

***GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY***

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2018





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District Board of Health
General Health District
724 South Seventh Street
Coshocton, Ohio 43812

We have reviewed the *Independent Auditor's Report* of the General Health District, Coshocton County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2018 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

August 21, 2020

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**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
REGULAR AUDIT**
For the Year Ended December 31, 2018

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COSHOCKTON COUNTY
REGULAR AUDIT**
For the Year Ended December 31, 2018

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

To the District Board of Health:

Report on the Financial Statements

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the General Health District, Coshocton County, Ohio (the District), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the General Health District, Coshocton County, Ohio, as of December 31, 2018, and the respective changes in cash basis financial position and the respective budgetary comparison for the General, Child and Family Health Services, Women, Infants and Children (WIC), Solid Waste Grant, Public Health Emergency Preparedness, Household Sewage Treatment and Maternal and Child Health Services Grant funds thereof for the year then ended in accordance with the accounting basis described in Note 2.

Basis of Accounting

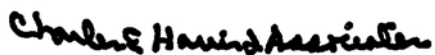
We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

Emphasis of Matter

As discussed in Note 12 of the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District. We did not modify our opinion regarding this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 12, 2020, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
August 12, 2020

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

STATEMENT OF NET POSITION - CASH BASIS
December 31, 2018

	<u>Governmental Activities</u>
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 302,940</u>
 TOTAL ASSETS	 <u><u>\$ 302,940</u></u>
 Net Position	
Restricted For:	
Other Purposes	\$ 251,663
Unrestricted	<u>51,277</u>
 TOTAL NET POSITION	 <u><u>\$ 302,940</u></u>

See accompanying notes to the financial statements.

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

STATEMENT OF ACTIVITIES CASH BASIS
For the Year Ended December 31, 2018

	Program Cash Receipts			Net (Disbursements) Receipts & Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants & Contributions	Governmental Activities
Governmental Activities:				
Health	\$ 897,751	\$ 191,042	\$ 508,661	\$ (198,048)
Total Governmental Activities	\$ 897,751	\$ 191,042	\$ 508,661	(198,048)
General Receipts:				
Subdivision Revenue				132,000
Unrestricted Contributions & Donations				70,960
Miscellaneous				4,663
Total General Receipts				207,623
Change in Net Position				9,575
Net position - beginning of year				293,365
Net position - end of year				\$ 302,940

See accompanying notes to the financial statements.

