

***GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY***

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2019





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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, 2019 through December 31, 2019. 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
 COSHOCTON COUNTY
 REGULAR AUDIT
 For the Year Ended December 31, 2019**

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INDEPENDENT AUDITOR'S REPORT

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

To the District Board of Health:

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, 2019, 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, 2019, and the respective changes in cash basis financial position and the respective budgetary comparison for the General, Child and Family Health Services, Women, Infants and Children (WIC), Solid Waste Grant, Public Health Emergency Preparedness and Household Sewage Treatment funds thereof for the years then ended in accordance with the accounting basis described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the 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
COSHOCTON COUNTY
STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2019

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 425,096</u>
<i>Total Assets</i>	<u><u>\$ 425,096</u></u>
Net Position	
Restricted for:	
Other Purposes	\$ 235,047
Merger	108,000
Unrestricted	<u>82,049</u>
<i>Total Net Position</i>	<u><u>\$ 425,096</u></u>

See accompanying notes to the financial statements.

GENERAL HEALTH DISTRICT
 COSHOCTON COUNTY
 STATEMENT OF ACTIVITIES - CASH BASIS
 FOR THE YEAR END DECEMBER 31, 2019

	Program Cash Receipts			Net (Disbursements) Receipts & Changes in Net Position
Cash Disbursements	Charges for Services and Sales	Operating Grants & Contributions	Governmental Activities	
Governmental Activities:				
Health	\$ 831,879	\$ 220,414	\$ 547,336	\$ (64,129)
<i>Total Governmental Activities</i>	831,879	220,414	547,336	(64,129)
 General Receipts:				
Property Taxes Levied for General Purposes				132,000
Unrestricted Contributions & Donations				49,100
Miscellaneous				5,185
<i>Total General Receipts</i>				186,285
Change in Net Position				122,156
<i>Net Position - Beginning of Year</i>				302,940
Net Position - End of Year				\$ 425,096

See accompanying notes to the financial statements.

GENERAL HEALTH DISTRICT
 COSHOCTON COUNTY
 STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2019

	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	\$190,049	\$52,554	\$27,172	\$61,504	\$16,377	\$30,645	\$46,795	\$425,096
<i>Total Assets</i>	<u>\$190,049</u>	<u>\$52,554</u>	<u>\$27,172</u>	<u>\$61,504</u>	<u>\$16,377</u>	<u>\$30,645</u>	<u>\$46,795</u>	<u>\$425,096</u>
Fund Balances								
Restricted	\$ 108,000	\$ 52,554	\$ 27,172	\$ 61,504	\$ 16,377	\$ 30,645	\$ 46,795	\$ 343,047
Assigned	2,701	-	-	-	-	-	-	2,701
Unassigned	79,348	-	-	-	-	-	-	79,348
<i>Total Fund Balances</i>	<u>\$ 190,049</u>	<u>\$ 52,554</u>	<u>\$ 27,172</u>	<u>\$ 61,504</u>	<u>\$ 16,377</u>	<u>\$ 30,645</u>	<u>\$ 46,795</u>	<u>\$ 425,096</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
 COSHOCTON COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
 CHANGES IN FUND BALANCES - CASH BASIS
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2019

	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
Receipts:								
Property Taxes	\$ 132,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,000
Charges for Services	4,030	6,104	-	-	-	20,150	-	30,284
Fines, Licenses and Permits	31,293	-	-	36,450	-	44,933	77,454	190,130
Intergovernmental:								
Grants	15,434	-	219,858	48,486	66,476	11,073	-	361,327
Other	148,081	37,928	-	-	-	-	-	186,009
Miscellaneous	2,706	49,263	1,273	209	373	228	233	54,285
Total Receipts	333,544	93,295	221,131	85,145	66,849	76,384	77,687	954,035
Disbursements:								
Current:								
Health	206,772	93,992	215,323	81,276	64,807	82,460	87,249	831,879
Total Disbursements	206,772	93,992	215,323	81,276	64,807	82,460	87,249	831,879
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>126,772</u>	<u>(697)</u>	<u>5,808</u>	<u>3,869</u>	<u>2,042</u>	<u>(6,076)</u>	<u>(9,562)</u>	<u>122,156</u>
Other Financing Receipts/ (Disbursements):								
Transfer-In	-	-	-	-	-	-	6,000	6,000
Transfer-Out	-	-	-	-	-	(2,000)	(4,000)	(6,000)
Advance-In	12,000	-	-	-	-	-	-	12,000
Advance-Out	-	-	-	-	(12,000)	-	-	(12,000)
Total Other Financing Receipts/ (Disbursements)	12,000	-	-	-	(12,000)	(2,000)	2,000	-
Net Change in Fund Balances	138,772	(697)	5,808	3,869	(9,958)	(8,076)	(7,562)	122,156
<i>Fund Cash Balance- January 1</i>	51,277	53,251	21,364	57,635	26,335	38,721	54,357	302,940
Fund Cash Balance - December 31	\$ 190,049	\$ 52,554	\$ 27,172	\$ 61,504	\$ 16,377	\$ 30,645	\$ 46,795	\$ 425,096

