

COLUMBIANA COUNTY GENERAL HEALTH DISTRICT

COLUMBIANA COUNTY, OHIO

REGULAR AUDIT

For the Years Ended December 31, 2023 and 2022



OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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Board of Health
Columbiana County General Health District
7360 State Route 45
Lisbon, Ohio 44432

We have reviewed the *Independent Auditor's Report* of the Columbiana County General Health District, Columbiana County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2022 through December 31, 2023. 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 Columbiana County General Health District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads 'Keith Faber'.

Keith Faber
Auditor of State
Columbus, Ohio

July 17, 2024

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Columbiana County General Health District
Columbiana County
Regular Audit
For the Years Ended December 31, 2023 and 2022

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Columbiana County General Health District
Columbiana County
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INDEPENDENT AUDITOR'S REPORT

Columbiana General Health District
Columbiana County
7360 State Route 45
PO Box 309
Lisbon, OH 44432

To the Board of Health:

Report on the Audit of the Financial Statements

Opinion

We have audited the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana County General Health District, Columbiana County, Ohio (the District), as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of December 31, 2023 and 2022, and the respective changes in cash basis financial position thereof and the respective budgetary comparison for the General fund and each major Special Revenue fund in accordance with the cash basis of accounting described in Note 2.

Basis for Opinion

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

Emphasis of Matter - Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

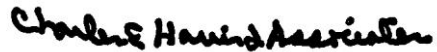
In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.

June 3, 2024

Columbiana County General Health District
Columbiana County
Statement of Net Position - Cash Basis
December 31, 2023

	Governmental Activities
Assets	
Equity in pooled cash and cash equivalents with fiscal agent	\$ 4,040,705
Total assets	4,040,705
 Net Position	
Restricted for:	
Other	2,441,633
Unrestricted	1,599,072
Total net position	\$ 4,040,705

See accompanying notes to the financial statements.

Columbiana County General Health District

Columbiana County

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2023*

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities				
Current:				
Salaries	\$ 1,066,761	\$ 443,411	\$ 587,193	\$ (36,157)
Supplies	60,829	38,999	29,285	7,455
Remittance to state	91,540	58,570	5,203	(27,767)
Equipment	76,524	-	20,035	(56,489)
Contract - services	247,646	58,472	109,194	(79,980)
Membership/subscriptions	257	38	-	(219)
Travel	39,399	16,377	11,770	(11,252)
Advertising aand printing	12,911	1,931	2,107	(8,873)
Public employee retirement	154,217	64,102	80,098	(10,017)
Hospitalization	240,561	87,470	75,836	(77,255)
Medicare	15,459	6,426	8,510	(523)
Utilities	6,806	1,018	1,109	(4,679)
Other expenses	50,513	11,927	26,652	(11,934)
Total governmental activities	\$ 2,063,423	\$ 788,741	\$ 956,992	(317,690)

General Receipts

Property taxes levied for:

General purposes	414,251
Cancer programs	255,202
Grants and entitlements not restricted to specific programs	86,997
Miscellaneous	152,499
Total general receipts	908,949
Change in net position	591,259
Net position beginning of year	3,449,446
Net position end of year	\$ 4,040,705

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	Cancer Levy	Home Sewage	Health Projects	Workforce Development	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in pooled cash and cash equivalents with fiscal agent	\$ 715,892	\$ 717,612	\$ 815,793	\$ 172,215	\$ 22,377	\$ 1,596,816	\$ 4,040,705
Fund Balances							
Restricted	-	717,612	815,793	172,215	22,377	713,636	2,441,633
Committed	-	-	-	-	-	883,180	883,180
Unassigned	715,892	-	-	-	-	-	715,892
Total fund balances	<u>\$ 715,892</u>	<u>\$ 717,612</u>	<u>\$ 815,793</u>	<u>\$ 172,215</u>	<u>\$ 22,377</u>	<u>\$ 1,596,816</u>	<u>\$ 4,040,705</u>