GENERAL HEALTH DISTRICT
COSHOCKTON COUNTY

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Dist Health General Fund	Child & Family Health Fund	WIC Fund	Solid Waste Fund	Public Hlth Emerg. Prep (PHEP) Fund	Household Sewage Trtmnt Fund	Other Gov'l Funds	Total Governmental Funds
Assets								
Equity in Pooled Cash and Cash Equivalents	\$ 51,277	\$ 53,251	\$ 21,364	\$ 57,635	\$ 26,335	\$ 38,721	\$ 54,357	\$ 302,940
Total Assets	<u>\$ 51,277</u>	<u>\$ 53,251</u>	<u>\$ 21,364</u>	<u>\$ 57,635</u>	<u>\$ 26,335</u>	<u>\$ 38,721</u>	<u>\$ 54,357</u>	<u>\$ 302,940</u>
Fund Balances								
Restricted	\$ -	\$ 53,251	\$ 21,364	\$ 57,635	\$ 26,335	\$ 38,721	\$ 54,357	\$ 251,663
Assigned	3,753	-	-	-	-	-	-	3,753
Unassigned	47,524	-	-	-	-	-	-	47,524
Total Fund Balances	<u>\$ 51,277</u>	<u>\$ 53,251</u>	<u>\$ 21,364</u>	<u>\$ 57,635</u>	<u>\$ 26,335</u>	<u>\$ 38,721</u>	<u>\$ 54,357</u>	<u>\$ 302,940</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCKTON COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BASIS FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Dist Health General Fund	Child & Family Health Fund	WIC Fund	Solid Waste Fund	Public Hlth Emerg. Prep (PHEP) Fund	Household Sewage Trtmnt Fund	Maternal & Child Health Progran Grant Fund	Other Gov'l Funds	Total Governmental Funds
Cash Receipts:									
Subdivision Revenue	\$ 132,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,000	
Intergovernmental	54,717	36,592	235,436	47,308	83,856	-	50,753	508,661	
Contributions	14,000	56,960	-	-	-	-	-	70,960	
Fees, Licenses and Permits	20,819	-	-	36,350	-	35,364	-	163,673	
Charges for Services	3,645	5,424	-	-	-	18,300	-	27,369	
Other	2,275	386	774	641	230	184	173	4,664	
Total Cash Receipts	227,456	99,362	236,210	84,299	84,086	53,848	50,753	907,327	
Cash Disbursements:									
Health	253,859	95,122	230,376	82,350	65,817	49,123	50,753	897,751	
Total Cash Disbursements	253,859	95,122	230,376	82,350	65,817	49,123	50,753	897,751	
Excess of Cash Receipts Over (Under) Cash Disbursements	(26,403)	4,240	5,834	1,949	18,269	4,725	-	9,576	
Other financing receipts/(disbursements):									
Advance-In	5,750	-	5,750	-	-	-	-	11,500	
Advance-Out	(5,750)	-	(5,750)	-	-	-	-	(11,500)	
Transfer-In	-	-	29	-	-	-	-	6,075	
Transfer-Out	(75)	-	-	-	-	(2,000)	-	(6,075)	
Total Other Financing Receipts and (Disbursements)	(75)	-	29	-	-	(2,000)	-	-	
Net Change in Fund Balance	(26,478)	4,240	5,863	1,949	18,269	2,725	-	9,576	
Fund Cash Balance-January 1	77,755	49,011	15,501	55,686	8,066	35,996	-	293,365	
Fund Cash Balance-December 31	\$ 51,277	\$ 53,251	\$ 21,364	\$ 57,635	\$ 26,335	\$ 38,721	\$ -	\$ 302,940	

