabilities	31,892	384,033	706,630	1,122,555
Deferred Inflows of Resources				
Property Taxes Receivable	2,315,385	0	0	2,315,385
Unavailable Revenue	180,206	0	373,057	553,263
Total Deferred Inflows of Resources	2,495,591	0	373,057	2,868,648
Fund Balance				
Nonspendable	1,511	276,426	0	277,937
Restricted	0	0	339,769	339,769
Committed	0	321,885	83,150	405,035
Assigned	1,007,212	0	0	1,007,212
Unassigned (Deficit)	6,203,708	0	(444,284)	5,759,424
Total Fund Balance (Deficit)	7,212,431	598,311	(21,365)	7,789,377
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$9,739,914	$982,344	$1,058,322	$11,780,580

See Accompanying Notes to the Basic Financial Statements

Erie County General Health District
Reconciliation of Total Governmental Fund Balance
to Net Position of Governmental Activities
December 31, 2023

Total Governmental Fund Balance		$7,789,377
Amounts reported for governmental activities on the statement of net position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		11,170,391
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
Accounts Receivable	113,240	
Due from Other Governments	384,246	
Delinquent Property Taxes Receivable	55,777	
		553,263
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated Absences Payable	(811,696)	
Leases Payable	(115,946)	
SBITA Payable	(51,342)	
		(978,984)
The net pension asset, net pension liability, and net OPEB liability are not due and payable in the current period; therefore, the asset, liability, and related deferred outflows/inflows are not reported in the governmental funds.		
Net Pension Asset	118,032	
Deferred Outflows - Pension	6,280,707	
Deferred Inflows - Pension	(55,583)	
Net Pension Liability	(14,525,136)	
Deferred Outflows - OPEB	958,379	
Deferred Inflows - OPEB	(102,661)	
Net OPEB Liability	(309,925)	
		(7,636,187)
Net Position of Governmental Activities		$10,897,860

See Accompanying Notes to the Basic Financial Statements

Erie County General Health District
Statement of Revenues, Expenditures,
and Change in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

	General	Clinical Patient Services	Other Governmental	Total Governmental Funds
Revenues				
Property Taxes	$2,141,705	$0	$0	$2,141,705
Charges for Services	0	5,880,496	2,007,674	7,888,170
Fees, Licenses, and Permits	0	0	858,362	858,362
Intergovernmental	810,658	2,714,058	6,852,144	10,376,860
Other	9,876	282,481	55,186	347,543
Total Revenues	2,962,239	8,877,035	9,773,366	21,612,640
Expenditures				
Current:				
General Health				
Salaries	198,836	0	4,345,302	4,544,138
Fringe Benefits	51,919	0	1,500,691	1,552,610
Travel and Transportation	29,550	0	119,196	148,746
Contractual Services	369,010	0	4,318,848	4,687,858
Materials and Supplies	61,990	0	492,073	554,063
Occupancy and Maintenance	110,381	0	1,503	111,884
Intergovernmental	0	0	248,077	248,077
Capital Outlay	46,539	0	49,914	96,453
Other	1,777	0	5,818	7,595
Health Clinic				
Salaries	0	4,828,138	0	4,828,138
Fringe Benefits	0	1,568,689	0	1,568,689
Travel and Transportation	0	25,399	0	25,399
Contractual Services	0	1,312,009	0	1,312,009
Materials and Supplies	0	835,322	0	835,322
Capital Outlay	0	241,649	0	241,649
Other	0	11,490	0	11,490
Debt Service				
Principal Retirement	71,927	53,038	12,847	137,812
Interest	11,661	10,439	2,412	24,512
Total Expenditures	953,590	8,886,173	11,096,681	20,936,444
Excess of Revenues Over (Under) Expenditures	2,008,649	(9,138)	(1,323,315)	676,196
Other Financing Sources (Uses)				
Inception of SBITA	0	74,687	0	74,687
Transfers In	0	0	1,322,412	1,322,412
Transfers Out	(895,316)	(151,067)	(276,029)	(1,322,412)
Total Other Financing Sources (Uses)	(895,316)	(76,380)	1,046,383	74,687
Change in Fund Balance	1,113,333	(85,518)	(276,932)	750,883
Fund Balance Beginning of Year	6,099,098	683,829	255,567	7,038,494
Fund Balance (Deficit) End of Year	$7,212,431	$598,311	($21,365)	$7,789,377

See Accompanying Notes to the Basic Financial Statements

Erie County General Health District
Reconciliation of Statement of Revenues, Expenditures,
and Change in Fund Balance
of Governmental Funds to Statement of Activities
For the Year Ended December 31, 2023

Change in Fund Balance - Total Governmental Funds		$750,883
Amounts reported for governmental activities on the statement of activities are different because of the following:		
Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current year.		
Capital Outlay - Non-Depreciable Capital Assets	1,465,395	
Capital Outlay - Depreciable Capital Assets	382,818	
Depreciation/Amortization	(464,207)	
		1,384,006
The book value of the capital assets is removed from the capital asset account on the statement of net position when disposed of resulting in a loss on disposal of capital assets on the statement of activities.		(1,827)
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.		
Delinquent Property Taxes	1,608	
Charges for Services	(11,051)	
Intergovernmental	(124,618)	
		(134,061)
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net position.		
Financed Purchases Payable	68,907	
Leases Payable	51,031	
SBITA Payable	23,345	
		143,283
The inception of a SBITA is reported as other financing sources in the governmental funds but increases long-term liabilities on the statement of net position.		(74,687)
Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position.		213
Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(85,968)
Except for amounts reported as deferred outflows/inflows, changes in the net pension liability (asset) and net OPEB liability are reported as pension/OPEB expense on the statement of activities.		
Pension	(2,737,551)	
OPEB	333,744	
		(2,403,807)
Contractually required contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,252,483	
OPEB	14,006	
		1,266,489
Change in Net Position of Governmental Activities		$844,524