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	Cancer Levy	Home Sewage	Health Projects	Workforce Development	Other Governmental Funds	Total Governmental Funds
Receipts							
From local sources:							
Taxes	\$ 414,251	\$ 255,202	\$ -	-	-	\$ -	\$ 669,453
Intergovernmental	60,912	26,084	99,775	275,638	245,446	318,420	1,026,275
Fees	186,547	-	85,385	-	-	2,460	274,392
Vital statistics fees	110,586	-	-	-	-	-	110,586
Licenses and permits	-	-	82,306	-	-	321,457	403,763
Miscellaneous	152,499	401	12,024	-	-	5,289	170,213
Total receipts	924,795	281,687	279,490	275,638	245,446	647,626	2,654,682
Disbursements							
Current:							
Salaries	376,545	67,151	71,426	132,303	126,764	292,572	1,066,761
Supplies	9,589	226	161	20,804	2,722	27,327	60,829
Remittance to state	55,799	-	8,751	-	-	26,990	91,540
Equipment	-	-	-	56,797	-	19,727	76,524
Contract - services	39,159	17,787	91,300	25,547	67,698	6,155	247,646
Membership/subscriptions	257	-	-	-	-	-	257
Travel	22,990	18	4,930	-	2,043	9,418	39,399
Advertising and printing	4,194	1,100	-	7,617	-	-	12,911
Public employee retirement	53,412	9,991	10,275	21,346	16,306	42,887	154,217
Hospitalization	125,357	32,896	14,497	-	22,660	45,151	240,561
Medicare	5,453	974	1,036	1,916	1,838	4,242	15,459
Utilities	5,442	-	-	1,364	-	-	6,806
Other expenses	25,574	1,620	1,760	6,170	2,791	12,598	50,513
Total disbursements	723,771	131,763	204,136	273,864	242,822	487,067	2,063,423
Excess of receipts over (under) disbursements	201,024	149,924	75,354	1,774	2,624	160,559	591,259
Fund balances beginning of year, restated	514,868	567,688	740,439	170,441	19,753	1,436,257	3,449,446
Fund balances end of year	<u>\$ 715,892</u>	<u>\$ 717,612</u>	<u>\$ 815,793</u>	<u>\$ 172,215</u>	<u>\$ 22,377</u>	<u>\$ 1,596,816</u>	<u>\$ 4,040,705</u>

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
From local sources:				
Taxes	\$ 357,320	\$ 357,320	\$ 414,251	\$ 56,931
Intergovernmental	52,541	52,541	60,912	8,371
Fees	160,910	160,910	186,547	25,637
Vital statistics fees	95,388	95,388	110,586	15,198
Miscellaneous	131,541	131,541	152,499	20,958
Total receipts	797,700	797,700	924,795	127,095
Disbursements				
Current:				
Salaries	425,000	407,000	376,545	30,455
Supplies	10,500	25,500	9,589	15,911
Remittance to state	48,000	55,900	55,799	101
Equipment	4,000	4,000	-	4,000
Contract - services	35,000	45,000	39,159	5,841
Membership/subscriptions	500	500	257	243
Travel	20,650	32,250	22,990	9,260
Advertising and printing	1,500	5,500	4,194	1,306
Public employee retirement	59,500	59,500	53,412	6,088
Hospitalization	155,000	155,000	125,357	29,643
Medicare	6,163	6,163	5,453	710
Unemployment compensation	3,000	1,600	-	1,600
Worker's compensation	6,587	88	-	88
Utilities	6,000	6,000	5,442	558
Other expenses	16,300	30,299	25,574	4,725
Total disbursements	797,700	834,300	723,771	110,529
Excess of receipts over (under) disbursements	-	(36,600)	201,024	237,624
Fund balance at beginning of year, restated	514,868	514,868	514,868	-
Fund balance at end of year	\$ 514,868	\$ 478,268	\$ 715,892	\$ 237,624

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Cancer Levy
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Taxes	\$ 267,600	\$ 267,600	\$ 255,202	\$ (12,398)
Intergovernmental	20,682	13,874	26,084	12,210
Miscellaneous	318	213	401	188
Total receipts	<u>288,600</u>	<u>281,687</u>	<u>281,687</u>	<u>0</u>
Disbursements				
Current:				
Salaries	170,000	170,000	67,151	102,849
Supplies	2,500	2,500	226	2,274
Contract - services	24,000	22,900	17,787	5,113
Travel	260	260	18	242
Advertising and printing	-	1,100	1,100	-
Public employee retirement	23,800	23,800	9,991	13,809
Hospitalization	53,000	53,000	32,896	20,104
Medicare	2,465	2,465	974	1,491
Worker's compensation	2,635	2,635	-	2,635
Other expenses	9,940	9,940	1,620	8,320
Total disbursements	<u>288,600</u>	<u>288,600</u>	<u>131,763</u>	<u>156,837</u>
Net change in fund balance	-	(6,913)	149,924	156,837
Fund balance at beginning of year, restated	<u>567,688</u>	<u>567,688</u>	<u>567,688</u>	<u>-</u>
Fund balance at end of year	<u>\$ 567,688</u>	<u>\$ 560,775</u>	<u>\$ 717,612</u>	<u>\$ 156,837</u>