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Subdivision Revenue	\$ 132,000	\$ 132,000	\$ 132,000	\$ -
Intergovernmental	42,500	54,667	54,717	50
Fees, Licenses and Permits	19,725	22,419	20,819	(1,600)
Charges for Services	4,000	3,645	3,645	-
Contributions	14,000	14,000	14,000	-
Other	-	1,885	2,275	390
Total Cash Receipts	<u>212,225</u>	<u>228,616</u>	<u>227,455</u>	<u>(1,161)</u>
Cash Expenditures:				
Salaries	153,877	156,877	142,938	13,939
Employee Fringe Benefits	50,674	50,718	46,596	4,121
Supplies	8,000	8,000	6,539	1,461
Contract Services	6,350	6,662	6,321	341
Travel/Conferences	3,000	3,076	2,323	753
Other Expenses	57,059	59,719	49,850	9,869
Total Health Expenditures	<u>278,960</u>	<u>285,052</u>	<u>254,567</u>	<u>30,485</u>
Excess of Receipts Over (Under) Disbursements	(66,735)	(56,436)	(27,112)	29,325
Other financing receipts (disbursements):				
Transfer-In	2,000	2,000	-	2,000
Transfer-out	(2,000)	(2,119)	(2,119)	-
Advance-In	-	5,750	5,750	-
Advance-Out	-	(5,750)	(5,750)	-
Total other financing receipts (disbursements)	<u>-</u>	<u>(119)</u>	<u>(2,119)</u>	<u>2,000</u>
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements	(66,735)	(56,555)	(29,231)	31,325
Fund Balance-January 1	71,544	71,544	71,544	-
Prior Year Encumbrances Appropriated	<u>3,211</u>	<u>3,211</u>	<u>3,211</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 8,020</u>	<u>\$ 18,200</u>	<u>\$ 45,524</u>	<u>\$ 31,325</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Schedule of Revenues, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Child & Family Health Services Fund
For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Intergovernmental	\$ 50,000	\$ 37,481	\$ 36,592	\$ (889)
Charges for Services	3,500	8,500	5,424	(3,076)
Contributions	50,000	56,660	56,960	300
Other	-	775	386	(389)
Total Cash Receipts	<u>103,500</u>	<u>103,416</u>	<u>99,362</u>	<u>(4,054)</u>
Cash Expenditures:				
Salaries	46,627	48,927	48,717	210
Employee Fringe Benefits	9,053	9,062	8,669	393
Supplies	5,100	11,100	8,082	3,018
Contract Services	33,000	33,000	25,763	7,237
Travel	100	100	100	-
Other Expenses	3,150	5,150	3,791	1,359
Total Health Expenditures	<u>97,030</u>	<u>107,339</u>	<u>95,122</u>	<u>12,217</u>
Excess of Receipts Over (Under)				
Disbursements	6,470	(3,923)	4,240	8,163
Fund Balance-January 1	<u>49,011</u>	<u>49,011</u>	<u>49,011</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 55,481</u>	<u>\$ 45,088</u>	<u>\$ 53,251</u>	<u>\$ 8,163</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Schedule of Revenues, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Women, Infants and Children (WIC) Fund
For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Intergovernmental	\$ 234,000	\$ 235,436	\$ 235,436	\$ -
Other	-	773	774	1
Total Cash Receipts	<u>234,000</u>	<u>236,209</u>	<u>236,210</u>	<u>1</u>
Cash Expenditures:				
Salaries	170,703	174,103	171,864	2,239
Employee Fringe Benefits	45,237	42,922	42,734	188
Contracted Services	1,500	426	241	186
Supplies	11,105	15,215	13,509	1,706
Equipment	7,000	-	-	-
Total Health Expenditures	<u>235,545</u>	<u>232,665</u>	<u>228,348</u>	<u>4,318</u>
Excess of Receipts Over (Under)				
Disbursements	(1,545)	3,544	7,863	4,319
Other financing receipts (disbursements):				
Advance-In	-	5,750	5,750	-
Advance-Out	-	(5,750)	(5,750)	-
Total other financing receipts (disbursements)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements				
	(1,545)	3,544	7,863	4,319
Fund Balance-January 1	9,890	9,890	9,890	-
Prior Year Encumbrance Appropriations	<u>2,034</u>	<u>2,034</u>	<u>2,034</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 10,379</u>	<u>\$ 15,468</u>	<u>\$ 19,787</u>	<u>\$ 4,319</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCTON COUNTY