See Accompanying Notes to the Basic Financial Statements

Erie County General Health District
Statement of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$2,196,644	$2,196,644	$2,141,705	($54,939)
Intergovernmental	747,700	747,700	864,811	117,111
Other	5,000	5,000	10,376	5,376
Total Revenues	2,949,344	2,949,344	3,016,892	67,548
Expenditures				
Current:				
General Health				
Salaries	242,461	242,461	211,017	31,444
Fringe Benefits	65,842	65,842	53,800	12,042
Travel and Transportation	37,236	37,236	29,677	7,559
Contractual Services	295,030	313,401	385,411	(72,010)
Materials and Supplies	59,276	59,276	53,379	5,897
Occupancy and Maintenance	207,351	207,351	86,182	121,169
Capital Outlay	35,000	35,000	50,998	(15,998)
Other	4,000	4,000	3,451	549
Total Expenditures	946,196	964,567	873,915	90,652
Excess of Revenues Over Expenditures	2,003,148	1,984,777	2,142,977	158,200
Other Financing Uses				
Transfers Out	0	(895,316)	(895,316)	0
Change in Fund Balance	2,003,148	1,089,461	1,247,661	158,200
Fund Balance Beginning of Year	5,995,151	5,995,151	5,995,151	0
Fund Balance End of Year	$7,998,299	$7,084,612	$7,242,812	$158,200

See Accompanying Notes to the Basic Financial Statements

Erie County General Health District
Statement of Revenues, Expenditures,
and Change in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Clinical Patient Services Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Charges for Services	$5,849,700	$5,787,695	$5,787,695	$0
Intergovernmental	2,430,910	3,299,353	2,822,592	(476,761)
Other	143,525	282,761	282,761	0
Total Revenues	8,424,135	9,369,809	8,893,048	(476,761)
Expenditures				
Current:				
Health Clinic				
Salaries	5,422,359	4,813,124	4,813,124	0
Fringe Benefits	1,878,812	1,565,382	1,565,382	0
Travel and Transportation	38,669	26,606	26,606	0
Contractual Services	1,449,784	1,825,871	1,349,110	476,761
Materials and Supplies	722,514	722,898	722,898	0
Capital Outlay	244,700	253,756	253,756	0
Other	10,485	11,105	11,105	0
Total Expenditures	9,767,323	9,218,742	8,741,981	476,761
Excess of Revenues Over (Under) Expenditures	(1,343,188)	151,067	151,067	0
Other Financing Uses				
Transfers Out	0	(151,067)	(151,067)	0
Change in Fund Balance	(1,343,188)	0	0	0
Fund Balance Beginning of Year	0	0	0	0
Fund Balance (Deficit) End of Year	($1,343,188)	$0	$0	$0

See Accompanying Notes to the Basic Financial Statements

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

A. The Health District

The constitution and laws of the State of Ohio establish the rights and privileges of the Erie County General Health District, Erie County (the Health District), as a body corporate and politic. The Health District is a combined Board of Health as defined by Section 3709.07 of the Ohio Revised Code. The Health District is the union of the city health departments of Sandusky, Huron, and Vermilion and the Erie County Board of Health. The Health District operates under the direction of an eleven-member appointed Board of Health with five members appointed by the City of Sandusky, one member each appointed by the cities of Huron and Vermilion, three members appointed by the District Advisory Council, and one member appointed by the District Licensing Council. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, and issuing health-related licenses and permits.

B. Reporting Entity

A reporting entity is composed of the stand-alone government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the Erie County General Health District consists of all funds, departments, boards, and agencies that are not legally separate from the Health District.

Component units are legally separate organizations for which the Health District is financially accountable. The Health District is financially accountable for an organization if the Health District appoints a voting majority of the organization's governing board and (1) the Health District is able to significantly influence the programs or services performed or provided by the organization; or (2) the Health District is legally entitled to or can otherwise access the organization's resources; the Health District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization. Component units may also include organizations that are fiscally dependent on the Health District in that the Health District approves the budget, the issuance of debt, or the levying of taxes and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Health District. There were no component units of the Health District in 2023.

The Health District participates in a public entity shared risk pool, the Public Entities Pool of Ohio, which is presented in Note 16 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Erie County General Health District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the Health District's accounting policies.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation

The Health 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 Health District as a whole.

The statement of net position presents the financial condition of the governmental activities of the Health District at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Health 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 revenues 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. Revenues which are not classified as program revenues are presented as general revenues of the Health District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Health District.

Fund Financial Statements

During the year, the Health District segregates transactions related to certain Health 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 Health District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

B. Fund Accounting

The Health 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. All of the Health District's funds are governmental funds.

Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following are the Health District's major governmental funds:

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Clinical Patient Services Fund - This fund accounts for state grants and patient fees committed for personnel costs, supplies, and contracts to run the clinic.

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

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Health District are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Health District, available means expected to be received within thirty-one days after year end.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Nonexchange transactions, in which the Health District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Health District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Health District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: charges for services and grants.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. For the Health District, deferred outflows of resources consists of pension and OPEB which is explained in Notes 10 and 11 to the basic financial statements.

In addition to liabilities, the statement of financial position may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the Health District, deferred inflows of resources includes property taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there was an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. This amount has been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the Health District, unavailable revenue includes intergovernmental revenue including grants, delinquent property taxes, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. For further details on unavailable revenue, refer to the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities on page 17. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position and explained in Notes 10 and 11 to the basic financial statements.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budgetary Process

All funds are required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations measure, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the Board of Health may appropriate. The appropriations measure is the Board of Health's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board of Health. The level of control has been established by the Board of Health at the fund level for all funds. Budgetary allocations at the function and object level for all funds are made by the Chief Financial Officer.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Chief Financial Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budget amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources requested by the Board of Health prior to year end.

The appropriations measure 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 appropriations measure 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 Board of Health during the year.

F. Cash and Investments

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

H. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption.

I. Capital Assets

All of the Health District's capital assets are general capital assets generally resulting from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All capital assets (except for intangible right-to-use lease assets and subscription assets which are discussed below) are capitalized at cost and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value on the date received. The Health District maintains a capitalization threshold of two thousand five hundred dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All capital assets are depreciated, except land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Land Improvements	20 years
Buildings and Improvements	20-40 years
Furniture, Fixtures, and Equipment	5-20 years
Vehicles	5-10 years
Intangible Right-to-Use Equipment	2-5 years
Intangible Right-to-Use Software	3 years

The Health District is reporting intangible right to use assets related to lease assets and subscription assets. The lease assets include equipment and represent nonfinancial assets which are being utilized for a period of time through leases from another entity. Subscription assets represent intangible right to use assets related to the use of another party's IT software. These intangible right to use assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

J. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the Health District will compensate the employees for the benefits through paid time off or some other means. The Health District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the Health District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the Health District's termination policy. The Health District records a liability for accumulated unused sick leave for all employees with ten or more years of service with the Health District.