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
 COSHOCTON COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts:				
Property Taxes	\$ 132,000	\$ 132,000	\$ 132,000	\$ -
Charges for Services	4,000	4,000	4,030	30
Fines, Licenses and Permits	23,225	31,865	31,293	(572)
Intergovernmental:				
Grants	7,000	22,433	22,513	80
Other	16,500	147,559	141,002	(6,557)
Miscellaneous	-	-	2,705	2,705
<i>Total Receipts</i>	<u>182,725</u>	<u>337,857</u>	<u>333,544</u>	<u>(4,313)</u>
Disbursements:				
Current				
Health:				
Salaries	118,633	128,983	127,117	1,866
Employee Fringe Benefits	34,151	34,649	33,964	685
Supplies	8,000	8,000	6,178	1,822
Equipment	4,000	4,000	3,930	70
Contract Services	6,889	114,984	5,559	109,425
Travel/Conferences	3,000	4,064	3,789	275
Other Expenses	25,889	29,815	28,935	880
<i>Total Disbursements</i>	<u>200,562</u>	<u>324,496</u>	<u>209,473</u>	<u>115,024</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(17,837)</u>	<u>13,361</u>	<u>124,071</u>	<u>(119,337)</u>
Other Financing Sources (Uses)				
Transfers Out	(2,000)	(2,000)	(2,000)	-
Advances In	-	12,000	12,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>(2,000)</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	<u>(19,837)</u>	<u>23,361</u>	<u>134,071</u>	<u>(119,337)</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	45,524	45,524	45,524	-
Prior Year Encumbrances Appropriated	<u>3,753</u>	<u>3,753</u>	<u>3,753</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 29,440</u>	<u>\$ 72,638</u>	<u>\$ 183,347</u>	<u>\$ (119,337)</u>

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
CHILD AND FAMILY HEALTH SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Charges for Services	\$ 3,500	\$ 5,964	\$ 6,104	\$ 140
Intergovernmental:				
Other	28,000	38,000	37,928	(72)
Miscellaneous	50,000	56,000	49,263	(6,737)
<i>Total Receipts</i>	<u>81,500</u>	<u>99,964</u>	<u>93,295</u>	<u>(6,669)</u>
Disbursements:				
Current				
Health:				
Salaries	51,112	53,337	52,395	942
Employee Fringe Benefits	10,102	9,614	8,880	734
Supplies	9,500	9,500	1,570	7,930
Equipment	-	2,136	2,136	-
Contract Services	26,500	26,500	25,803	697
Travel/Conferences	200	200	-	200
Other Expenses	3,400	3,888	3,206	682
<i>Total Disbursements</i>	<u>100,814</u>	<u>105,175</u>	<u>93,992</u>	<u>11,184</u>
<i>Net Change in Fund Balance</i>	(19,314)	(5,211)	(697)	(17,853)
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>53,251</u>	<u>53,251</u>	<u>53,251</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u><u>33,937</u></u>	<u><u>48,040</u></u>	<u><u>52,554</u></u>	<u><u>(17,853)</u></u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
 COSHOCTON COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
 WOMEN, INFANTS AND CHILDREN (WIC) FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Intergovernmental:				
Grants	\$ 236,634	\$ 219,858	\$ 219,858	\$ -
Miscellaneous	-	1,273	1,273	-
<i>Total Receipts</i>	<u>236,634</u>	<u>221,131</u>	<u>221,131</u>	<u>-</u>
Disbursements:				
Current				
Health:				
Salaries	161,424	161,424	157,003	4,421
Employee Fringe Benefits	45,569	45,569	36,416	9,153
Supplies	28,256	28,256	21,794	6,462
Contract Services	800	800	254	546
<i>Total Disbursements</i>	<u>236,049</u>	<u>236,049</u>	<u>215,467</u>	<u>20,582</u>
<i>Net Change in Fund Balance</i>	585	(14,918)	5,664	(20,582)
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>19,787</u>	<u>19,787</u>	<u>19,787</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 20,372</u>	<u>\$ 4,869</u>	<u>\$ 25,451</u>	<u>\$ (20,582)</u>