Schedule of Revenues, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Solid Waste Grant Fund
For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Intergovernmental	\$ 47,308	\$ 47,308	\$ 47,308	\$ -
Fees, Licenses and Permits	37,000	37,000	36,350	(650)
Other	-	-	641	641
Total Cash Receipts	<u>84,308</u>	<u>84,308</u>	<u>84,299</u>	<u>(9)</u>
Cash Expenditures:				
Salaries	27,981	27,981	27,980	1
Employee Fringe Benefits	16,678	16,678	16,184	494
Supplies	500	500	500	-
Equipment	1,000	1,000	-	1,000
Travel	2,000	2,111	867	1,244
Other Expenses	44,000	44,000	36,880	7,120
Total Health Expenditures	<u>92,159</u>	<u>92,270</u>	<u>82,411</u>	<u>9,859</u>
Excess of Receipts Over (Under)				
Disbursements	(7,851)	(7,962)	1,888	9,849
Fund Balance-January 1	55,575	55,575	55,575	-
Prior Year Encumbrances Appropriated	<u>111</u>	<u>111</u>	<u>111</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 47,835</u>	<u>\$ 47,724</u>	<u>\$ 57,573</u>	<u>\$ 9,849</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Schedule of Revenues, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Public Health Emergency Prepared (PHEP) Fund
For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Intergovernmental	\$ 69,806	\$ 83,795	\$ 83,856	\$ 61
Other	-	228	229	1
Total Cash Receipts	<u>69,806</u>	<u>84,023</u>	<u>84,085</u>	<u>62</u>
Cash Expenditures:				
Salaries	46,369	46,369	42,902	3,467
Employee Fringe Benefits	13,925	13,925	12,566	1,359
Supplies	3,780	3,780	2,230	1,550
Contract Services	8,439	8,439	8,118	321
Total Health Expenditures	<u>72,513</u>	<u>72,513</u>	<u>65,816</u>	<u>6,697</u>
Excess of Receipts Over (Under) Disbursements	(2,707)	11,510	18,269	6,759
Fund Balance-January 1	<u>8,066</u>	<u>8,066</u>	<u>8,066</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 5,359</u>	<u>\$ 19,576</u>	<u>\$ 26,335</u>	<u>\$ 6,759</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Schedule of Revenues, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Household Sewage Treatment Fund
For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Cash Receipts:				
Fees, Licenses and Permits	\$ 36,960	\$ 35,460	\$ 35,364	\$ (96)
Charges for Services	14,000	17,000	18,300	1,300
Other	-	184	184	-
Total Cash Receipts	<u>50,960</u>	<u>52,644</u>	<u>53,848</u>	<u>1,204</u>
Cash Expenditures:				
Salaries	31,948	31,948	31,808	140
Employee Fringe Benefits	12,325	13,000	12,584	416
Supplies	1,000	1,000	447	553
Other Expenses	6,250	7,173	5,242	1,931
Total Health Expenditures	<u>51,523</u>	<u>53,121</u>	<u>50,081</u>	<u>3,040</u>
Excess of Receipts Over (Under)				
Disbursements	(563)	(477)	3,767	4,244
Other financing disbursements:				
Transfer-out	(2,000)	(2,000)	(2,000)	-
Total other financing (disbursements)	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>
Excess of Cash Receipts and other financing receipts over (under) cash disbursements and other financing disbursements	(2,563)	(2,477)	1,767	4,244
Fund Balance-January 1	34,692	34,692	34,692	-
Prior Year Encumbrance Appropriations	<u>1,304</u>	<u>1,304</u>	<u>1,304</u>	<u>-</u>
Fund Balance-December 31	<u>\$ 33,433</u>	<u>\$ 33,519</u>	<u>\$ 37,763</u>	<u>\$ 4,244</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

Schedule of Revenues, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Maternal & Child Health Program Grant Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Intergovernmental	\$ 52,671	\$ 52,671	\$ 50,753	\$ (1,918)
Total Cash Receipts	52,671	52,671	50,753	(1,918)
Cash Expenditures:				
Contract Services	52,671	52,671	50,753	1,918
Total Health Expenditures	52,671	52,671	50,753	1,918
Excess of Receipts Over (Under)				
Disbursements	-	-	-	-
Fund Balance-January 1	-	-	-	-
Fund Balance-December 31	\$ -	\$ -	\$ -	\$ -

See accompanying notes to the financial statements

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

1. DESCRIPTION OF THE REPORTING ENTITY

Reporting Entity

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

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

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

Primary Government

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus as Amendment of GASB Statement No. 14 and 34". The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District.

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

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

Component Units

Component Units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the District is obligated for the debt of the organization. The District is also financially accountable for any organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the District, are accessible to the District and are significant in amount to the District. General Health District, Coshocoton County, has no component units.

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

1. DESCRIPTION OF THE REPORTING ENTITY (Continued)

Public Entity Risk Pool

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are more of the District's accounting policies.