The entire compensated absences liability is reported on the government-wide financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

On the governmental funds financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employes who have accumulated unpaid leave are paid.

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. Financed purchases, leases, and subscriptions payable are recognized as a liability on the governmental fund financial statements when due.

L. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Health District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

M. Leases and SBITAs

The Health District serves as lessee in various noncancellable leases which are accounted for as follows:

> Lessee - At the commencement of a lease, the Health District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the useful life of the underlying asset. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Health District is reporting Subscription-Based Information Technology Arrangements (SBITAs) for a noncancellable IT software contract. At the commencement of the subscription term, the Health District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at the commencement of the subscription term, plus certain initial implementation costs. Subsequently, the subscription asset is amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT asset. Subscription assets are reported with other capital assets and subscription payables are reported with long-term debt on the statement of net position.

N. Fund Balance

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

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

Restricted - The restricted classification includes amounts 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 classification includes amounts that can be used only for the specific purposes imposed by a formal action of the Board of Health. The 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 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 classification are intended to be used by the Board of Health 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. Assigned amounts represent intended uses established by the Board of Health. The Board of Health has authorized the Chief Financial Officer to assign fund balance for purchases on order provided those amounts have been lawfully appropriated.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Health District first applies restricted resources when an expenditure is 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 can be used.

O. Interfund Transactions

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods 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 expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

P. Pension/Postemployment

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pension/OPEB, pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans, and additions to/deductions from the fiduciary net position have been determined on the same basis as reported by the pension/OPEB system. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB system reports investments at fair value.

Q. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES

For 2023, the Health District implemented Governmental Accounting Standards Board (GASB) Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements," GASB Statement No. 96, "Subscription-Based Information Technology Arrangements", and GASB Statement No. 99, "Omnibus 2202."

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES (continued)

GASB Statement No. 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The Health District did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). These changes were incorporated into the Health District's financial statements. As of December, 31, 2022, the Health District did not have any contracts that met GASB Statement No. 96 definition of a SBITA, other than short-term SBITAs.

GASB Statement No. 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

For 2023, the Health District also implemented the guidance in GASB's Implementation Guide No. 2021-1, "Implementation Guidance Update-2021 (other than question 5.1)."

NOTE 4 - ACCOUNTABILITY

At December 31, 2023, the following funds had deficit fund balances:

Fund Type/Fund	Deficit
Nonmajor Special Revenue Funds	
First Responders	$16,788
Ohio Lead Safe Home	123,343
Healthy Homes Project	57,208
Ohio Health Improvement Zones	5,514
Vital Statistics	24,034
Community Health Workforce Development	617
Drug Free Communities	5,508
Tobacco Use Prevention and Cessation	5,346
Environmental Health Programs	52,965
Preconception Health and Wellness	3,664
Housing Preservation	1,413
Ohio Department of Development Lead Safe Home	470
Strategic Prevention Framework	5,019
Ohio Department of Health - Enhanced Operations	14,868
Adult Day Center	21,337
Nonmajor Capital Projects Fund	
Kapture House MHBH Grant	106,190

NOTE 4 – ACCOUNTABILITY (continued)

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the General Fund needed for operations until the receipt of grant monies. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and - Actual for the General Fund and the Clinical Patient Services special revenue fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis are as follows:

Net Changes in Fund Balance

	General	Clinical Patient Services
GAAP Basis	$1,113,333	($85,518)
Increases (Decreases) Due To		
Revenue Accruals:		
Accrued 2022, Received in Cash in 2023	54,653	721,931
Accrued 2023, Not Yet Received in Cash	0	(705,918)
Expenditure Accruals:		
Accrued 2022, Paid in Cash in 2023	(58,767)	(433,085)
Accrued 2023, Not Yet Paid in Cash	31,892	458,720
Prepaid Items	106,550	786

(continued)

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING (continued)

Net Changes in Fund Balance
(continued)

	General	Clinical Patient Services
Expenditure Accruals: (continued)		
Materials and Supplies		
Inventory	$0	$117,771
Inception of SBITA	0	(74,687)
Budget Basis	$1,247,661	$0

NOTE 6 - RECEIVABLES

Receivables at December 31, 2023, consisted of accounts (billings for health services); intergovernmental receivables arising from grants, entitlements, and shared revenues; and property taxes. All receivables are considered collectible in full and within one year, except for property taxes. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	$117,708
Public Health Workforce Grant	6,721
Total General Fund	124,429
Clinical Patient Services	
Alcohol Use Disorder Grant	28,967
Charges for Services	185,748
HRSA Grant	167,745
Reproductive Health and Wellness Grant	65,917
Total Clinical Patient Services	448,377
Total Major Funds	572,806
Nonmajor Funds	
Women, Infants, and Children	
WIC Administration	126,298
First Responders	
First Responders Grant	32,306
Immunization Action Plan	
Get Vaccinated Ohio Grant	9,360

(continued)

NOTE 6 - RECEIVABLES (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds (continued)	
Institutional Nursing Contracts	
School Contracts	$144,712
Jail Contracts	143,973
Total Institutional Nursing Contracts	288,685
HUD Lead	
HUD Lead Grant	48,899
Ohio Lead Safe Homes	
Ohio Lead Safe Homes Grant	41,541
Public Health Emergency Planning and Response	
Public Health Emergency Planning and Response Grant	14,740
Health Homes Project	
Health Homes Project Grant	61,672
Ohio Health Improvement Zones Pilot Project	
Ohio Health Improvement Zones Pilot Project Grant	14,072
Community Health	
Safe Communities Grant	1,437
Drug Free Communities	
Drug Free Communities Grant	12,224
Tobacco Use Prevention and Cessation	
Tobacco Use Prevention and Cessation Grant	18,200
Moms Quit for Two	
Moms Quit for Two Grant	7,105
Environmental Health Programs	
Erie County	5,046
Community Health Worker Workforce Development	
Community Health Worker Workforce Development Grant	28,958
Cribs for Kids and Safe Sleep	
Cribs for Kids and Safe Sleep Grant	5,100
Comprehensive Opioid, Stimulant, and Substance Abuse Program	
Comprehensive Opioid, Stimulant, and Substance Abuse Program Grant	65,337
Creating Healthy Communities	
Creating Healthy Communities Grant	16,419
Housing Preservation	
Housing Preservation Grant	4,144
Ohio Department of Development - Lead Safe Home	
Ohio Department of Development - Lead Safe Home Grant	21,445
Safety Net Dental Care	
Safety Net Dental Care I Grant	13,250
Safety Net Dental Care II Grant	11,875
Total Safety Net Dental Care	25,125
Integrated Harm Reduction	
Integrated Harm Reduction Grant	31,000
Sexually Transmitted Infections	
Sexually Transmitted Infections Grant	19,181