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SOLID WASTE GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Fines, Licenses and Permits	\$ 36,350	\$ 36,350	\$ 36,450	\$ 100
Intergovernmental:				
Grants	47,308	48,486	48,486	-
Miscellaneous	-	-	208	208
<i>Total Receipts</i>	83,658	84,836	85,144	308
Disbursements:				
Current				
Health:				
Salaries	30,017	30,256	30,255	1
Employee Fringe Benefits	16,841	16,839	16,432	407
Supplies	500	500	267	233
Travel/Conferences	2,000	2,062	615	1,447
Other Expenses	35,000	34,763	33,740	1,023
<i>Total Disbursements</i>	84,358	84,420	81,309	3,112
<i>Net Change in Fund Balance</i>	(700)	416	3,835	(2,803)
<i>Unencumbered Fund Balance Beginning of Year</i>	57,573	57,573	57,573	-
Prior Year Encumbrances Appropriated	62	62	62	-
<i>Unencumbered Fund Balance End of Year</i>	\$ 56,935	\$ 58,051	\$ 61,470	\$ (2,803)

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
 COSHOCTON COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
 PUBLIC HEALTH EMERGENCY PREPARED (PHEP) FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Intergovernmental:				
Grants	\$ 67,392	\$ 66,476	\$ 66,476	\$ (0)
Miscellaneous	-	-	373	373
Total Receipts	67,392	66,476	66,849	373
Disbursements:				
Current				
Health:				
Salaries	43,418	43,768	43,766	2
Employee Fringe Benefits	11,617	11,617	10,118	1,499
Supplies	3,680	3,330	2,484	846
Contract Services	8,439	8,439	8,439	-
Total Disbursements	67,154	67,154	64,807	2,347
Excess of Receipts Over (Under) Disbursements	238	(678)	2,042	(1,974)
Other Financing Sources (Uses)				
Advances Out	-	(12,000)	(12,000)	-
<i>Total Other Financing Sources (Uses)</i>	-	(12,000)	(12,000)	-
<i>Net Change in Fund Balance</i>	238	(12,678)	(9,958)	(1,974)
<i>Unencumbered Fund Balance Beginning of Year</i>	26,335	26,335	26,335	-
<i>Unencumbered Fund Balance End of Year</i>	\$26,573	\$13,657	\$16,377	(\$1,974)

See accompanying notes to the financial statements

GENERAL HEALTH DISTRICT
 COSHOCTON COUNTY
 IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
 HOUSEHOLD SEWAGE TREATMENT SYSTEMS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Charges for Services	\$ 15,000	\$ 19,100	\$ 20,150	\$ 1,050
Fines, Licenses and Permits	43,225	44,898	44,933	35
Intergovernmental:				
Other	-	16,572	11,073	(5,500)
Miscellaneous	-	-	228	228
<i>Total Receipts</i>	<u>58,225</u>	<u>80,570</u>	<u>76,383</u>	<u>(4,187)</u>
Disbursements:				
Current				
Health:				
Salaries	46,735	46,735	45,219	1,516
Employee Fringe Benefits	23,631	23,631	21,701	1,930
Supplies	1,000	1,000	973	27
Other Expenses	7,554	18,612	15,455	3,157
<i>Total Disbursements</i>	<u>78,920</u>	<u>89,978</u>	<u>83,348</u>	<u>6,630</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	(20,695)	(9,408)	(6,965)	(10,816)
Other Financing Sources (Uses)				
Transfers Out	(2,000)	(2,000)	(2,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(22,695)	(11,408)	(8,965)	(10,816)
<i>Unencumbered Fund Balance Beginning of Year</i>	37,763	37,763	37,763	-
Prior Year Encumbrances Appropriated	958	958	958	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 16,026</u>	<u>\$ 27,313</u>	<u>\$ 29,757</u>	<u>\$ (10,816)</u>

See accompanying notes to the financial statements

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 1 – Reporting Entity

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

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

The reporting entity is 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 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.