Basis of Presentation

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

Government-Wide Financial Statements

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

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program receipts include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Receipts which are not classified as program receipts are presented as general receipts of the District, with certain limited exceptions. The comparison of direct expenses with program receipts identifies the extent to which each governmental program is self-financing or draws from the general receipts of the District.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at the more detailed level. The focus of governmental fund financial statement is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

The District uses fund accounting 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. Funds are used segregate resources that are restricted as to use. The funds of the District are included in one category: governmental.

Governmental Funds

The District classifies funds financed primarily from taxes, intergovernmental receipts (e.g., grants), and other non-exchange transactions as 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. The following is the District's major governmental funds:

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

Child and Family Health Services Fund – Patient fees, Medicaid reimbursements, and charitable donations help this fund with revenues for the Maternal and Child Health Center.

Women, Infants and Children (WIC) Fund - This is a federal grant fund used to account for the Special Supplemental Nutrition Program.

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

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

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

Maternal and Child Health (MCH) Services Grant – This fund is used to account for the use and receipt of funds from the MCH Grant funds (distributed by Ohio Department Of Health). These grant funds cover the following programs: The Baby and Me Tobacco Free Program (smoking Cessation Program for pregnant women and their partner), The Cribs for Kids Program (safe sleep education program) and the Food for Kids Program (supplemental food program for county school children). These grant programs were provided to county residents through a contract with the Coshocton County Family and Children First Council.

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

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue billed or provided services not yet collected), deferred outflows of resources, certain liabilities and their related disbursements (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) and deferred inflows of resources are not recorded in these financial statements. Therefore, in reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Budgetary Process

The District is required by Ohio Revised Code Section 3709.28 to file an annual budget with the county auditor. The District adopts an appropriation measure and estimates revenues for the ensuing year and submits these estimates to the county auditor by April 1. The auditor submits this to the Budget Commission for review, modification, or approval. The District's Board and County Budget Commission approve any changes made to these estimates during the year. The District filed the required budgets with their administrative agent for 2018.

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

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District Fiscal Officer. The amounts reported in the original budget on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the District. The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the District during the year.

Cash and Investments

As required by Ohio Revised Code, the County Treasurer is custodian for the District's cash. The District's assets are held in the county's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County. The District's carrying amount of cash on deposit with the County at December 31, 2018, was \$302,940. The Coshocton County Treasurer's Office is located at 349 Main Street, Coshocton, Ohio 43812. The phone number is (740) 622-2731. Collateral is maintained by the County.

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Assets

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

Inventory and Prepaid Items

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

Capital Assets

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

Interfund Receivables/Payables

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

Accumulated Leave

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

Employer Contributions to Cost-Sharing Pension Plans

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

Long-Term Obligations

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

Net Position

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

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

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance

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

The classifications are as follows:

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

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

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

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

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

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

Interfund Transactions

Exchange transactions between funds are reported as cash receipts in the seller funds and as cash disbursements 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 cash disbursements to the funds that initially paid for them are not presented on the financial statements.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

3. BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis presented for the General, and all major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than restricted, committed or assigned fund balance (cash basis).

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

For the Year Ended December 31, 2018

	General Fund	Women, Infants and Children (WIC)	Household Sewage Treatment	Solid Waste Grant
Fund Balance, Cash Accounting Basis	\$ 51,277	\$ 21,364	\$ 38,721	\$ 57,635
Year-End Encumbrances	(3,753)	-	(958)	(62)
Perspective Difference:				
Net activity of Fund Reclassified:				
Dist. Health Reserve	(2,000)	-	-	-
WIC Reserve	-	(1,577)	-	-
Fund Balance Budget Basis	\$ 45,524	\$ 19,787	\$ 37,763	\$ 57,573

4. INTERGOVERNMENTAL

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

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

5. INTERFUND RECEIVABLES/PAYABLES

Interfund balances at December 31, 2018, consisted of the following individual fund receivables and payable:

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

Interfund balances at December 31, 2018, consisted of \$12,000 advanced from the General fund to the Public Health Emergency Preparedness fund to provide working capital for operations. This advance was made prior to January 2014 and has been extended by the Board as of December 31, 2018.