(continued)

NOTE 6 - RECEIVABLES (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds (continued)	
Strategic Prevention Framework	
Strategic Prevention Framework Grant	$6,543
Public Health Workforce	
Public Health Workforce Grant	26,631
Ohio Department of Health - Enhanced Operations	
Ohio Department of Health - Enhanced Operations Grant	47,037
Alcohol Use Disorder	
Alcohol Use Disorder Grant	68,522
Total Nonmajor Funds	1,047,027
Total Governmental Activities	$1,619,833

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the County. Real property tax revenues received in 2023 represent the collection of 2022 taxes. Real property taxes received in 2023 were levied after October 1, 2022, on the assessed values as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2023 represent the collection of 2022 taxes. Public utility real and tangible personal property taxes received in 2023 became a lien on December 31, 2021, were levied after October 1, 2022, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the Erie County General Health District. The County Auditor periodically remits to the Health District its portion of the taxes collected.

Accrued property taxes receivable represents real and public utility property taxes which were measurable as of December 31, 2023, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2023 operations is offset to deferred inflows of resources-property taxes. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue while on a modified accrual basis, the revenue has been reported as deferred inflows of resources-unavailable revenue.

NOTE 7 - PROPERTY TAXES (continued)

The full tax rate for all Health District operations for the year ended December 31, 2023, was $1.00 per $1,000 of assessed value. The assessed values of real property and public utility property upon which 2023 property tax receipts were based are as follows:

Category	Amount
Real Property	
Agricultural	$112,048,570
Residential	1,885,738,500
Commercial	474,387,910
Industrial	48,923,740
Public Utility Property	
Real	11,209,460
Personal	305,742,230
Total Assessed Value	$2,838,050,410

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023, was as follows:

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023
Governmental Activities:				
Non-Depreciable Capital Assets				
Land	$1,441,599	$0	$0	$1,441,599
Construction in Progress	0	1,465,395	0	1,465,395
Total Non-Depreciable Capital Assets	1,441,599	1,465,395	0	2,906,994
Depreciable Capital Assets				
Tangible Assets				
Land Improvements	481,596	0	0	481,596
Buildings and Improvements	7,590,328	0	0	7,590,328
Furniture, Fixtures, and Equipment	1,448,186	308,131	(11,818)	1,744,499
Vehicles	94,949	0	0	94,949
Total Tangible Assets	9,615,059	308,131	(11,818)	9,911,372

(continued)

NOTE 8 - CAPITAL ASSETS (continued)

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023
Governmental Activities: (continued)				
Intangible Assets				
Lease Assets				
Intangible Right-to-Use Asset - Equipment	$206,186	$0	$0	$206,186
Subscription Assets				
Intangible Right-to-Use Asset - Software	0	74,687	0	74,687
Total Intangible Assets	206,186	74,687	0	280,873
Total Depreciable Capital Assets	9,821,245	382,818	(11,818)	10,192,245
Less Accumulated Depreciation/Amortization				
Depreciation				
Tangible Assets				
Land Improvements	(41,363)	(24,080)	0	(65,443)
Buildings and Improvements	(644,614)	(193,981)	0	(838,595)
Furniture, Fixtures, and Equipment	(674,668)	(155,733)	9,991	(820,410)
Vehicles	(60,506)	(13,587)	0	(74,093)
Total Depreciation	(1,421,151)	(387,381)	9,991	(1,798,541)
Amortization				
Intangible Assets				
Lease Assets				
Intangible Right-to-Use Asset - Equipment	(53,481)	(53,481)	0	(106,962)
Subscription Assets				
Intangible Right-to-Use Asset - Software	0	(23,345)	0	(23,345)
Total Amortization	(53,481)	(76,826)	0	(130,307)
Total Accumulated Depreciation/Amortization	(1,474,632)	(464,207)	9,991	(1,928,848)
Total Depreciable Capital Assets, Net	8,346,613	(81,389)	(1,827)	8,263,397
Governmental Activities Capital Assets, Net	$9,788,212	$1,384,006	($1,827)	$11,170,391

Depreciation/Amortization expense was charged to governmental activities as follows:

Governmental Activities	Depreciation	Amortization	Total
General Health	$197,847	$53,481	$251,328
Health Clinic	189,534	23,345	212,879
Total Governmental Activities	$387,381	$76,826	$464,207

NOTE 9 - RISK MANAGEMENT

The Health District participates in the Public Entities Pool of Ohio, a public entity shared risk pool. The Health District pays an annual premium to the pool for various types of insurance coverage. Members agree to share in the coverage of losses and pay all premiums necessary for the specified insurance coverage. Upon withdrawal from the Pool, a participant is responsible for the payment of all liabilities accruing as a result of withdrawal. During 2023, the Health District had the following insurance coverage:

Type of Coverage	Coverage	Deductible
Building and Contents Liability	$18,690,989	$1,000
General Liability	3,000,000	1,000
Medical Malpractice Liability	3,000,000	1,000
Automobile Liability	3,000,000	0
Wrongful Acts	3,000,000	1,000

There has been no significant reduction in insurance coverage from 2022 and no insurance settlement has exceeded insurance coverage during the last three years.

NOTE 10 - DEFINED BENEFIT PENSION PLAN

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represent the Health District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculations are dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the Health District's obligation for this liability to annually required payments. The Health District cannot control benefit terms or the manner in which pensions are financed; however, the Health District does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

NOTE 10 - DEFINED BENEFIT PENSION PLAN (continued)

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable.* The remainder of this note includes the required pension disclosures. See Note 11 for the required OPEB disclosures.