Public Entity Risk Pool

The District participates in a public entity risk pool. Note 7 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.

Note 2 – Summary of Significant Accounting Policies

As discussed further in the “Basis of Accounting” section of this note, these financial statements are presented on the 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.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 2 – Summary of Significant Accounting Policies (Continued)

Basis of Presentation

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

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Health District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Health District has no business-type activities.

The Statement of Net Position presents the cash balance 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. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Health District is responsible. 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.

Fund Accounting

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

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

General Fund The General Fund accounts for 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 fund accounts for and reports federal grant monies restricted to the Women, Infants, and Children Program.

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

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting - (Continued)

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

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

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

Basis of Accounting

The Health District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Health District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. 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) 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

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Health may appropriate. The appropriations resolution is the Board of Health's authorization to spend resources and sets annual limits on disbursements plus encumbrances at the level of control selected by the Board of Health. The legal level of control has been established by the Board of Health at the fund, department, and object level for all funds.

ORC Section 5705.28(C)(1) requires the Health District to file an estimate of contemplated revenue and expenses with the municipalities and townships within the Health District by about June 1 (forty-five days prior to July 15). The County Auditor cannot allocate property taxes from the municipalities and townships within the Health District if the filing has not been made.

ORC Section 3709.28 establishes budgetary requirements for the Health District, which are similar to ORC Chapter 5705 budgetary requirements. On or about the first Monday of April, the Health District must adopt an itemized appropriation measure. The appropriation measure, together with an itemized estimate of revenues to be collected during the next fiscal year, shall be certified to the county budget commission. Subject to estimated resources, the Board of Health may, by resolution, transfer appropriations from one appropriation item to another, reduce or increase any item, create new items, and make additional appropriations or reduce the total appropriation. Such appropriation modifications shall be certified to the county budget commission for approval.

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 2 – Summary of Significant Accounting Policies (Continued)

Budgetary Process – (Continued)

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources in effect 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 Board of Health.

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 budget reflect the first appropriation resolution that covered the entire year, including amounts automatically carried forward from prior years. The amount reported as the final budgeted amounts represents the final appropriations passed by the Board of Health 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 \$425,096. 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.

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.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 2 – Summary of Significant Accounting Policies (Continued)

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 8 and 9, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

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. Net position restricted for other purposes include resources restricted for special revenue funds.

Fund Balance

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

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

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

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (Resolution) of the Board of Health. Those committed amounts cannot be used for any other purpose unless the Board 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.

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance – (Continued)

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 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.

Internal Activity

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

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and any major special revenue fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are as follows:

1. Outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).
2. Unreported interest is reported on the statement of *cash* receipts, disbursements, and changes in fund balances (cash basis), but not on the budgetary basis.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 3 – Budgetary Basis of Accounting (Continued)

Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the cash basis are as follows:

	General Fund	Women, Infants and Children (WIC)	Household Sewage Treatment	Solid Waste Grant
Fund Balance, Cash Accounting Basis	\$ 190,049	\$ 27,172	\$ 30,645	\$ 61,504
Year-End Encumbrances	(2,702)	(143)	(888)	(34)
Perspective Difference:				
Net activity of Fund Reclassified:				
Dist. Health Reserve	(4,000)	-	-	-
WIC Reserve	-	(1,578)	-	-
Fund Balance Budget Basis	\$ 183,347	\$ 25,451	\$ 29,757	\$ 61,470

Note 4 – Deposits and Investments

As required by the Ohio Revised Code, the Coshocton County Treasurer is custodian for the Health District's deposits. The County's deposit and investment pool holds the Health District's assets, valued at the Treasurer's reported carrying amount. The County is responsible for the collateralization of all District Deposits.

Note 5 - 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
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 6 – Interfund Balances and Transfers

Transfers

Following is a summary of transfers in and out of all funds for 2019:

Fund	Transfer In	Transfer Out
Other Governmental	\$ 2,000	\$ -
Household Sewage Treatment	-	2,000
Totals	\$ 2,000	\$ 2,000

The above-mentioned Transfers From/To were used to move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; and to use unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Nonroutine transfers from the Major Special Revenue Fund and other nonmajor governmental funds were in compliance with Ohio Revised Code to either make debt payments or for designated projects.