6. RISK MANAGEMENT

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

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

The District provides for employee health insurance through the Coshocton County Commissioners. The county's Self-Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on an actuarially determined cost per employee.

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

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

6. RISK MANAGEMENT – (Continued)

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2017 and 2016 (the latest information available):

	<u>2017</u>	<u>2016</u>
Assets	\$44,452,326	\$42,182,281
Liabilities	13,004,011	(13,396,700)
Net Position	<u>\$31,448,315</u>	<u>\$28,785,581</u>

The pool's unpaid claims to be billed in the future are approximately \$ 11.3 million for 2017 and approximately \$11.5 million for 2016. The Pool's membership increased from 520 members in 2016 to 527 members in 2017.

The Pool uses reinsurance and excess risk-sharing arrangements to reduce its exposure to loss. These agreements permit recovery of a portion of its claims from reinsurers and a risk-sharing pool; however, they do not discharge the Pool's primary liability for such payments. The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by York Risk Pooling Services, Inc. (YORK). APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, the Pool retains insured risks up to an amount specified in the contracts. At December 31, 2017 the Pool retained \$350,000 for casualty claims and \$100,000 for property claims. The Board of Directors and YORK periodically review the financial strength of the Pool and other market conditions to determine the appropriate level of risk the Pool will retain. As a result of this risk analysis, PEP has elected to increase its retention for casualty and property claims to \$500,000 and \$250,000, respectively, effective January 1, 2018.

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

<u>Contributions to PEP</u>	
<u>2016</u>	<u>2017</u>
\$6,803	\$6,165

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

7. DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

Plan Description - District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

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

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

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

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

7. DEFINED BENEFIT PENSION PLAN (Continued)

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

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

	<u>State and Local</u>
Statutory Maximum Contribution Rates	
Employer	14.0%
Employee	10.0%
Actual Contribution Rates	
Employer:	
Pension	14.0%
Post-Employment Health Care Benefits	<u>0%</u>
Total Employer	<u>14.0%</u>
Employee	<u>10.0%</u>

The District's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2018, 2017, and 2016 were \$69,461, \$67,988 and \$58,485 respectively. The full amount has been contributed for 2018, 2017 and 2016.

8. POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

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 postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This 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 refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS CAFR referenced below for additional information.

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

8. POSTEMPLOYMENT BENEFITS - (Continued)

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 requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary. 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 2019, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and 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 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$0 for the year 2018.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2018**

9. FUND BALANCES

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

Fund Balances for year-end December 31, 2018.

Fund Balances	General Fund	Child & Family Health Services Fund	Women, Infants and Children WIC Fund	Solid Waste Grant Fund	Public Health Emerg. Preparedness Fund	Household Sewage Treatment Fund	Other Gov't Funds	Total
Restricted for:								
WIC	\$ -	\$ -	\$ 21,364	\$ -	\$ -	\$ -	\$ -	\$21,364
Child & Family Hlth Fund	-	53,251	-	-	-	-	-	53,251
Solid Waste	-	-	-	57,635	-	-	-	57,635
Public Hlth Emergency	-	-	-	-	26,335	-	-	26,335
Enviromental Reserve	-	-	-	-	-	-	13,073	13,073
Houshold Sewage Treat	-	-	-	-	-	38,721	-	38,721
Swimming Pool							3,653	3,653
Water							25,004	25,004
DH Construction & Demo	-	-	-	-	-	-	2,660	2,660
Campground	-	-	-	-	-	-	3,621	3,621
Food Service	-	-	-	-	-	-	6,346	6,346
Total Restricted	-	53,251	21,364	57,635	26,335	38,721	54,357	251,663
Assigned for:								
Operating Expenses	3,753	-	-	-	-	-	-	3,753
Total Assigned	3,753	-	-	-	-	-	-	3,753
Unassigned	47,524	-	-	-	-	-	-	47,524
Total Fund Balances	\$51,277	\$53,251	\$21,364	\$57,635	\$26,335	\$38,721	\$54,357	\$302,940