Ohio Public Employees Retirement System (OPERS)

Plan Description - Health District employees, other than certified teachers, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which 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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. 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 https://www.opers.org/financial/reports.shtml, 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 in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

NOTE 10 - DEFINED BENEFIT PENSION PLAN (continued)

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
Traditional Plan 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	**Traditional Plan 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	**Traditional Plan 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
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
Public Safety	**Public Safety**	**Public Safety**
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	**Law Enforcement**	**Law Enforcement**
Age and Service Requirements: Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	**Public Safety and Law Enforcement**	**Public Safety and Law Enforcement**
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Traditional Plan Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Traditional Plan Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost–of–living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

NOTE 10 - DEFINED BENEFIT PENSION PLAN (continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	State and Local			
	Traditional	Combined	Public Safety	Law Enforcement
2023 Statutory Maximum Contribution Rates				
Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	10.0 %	**	***
2023 Actual Contribution Rates				
Employer:				
Pension ****	14.0 %	12.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	2.0	0.0	0.0
Total Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee	10.0 %	10.0 %	12.0 %	13.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** This rate is determined by OPERS' Board and has no maximum rate established by ORC.

*** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

**** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

NOTE 10 - DEFINED BENEFIT PENSION PLAN (continued)

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

For 2023, the Health District's contractually required contribution was $1,221,942 for the traditional plan, $30,541 for the combined plan, and $27,267 for the member-directed plan. Of these amounts, $73,411 is reported as an intergovernmental payable for the traditional plan, $1,835 for the combined plan, and $1,641 for the member-directed plan.

Pension Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Health District's proportion of the net pension liability (asset) was based on the Health District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the Health District's defined benefit pension plans:

	OPERS Traditional Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset:			
Current Measurement Date	0.04917100%	0.05007900%	
Prior Measurement Date	0.04875600%	0.03537400%	
Change in Proportionate Share	0.00041500%	0.01470500%	
Proportionate Share of the:			
Net Pension Liability	$14,525,136	$0	$14,525,136
Net Pension Asset	0	118,032	118,032
Pension Expense	2,724,355	13,196	2,737,551

2023 pension expense for the member-directed defined contribution plan was $27,267. The aggregate pension expense for all pension plans was $2,764,818 for 2023.

NOTE 10 - DEFINED BENEFIT PENSION PLAN (continued)

At December 31, 2023, the Health District reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$482,464	$7,256	$489,720
Changes of assumptions	153,448	7,815	161,263
Net difference between projected and actual earnings on pension plan investments	4,140,120	43,015	4,183,135
Changes in proportion and differences between Health District contributions and proportionate share of contributions	190,266	3,840	194,106
Health District contributions subsequent to the measurement date	1,221,942	30,541	1,252,483
Total Deferred Outflows of Resources	$6,188,240	$92,467	$6,280,707
Deferred Inflows of Resources			
Differences between expected and actual experience	$0	$16,865	$16,865
Changes in proportion and differences between Health District contributions and proportionate share of contributions	0	38,718	38,718
Total Deferred Inflows of Resources	$0	$55,583	$55,583

$1,252,483 reported as deferred outflows of resources related to pension resulting from Health District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	Total
Year Ending December 31:			
2024	$738,218	($2,714)	$735,504
2025	981,321	3,455	984,776
2026	1,218,638	6,519	1,225,157
2027	2,028,121	13,845	2,041,966
2028	0	(5,238)	(5,238)
Thereafter	0	(9,524)	(9,524)
Total	$4,966,298	$6,343	$4,972,641

NOTE 10 - DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	2.75 percent	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2023, then 2.05 percent, simple	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 12.1 percent for 2022.

NOTE 10 - DEFINED BENEFIT PENSION PLAN (continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00%	2.62%
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability for the current year was 6.9 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Health District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following table presents the Health District's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the Health District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

NOTE 10 - DEFINED BENEFIT PENSION PLAN (continued)

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Health District's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	$21,758,168	$14,525,136	$8,508,550
OPERS Combined Plan	(61,597)	(118,032)	(162,757)

NOTE 11 - DEFINED BENEFIT OPEB PLAN

See Note 10 for a description of the net OPEB liability.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - The 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 a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

NOTE 11 - DEFINED BENEFIT OPEB PLAN (continued)

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

NOTE 11 - DEFINED BENEFIT OPEB PLAN (continued)

The heath care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS 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 into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was $14,006 for 2023. Of this amount, $843 is reported as an intergovernmental payable.

NOTE 11 - DEFINED BENEFIT OPEB PLAN (continued)

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Health District's proportion of the net OPEB liability was based on the Health District's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.04915400%
Prior Measurement Date	0.04984900%
Change in Proportionate Share	0.00069500%
Proportionate Share of the Net OPEB Liability	$309,925
OPEB Expense	($333,744)

At December 31, 2023, the Health District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred Outflows of Resources	
Changes of assumptions	$302,711
Net difference between projected and actual earnings on OPEB plan investments	615,523
Changes in proportion and differences between Health District contributions and proportionate share of contributions	26,139
Health District contributions subsequent to the measurement date	14,006
Total Deferred Outflows of Resources	$958,379
Deferred Inflows of Resources	
Differences between expected and actual experience	$77,308
Changes of assumptions	24,908
Changes in proportion and differences between Health District contributions and proportionate share of contributions	445
Total Deferred Inflows of Resources	$102,661

NOTE 11 - DEFINED BENEFIT OPEB PLAN (continued)

$14,006 reported as deferred outflows of resources related to OPEB resulting from Health District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase of the net OPEB asset in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS
2024	$127,489
2025	224,936
2026	191,938
2027	297,349
Total	$841,712

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent including wage inflation
Single Discount Rate	5.22 percent
Prior Year Single Discount Rate	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.05 percent
Prior Year Municipal Bond Rate	1.84 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent, ultimate in 2036
Actuarial Cost Method	Individual Entry Age

NOTE 11 - DEFINED BENEFIT OPEB PLAN (continued)

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	2.56%
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00%	

NOTE 11 - DEFINED BENEFIT OPEB PLAN (continued)

Discount Rate - A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Health District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the Health District's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the Health District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
Health District's proportionate share of the net OPEB liability (asset)	$1,054,845	$309,925	($304,755)

Sensitivity of the Health District's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

NOTE 11 - DEFINED BENEFIT OPEB PLAN (continued)

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Health District's proportionate share of the net OPEB liability	$290,500	$309,925	$331,790

NOTE 12 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits are derived from personnel policies and State laws.