Interfund Balances

There were no Interfund balances at December 31, 2019.

Note 7 – Risk Management

The Health District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2019, the Health District contracted with several companies for various types of insurance as described below:

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

The Health District manages employee health benefits on a self-insured basis through the County Commissioners. The employee health benefit plan provides basic health and dental coverage through Mutual Health Services, a Division of Medical Mutual of Ohio, the third party administrator (TPA) of the program, which reviews and pays the claims. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$90,000 per employee per year. The insurance premiums for medical and dental were Plan A- Buyup - \$2,037 family coverage, \$686 single, Employee + Spouse \$1,482 and Employee + child/children \$1,221. For Plan B – Core - \$1,858 family coverage, \$625 single coverage, \$1,355 Employee + spouse and \$1,118 employee + child/children. Plan C – HSA - \$1,832 family coverage, \$617 single, \$1,336 employee + spouse and \$1,103 employee + child/children coverage which represents the entire premium required. The county does not charge a medical administrative fee per employee. 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, 2019**

Note 7 – Risk Management (Continued)

Risk Pool Membership

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

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

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

	<u>2019</u>
Cash and investments	\$ 38,432,610
Actuarial liabilities	\$14,705,917

Note 8 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

Plan Description – Health 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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension 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.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 8 – Defined Benefit Pension Plans – (Continued)

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 CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

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	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

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

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

When a traditional plan 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. Members retiring under the combined plan receive a cost-of-living adjustment of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 8 – 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 purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), 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.

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

	State and Local
2019 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2019 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits **	0.0
Total Employer	14.0 %
Employee	10.0 %

- * Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- ** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$68,379 for the year 2019.

Note 9 – 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.

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 9 – Postemployment Benefits – (Continued)

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.

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 2019 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 2019.

Note 10 – Contingent Liabilities

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

**GENERAL HEALTH DISTRICT
COSHOCOTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 11 – 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, 2019.

Fund Balances	General Fund	Child & Family Health Services Fund	Women, Infants and Children WIC Fund	Solid Waste Grant Fund	Public Health Emergency Preparedness Fund	Household Sewage Treatment Fund	Other Gov't Funds	Total
Restricted for:								
WIC	\$ -	\$ -	\$ 27,172	\$ -	\$ -	\$ -	\$ -	\$ 27,172
Child & Family Hlth Fund	-	52,554	-	-	-	-	-	52,554
Solid Waste	-	-	-	61,504	-	-	-	61,504
Public Hlth Emergency	-	-	-	-	16,377	-	-	16,377
Environmental Reserve	-	-	-	-	-	-	19,073	19,073
Household Sewage Treat	-	-	-	-	-	30,645	-	30,645
Swimming Pool	-	-	-	-	-	-	2,704	2,704
Water	-	-	-	-	-	-	14,403	14,403
DH Construction & Demo	-	-	-	-	-	-	2,660	2,660
Campground	-	-	-	-	-	-	3,280	3,280
Food Service	-	-	-	-	-	-	4,675	4,675
Merger with City Health Department	108,000	-	-	-	-	-	-	108,000
Total Restricted	108,000	52,554	27,172	61,504	16,377	30,645	46,795	343,047
Assigned to:								
Operating Expenses	2,701	-	-	-	-	-	-	2,701
Total Committed	2,701	-	-	-	-	-	-	2,701
Unassigned	79,348	-	-	-	-	-	-	79,348
Total Fund Balances	\$ 190,049	\$ 52,554	\$ 27,172	\$ 61,504	\$ 16,377	\$ 30,645	\$ 46,795	\$ 425,096

**GENERAL HEALTH DISTRICT
COSHOCTON COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2019**

Note 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, 2019, 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 2019-001 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, 2019

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

FINDING NUMBER 2019-001
Material Weakness

Incorrect Financial Statements

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

- The District selected the wrong basis of accounting on its Hinkle filing.
- The following funds did not include year-end encumbrances in the budgetary disbursements for the 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, 2019

FINDING NUMBER	PLANNED CORRECTIVE ACTION	ANTICIPATED COMPLETION DATE	RESPONSIBLE CONTACT PERSON
2019-001	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