**GENERAL HEALTH DISTRICT
 COSHOCTON COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For the Year Ended December 31, 2018**

10. INTERFUND TRANSFERS

Following is a summary of transfers in and out of all funds for 2018:

Fund	Transfer In	Transfer Out
District Health	-	75
WIC Reserve	29	-
Household Sewage Treatment	-	2,000
Other Governmental	<u>6,046</u>	<u>4,000</u>
Totals	\$ 6,075	\$ 6,075

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

11. CONTINGENT LIABILITIES

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

12. SUBSEQUENT EVENT

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District. The District's investment portfolio has incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

To the District Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the General Health District, Coshocton County, Ohio (the District), as of and for the year ended December 31, 2018, 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 12, 2020, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District.

Internal Control over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. *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 internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings that we consider to be a material weakness. We consider finding 2018-001 to be a material weakness.

Compliance and Other Matters

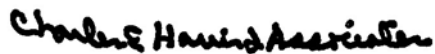
As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Entity's Response to Finding

The District's response to the finding identified in our audit is described in the accompanying Corrective Action Plan. We did not audit the District's response and, accordingly, we express no opinion on it.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.

August 12, 2020

GENERAL HEALTH DISTRICT
COSHOCKTON COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2018

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

FINDING NUMBER 2018-001
Material Weakness

Incorrect Financial Statements

The District's management is responsible for the fair presentation of the financial statements. We noted the financial statements required the following changes:

- The following funds did not include year-end encumbrances in the budgetary disbursements General, Women, Infants and Children (WIC), Solid Waste and Household Sewage Treatment funds.
- The District Health Reserve Fund is included with the General Fund's budgetary statement. Per Governmental Accounting Standards Board (GASB) Statement No. 54, the budgetary comparison information in the year-end financial statements should be the legally adopted budget for the general fund or major special revenue funds.
- The WIC Reserve Fund is included with the Women, Infants and Children (WIC) Fund's budgetary statement. Per GASB Statement No. 54, the budgetary comparison information in the year-end financial statements should be the legally adopted budget for the general fund or major special revenue funds.
- Fund balances for the General, Child & Family Health, Women, Infants and Children (WIC), Solid Waste Fund, Public Health Emergency Preparedness and Household Sewage Treatment funds were not properly classified between Restricted, Assigned and Unassigned based on Governmental Accounting Standards Board (GASB) Statement No. 54.

The financial statements and notes have been adjusted and reclassified to present the accounting information correctly and the District has agreed with the required reclassifications.

The Fiscal Officer should refer to GASB 41, Budgetary Comparison Schedules—Perspective Differences an amendment of GASB Statement No. 34 for assistance in properly preparing budgetary statements and reconciling with the governmental funds' statements. We also recommend the Fiscal Officer refer to GASB Statement No. 54 and Auditor of State Bulletin 2011-004 for assistance in properly classifying fund balances.

Management's Response:

See Corrective Action Plan

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GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY

CORRECTIVE ACTION PLAN – Prepared by Management
December 31, 2018

FINDING NUMBER	PLANNED CORRECTIVE ACTION	ANTICIPATED COMPLETION DATE	RESPONSIBLE CONTACT PERSON
2018-001	The Fiscal Officer is aware of the issues involving the reporting of year-end encumbrances and steps will be taken in the future to assure proper accounting.	February 28, 2021	Christine R. Sycks County Auditor

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OHIO AUDITOR OF STATE KEITH FABER



COSHOCTON COUNTY GENERAL HEALTH DISTRICT

COSHOCTON 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 9/3/2020

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

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