Health District employees earn and accumulate vacation at varying rates depending on length of service. Current policy credits vacation leave on the employee's anniversary date. Employees are paid for 100 percent of earned unused vacation leave, not to exceed three years of accumulated leave, upon termination.

Sick leave is earned at four and six-tenths hours per pay period as defined by Health District personnel policies. Any employee with the Health District, who elects to retire, is entitled to receive one-fourth of the value of their accumulated unused sick leave up to a maximum of two hundred forty hours.

NOTE 13 - LONG-TERM OBLIGATIONS

The Health District's long-term obligations activity for the year ended December 31, 2023, was as follows:

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023	Due Within One Year
Governmental Activities					
Net Pension Liability	$4,241,968	$10,283,168	$0	$14,525,136	$0
Net OPEB Liability	0	309,925	0	309,925	0
Compensated Absences Payable	725,728	144,389	58,421	811,696	257,552
Financed Purchases Payable	68,907	0	68,907	0	0
Leases Payable	166,977	0	51,031	115,946	46,598
SBITA Payable	0	74,687	23,345	51,342	24,863
Total Long-Term Obligations	$5,203,580	$10,812,169	$201,704	$15,814,045	$329,013

NOTE 13 - LONG-TERM OBLIGATIONS (continued)

There is no repayment schedule, for the net pension/OPEB liability; however, employer pension contributions are made from the General Fund; and the Clinical Patient Services; Women, Infants, and Children; First Responders; Immunization Action Plan; Institutional Nursing Contracts; HUD Lead; Public Health Emergency Planning and Response; Healthy Homes Project; Ohio Health Improvement Zones Pilot Project; Vital Statistics; Community Health; Drug Free Communities; Tobacco Use and Cessation; Moms Quit for Two; Environmental Health Programs; Community Health Workers Workforce Development; Cribs for Kids and Safe Sleep; Comprehensive Opioid, Stimulant, and Substance Abuse Program; Creating Healthy Communities; Preconception Health and Wellness; Housing Preservation; Safety Net Dental Care; Integrated Harm Reduction; Sexually Transmitted Infections Prevention; Strategic Prevention Framework; Workforce Development; Ohio Department of Health-Enhanced Operations; Alcohol Use Disorder; and Adult Day Center special revenue funds. For additional information related to the net pension/OPEB liability, see Notes 10 and 11 to the basic financial statements.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid.

During 2022, the Health District entered in a financed purchase agreement for land in the amount of $83,677, to be paid from the General Fund for five years. During 2023, the Health District paid the remaining balance of the agreement and received the title to the land at 3201 West Monroe Street.

The Health District has outstanding agreements to lease copiers and an outstanding contract to use a SBITA vendor's IT software for patient services at the Detox Center. The future lease/subscription payments were discounted based on the interest rate implicit in the lease or using the Health District's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease/subscription. These leases will be paid from various funds based on the building allocation split for the year and the subscriptions will be paid from the Clinical Patient Services special revenue fund. During 2023, one lease was terminated early which resulted in a reduction in the lease liability of $5,471 for governmental activities. A summary of the principal and interest amounts for the remaining leases/subscription is as follows:

	Leases		Subscription	
Year	Principal	Interest	Principal	Interest
2024	$46,598	$5,927	$24,863	$3,337
2025	31,481	3,304	26,479	1,721
2026	23,621	1,622	0	0
2027	13,054	439	0	0
2028	1,192	9	0	0
	$115,946	$11,301	$51,342	$5,058

NOTE 14 - FUND BALANCE

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 governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balance	General	Clinical Patient Services	Other Governmental
Nonspendable for:			
Prepaid Items	$1,511	$0	$0
Materials and Supplies Inventory	0	276,426	0
Total Nonspendable	1,511	276,426	0
Restricted for:			
Alcohol Use Disorder	0	0	66,992
Community Health	0	0	12,985
Cribs for Kids and Safe Sleep	0	0	4,449
HUD Lead	0	0	1,024
Immunization Action Plan	0	0	7,114
Integrated Harm Reduction	0	0	11,000
Opioid Abuse Site-Based Program	0	0	53,904
Public Health Emergency Planning and Response	0	0	10,660
Safety Net Dental Care	0	0	6,689
Sexually Transmitted Infections Prevention	0	0	17,842
Tobacco Prevention	0	0	5,893
Workforce Development	0	0	45,576
Women, Infants, and Children	0	0	95,641
Total Restricted	0	0	339,769
Committed for:			
Clinical Patient Services	0	321,885	0
Institutional Nursing Contracts	0	0	83,150
Total Committed	0	321,885	83,150
Assigned for:			
Projected Budget Shortage	1,007,212	0	0
Unassigned (Deficit)	6,203,708	0	(444,284)
Total Fund Balance (Deficit)	$7,212,431	$598,311	($21,365)

NOTE 15 - INTERFUND TRANSFERS

During 2023, the General Fund made transfers to the Lead Safe Homes special revenue fund and other governmental funds, in the amount of $895,316 to subsidize various programs or activities in those funds. Clinical Patient Services special revenue fund made transfers to other governmental funds, in the amount of $151,067, to subsidize various programs or activities in those funds. Other governmental funds made transfers, in the amount of $276,029, to other governmental funds to subsidize various programs or activities in those funds.

NOTE 16 - PUBLIC ENTITY SHARED RISK POOL

The Public Entities Pool of Ohio (Pool) is a public entity shared risk pool which provides various risk management services to its members. The Pool is governed by a seven member board of directors; six are member representatives or elected officials and one is a representative of the pool administrator, American Risk Pooling Consultants, Inc. Each member has one vote on all issues addressed by the Board of Directors.

Participation in the Pool is by written application subject to the terms of the pool agreement. Members must continue membership for a full year and may withdraw from the Pool by giving a sixty day written notice prior to their annual anniversary. Financial information can be obtained from the Public Entities Pool of Ohio, 6500 Taylor Road, Blacklick, Ohio 43004.

NOTE 17 - CONTINGENT LIABILITIES

A. Litigation

There are currently no material matters in litigation with the Health District as a defendant.

B. Federal and State Grants

For the period January 1, 2023, to December 31, 2023, the Health District received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Health District believes such disallowances, if any, would be immaterial.

Erie County General Health District
Required Supplementary Information
Schedule of the Health District's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Ten Years

	2023	2022	2021	2020
Health District's Proportion of the Net Pension Liability	0.04917100%	0.04875600%	0.04463000%	0.03985400%
Health District's Proportionate Share of the Net Pension Liability	$14,525,136	$4,241,968	$6,608,731	$7,877,412
Health District's Covered Payroll	$7,625,086	$7,085,786	$6,287,229	$5,606,114
Health District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	190.49%	59.87%	105.11%	140.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%

Amounts presented as of the Health District's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
0.03739800%	0.03158700%	0.02841900%	0.02612300%	0.02388200%	0.02388200%
$10,242,554	$4,955,388	$6,453,472	$4,524,833	$2,880,436	$2,815,377
$5,051,307	$4,174,279	$3,673,807	$3,251,314	$2,927,925	$2,581,624
202.77%	118.71%	175.66%	139.17%	98.38%	109.05%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Erie County General Health District
Required Supplementary Information
Schedule of the Health District's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
Last Six Years (1)

	2023	2022	2021	2020
Health District's Proportion of the Net Pension Asset	0.05007900%	0.03537400%	0.03553700%	0.03569200%
Health District's Proportionate Share of the Net Pension Asset	$118,032	$139,374	$102,581	$74,427
Health District's Covered Payroll	$234,471	$161,271	$155,300	$160,193
Health District's Proportionate Share of the Net Pension Asset as a Percentage of Covered Payroll	50.34%	86.42%	66.05%	46.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	137.14%	169.88%	157.67%	145.28%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2018 is not available. An additional column will be added each year.

Amounts presented as of the Health District's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2019	2018
0.03328800%	0.03935800%
$37,223	$53,578
$142,371	$161,192
26.15%	33.24%
126.64%	137.28%

Erie County General Health District
Required Supplementary Information
Schedule of the Health District's Proportionate Share of the Net OPEB Liability (Asset)
Ohio Public Employees Retirement System
Last Seven Years (1)

	2023	2022	2021	2020
Health District's Proportion of the Net OPEB Liability	0.04915400%	0.04984900%	0.04533400%	0.04041400%
Health District's Proportionate Share of the Net OPEB Liability (Asset)	$309,925	($1,561,348)	($807,661)	$5,582,223
Health District's Covered Payroll	$8,181,007	$7,773,432	$6,856,104	$6,105,707
Health District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	3.79%	-20.09%	-11.78%	91.43%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the Health District's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017
0.03751300%	0.03264000%	0.02996000%
$4,890,810	$3,544,464	$3,026,062
$5,441,103	$4,623,596	$4,140,715
89.89%	76.66%	73.08%
46.33%	54.14%	54.04%

Erie County General Health District
Required Supplementary Information
Schedule of the Health District's Contributions
Ohio Public Employees Retirement System
Last Ten Years

	2023	2022	2021	2020
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	$1,221,942	$1,067,512	$992,010	$880,212
Contributions in Relation to the Contractually Required Contribution	(1,221,942)	(1,067,512)	(992,010)	(880,212)
Contribution Deficiency (Excess)	$0	$0	$0	$0
Health District Covered Payroll	$8,728,157	$7,625,086	$7,085,786	$6,287,229
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net Pension Liability - Combined Plan				
Contractually Required Contribution	$30,541	$32,826	$22,578	$21,742
Contributions in Relation to the Contractually Required Contribution	(30,541)	(32,826)	(22,578)	(21,742)
Contribution Deficiency (Excess)	$0	$0	$0	$0
Health District Covered Payroll	$254,508	$234,471	$161,271	$155,300
Contributions as a Percentage of Covered Payroll	12.00%	14.00%	14.00%	14.00%
Net Pension Liability - OPEB Plan (1)				
Contractually Required Contribution	$14,006	$12,858	$21,055	$16,543
Contributions in Relation to the Contractually Required Contribution	(14,006)	(12,858)	(21,055)	(16,543)
Contribution Deficiency (Excess)	$0	$0	$0	$0
Health District Covered Payroll (2)	$9,255,326	$8,188,150	$7,773,432	$6,856,104
OPEB Contributions as a Percentage of Covered Payroll	0.15%	0.16%	0.27%	0.24%

(1) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(2) The OPEB plan includes the members from the traditional plan, the combined plan, and the member-directed plan. The member-directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
$784,856	$707,183	$542,656	$440,857	$390,158	$351,351
(784,856)	(707,183)	(542,656)	(440,857)	(390,158)	(351,351)
$0	$0	$0	$0	$0	$0
$5,606,114	$5,051,307	$4,174,279	$3,673,807	$3,251,314	$2,927,925
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
$22,427	$19,932	$20,955	$20,923	$16,446	$19,467
(22,427)	(19,932)	(20,955)	(20,923)	(16,446)	(19,467)
$0	$0	$0	$0	$0	$0
$160,193	$142,371	$161,192	$174,358	$137,050	$162,225
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
$13,576	$9,897	$54,880	$88,665		
(13,576)	(9,897)	(54,880)	(88,665)		
$0	$0	$0	$0		
$6,105,707	$5,441,103	$4,623,596	$4,140,715		
0.22%	0.18%	1.19%	2.14%		

Changes in Assumptions - OPERS Pension - Traditional Plan

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2022	2019 through 2021	2018 and 2017	2016 and prior
Wage Inflation	2.75 percent	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for Post-January 7, 2013. Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2023	3.0 percent, simple through 2022 then 2.05 percent, simple
2022	3.0 percent, simple through 2022 then 2.05 percent, simple
2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2022 use pre-retirement mortality rates based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all these tables.

Amounts reported for 2017 through 2021 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions - OPERS Pension - Combined Plan

	2022	2019 through 2021	2018
Wage Inflation	2.75 percent	3.25 percent	3.25 percent
Future Salary Increases	2.75 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

For 2022, 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

Changes in Assumptions - OPERS OPEB

Wage Inflation:	
2023 and 2022	2.75 percent
2021 and prior	3.25 percent
Projected Salary Increases (including wage inflation):	
2023 and 2022	2.75 to 10.75 percent
2021 and prior	3.25 to 10.75 percent
Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2023	4.05 percent
2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2023	5.22 percent
2022	6.00 percent
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2023	5.5 percent, initial 3.5 percent, ultimate in 2036
2022	5.5 percent, initial 3.5 percent, ultimate in 2034
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

Changes in Benefit Terms - OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

ERIE COUNTY GENERAL HEALTH DISTRICT
ERIE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	02210011WA1623	$493,413
		02210011WA1724	126,298
Total AL #10.557			619,711
Direct Program			
Cooperative Extension Service	10.500	N/A	4,144
Total U.S. Department of Agriculture			**623,855**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Program			
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	N/A	956,948
Healthy Homes Production Program	14.913	N/A	383,051
Total U.S. Department of Housing and Urban Development			**1,339,999**
U.S. DEPARTMENT OF TREASURY			
Passed Through Ohio Department of Development			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	ED-2023-202465	21,445
Total U.S. Department of Treasury			**21,445**
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through Ohio Department of Public Safety			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	SC-2023-00043	7,660
		SC-2024-00019	2,345
Total Highway Safety Cluster			10,005
Total U.S. Department of Transportation			**10,005**
U.S. DEPARTMENT of JUSTICE			
Direct Program			
Comprehensive Opioid Abuse Site-Based Program	16.838	N/A	322,901
Total U.S. Department of Justice			**322,901**
U.S. Environmental Protection Agency			
Passed Through Ohio Department of Health			
Beach Monitoring and Notification Program Implementation Grants	66.472	12E526611	43,885
Total U.S. Environmental Protection Agency			**43,885**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Direct Program			
Drug-Free Communities Support Program Grants	93.276	N/A	171,384
Assistance Programs for Chronic Disease Prevention and Control	93.945	N/A	116,115
Congressional Directives	93.493	N/A	1,204,633
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	N/A	486,108
Strengthening Public Health Systems and Services Through National Partnerships to Improve and Protect the Nation's Health	93.421	N/A	2,190
Health Center Program Cluster:			
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	N/A	621,663
COVID-19 American Rescue Plan Act Consolidated Health Centers (Community Health Migrant Health Centers, Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	N/A	225,798
COVID-19 Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program	93.527	N/A	922,971
Total Health Center Program Cluster			1,770,432
COVID-19 Affordable Care Act (ACA) Grants for Capital Development in Health Centers	93.526	N/A	256,848
Food and Drug Administration_Research	93.103	N/A	12,663
Passed Through Ohio Department of Mental Health and Addiction Services			
COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	93.959	2400310	135,643
Passed Through Ohio Department of Health			
Preventive Health and Health Services Block Grant Program	93.991	02210014IF0523	77,400
		02210014CC0623	98,518
Total AL #93.991			175,918
Maternal and Child Health Services Block Grant to the States	93.994	02210011MP0723	82,310
		02210011CD0223	39,000
		02210011CK0523	7,043
Total AL #93.994			128,353
Public Health Emergency Preparedness	93.069	02210012PH1423	47,265
		02210012PH1524	30,301
Total AL #93.069			77,566
Family Planning_Services	93.217	02210011RH1324	171,662
National and State Tobacco Control Program (B)	93.387	02210014TU0824	25,397

ERIE COUNTY GENERAL HEALTH DISTRICT
ERIE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	**Federal AL Number**	**Pass Through Entity Identifying Number**	**Total Federal Expenditures**
Immunization Cooperative Agreements	93.268	02210012GV0523	16,641
		02210012GV0624	20,948
COVID-19 Immunization Cooperative Agreements		02210012CN0122	86,227
Total AL #93.268			123,816
Injury Prevention and Control Research and State and Community Based Programs	93.136	02210014DR0423	77,472
Opioid STR	93.788	02210014IH0123	30,000
		02210014IH0224	31,000
		02210014IN0423	20,000
Total AL #93.788			81,000
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	02210012WF0122	142,436
		02210012WF0223	5,000
Total AL #93.354			147,436
CDC's Collaboration with Academia to Strengthen Public Health	93.967	02210012WF0223	16,631
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	02210012EO0222	98,903
		02210012EO0323	97,704
		02210012CF0123	143,092
		02210012LV0123	200,632
Total AL #93.323			540,331
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	02210011OI0123	230,864
		02210011WD0123	38,958
		02210012WF0223	5,000
Total AL #93.391			274,822
Preventive Health Services_Sexually Transmitted Disease Control Grants	93.977	02210012II0124	24,227
Total U.S. Department of Health and Human Services			**6,020,647**
Total Expenditures of Federal Awards			**$8,382,737**

The accompanying notes are an integral part of this schedule.

ERIE COUNTY GENERAL HEALTH DISTRICT
ERIE COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Erie County General Health District, Erie County, Ohio (the District) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C - INDIRECT COST RATE

The District has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

Certain federal programs require the District to contribute non-federal funds (matching funds) to support the federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-federal matching funds.

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OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Erie County General Health District
Erie County
420 Superior Street
Sandusky, Ohio 44870-1815

To the Members of the Board:

We have audited, in accordance with the 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 *(Government Auditing Standards)*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Erie County General Health District, Erie County, Ohio (the District) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated August 22, 2024.

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 purpose 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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*.

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.

Keith Faber
Auditor of State
Columbus, Ohio

August 22, 2024

OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Erie County General Health District
Erie County
420 Superior Street
Sandusky, Ohio 44870-1815

To the Members of the Board:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Erie County General Health District, Erie County, Ohio's (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Erie County General Health District's major federal programs for the year ended December 31, 2023. Erie County General Health District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Erie County General Health District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The District's management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

August 22, 2024

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ERIE COUNTY GENERAL HEALTH DISTRICT
ERIE COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Health Center Program Cluster Lead-Based Paint Hazard Control in Privately-Owned Housing - AL #14.900 Congressional Directives - AL #93.493
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
DECEMBER 31, 2023

Finding Number	Finding Summary	Status	Additional Information
2022-001	Material weakness for errors in financial reporting.	Corrective action taken and finding is fully corrected.	
2022-002	2 C.F.R. §§ 2400.101, 200.430(i)(1), and 200.430(i)(1)(viii) and material weakness for employee wages being charged to the program based on pre-determined budget percentages rather than actual time worked.	Corrective action taken and finding is fully corrected.	

OHIO AUDITOR OF STATE
KEITH FABER

ERIE COUNTY GENERAL HEALTH DISTRICT

ERIE 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 9/10/2024

65 East State Street, Columbus, Ohio 43215
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