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Home Sewage
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$ 141,011	\$ 91,446	\$ 99,775	\$ 8,329
Fees	120,674	78,258	85,385	7,127
Licenses and permits	116,322	75,436	82,306	6,870
Miscellaneous	16,993	11,020	12,024	1,004
Total receipts	<u>395,000</u>	<u>256,160</u>	<u>279,490</u>	<u>23,330</u>
Disbursements				
Current:				
Salaries	105,000	103,000	71,426	31,574
Supplies	1,180	1,180	161	1,019
Remittance to state	10,000	10,000	8,751	1,249
Contract - services	227,000	227,000	91,300	135,700
Travel	11,420	11,420	4,930	6,490
Public employee retirement	15,400	15,400	10,275	5,125
Hospitalization	20,000	20,000	14,497	5,503
Medicare	1,595	1,595	1,036	559
Worker's compensation	1,705	1,705	-	1,705
Other expenses	1,700	3,700	1,760	1,940
Total disbursements	<u>395,000</u>	<u>395,000</u>	<u>204,136</u>	<u>190,864</u>
Net change in fund balance	-	(138,840)	75,354	214,194
Fund balance at beginning of year, restated	<u>740,439</u>	<u>740,439</u>	<u>740,439</u>	<u>-</u>
Fund balance at end of year	<u>\$ 740,439</u>	<u>\$ 601,599</u>	<u>\$ 815,793</u>	<u>\$ 214,194</u>

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Health Projects
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$ -	\$ 259,000	\$ 275,638	\$ 16,638
Total receipts	-	259,000	275,638	16,638
Disbursements				
Current:				
Salaries	-	200,000	132,303	67,697
Supplies	-	41,000	20,804	20,196
Equipment	-	60,400	56,797	3,603
Contract - services	-	35,000	25,547	9,453
Travel	-	10,000	-	10,000
Advertising and printing	-	15,000	7,617	7,383
Public employee retirement	-	28,000	21,346	6,654
Medicare	-	2,900	1,916	984
Worker's compensation	-	3,100	-	3,100
Utilities	-	4,100	1,364	2,736
Other expenses	-	14,500	6,170	8,330
Total disbursements	-	414,000	273,864	140,136
Net change in fund balance	-	(155,000)	1,774	156,774
Fund balance at beginning of year	170,441	170,441	170,441	-
Fund balance at end of year	\$ 170,441	\$ 15,441	\$ 172,215	\$ 156,774

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Workforce Development
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$ 145,000	\$ 245,000	\$ 245,446	\$ 446
Total receipts	145,000	245,000	245,446	446
Disbursements				
Current:				
Salaries	42,000	127,840	126,764	1,076
Supplies	5,860	5,860	2,722	3,138
Contract - services	80,000	79,715	67,698	12,017
Travel	-	2,044	2,043	1
Public employee retirement	5,880	16,306	16,306	-
Hospitalization	-	24,800	22,660	2,140
Medicare	609	1,871	1,838	33
Worker's compensation	651	-	-	-
Other expenses	10,000	5,800	2,791	3,009
Total disbursements	145,000	264,236	242,822	21,414
Net change in fund balance	-	(19,236)	2,624	21,860
Fund balance at beginning of year	19,753	19,753	19,753	-
Fund balance at end of year	\$ 19,753	\$ 517	\$ 22,377	\$ 21,860

See accompanying notes to the financial statements.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The Columbiana County General Health District, Columbiana County, Ohio (the Health District), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Health District is directed by a five-member Board and a Health Commissioner. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services and issuing health-related licenses and permits.

Public Entity Risk Pools

The Health District participates in the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. The PEP provides property and casualty coverage for its members. Note 4 to the financial statements provides additional information for this entity.

The Health District's management believes these financial statements present all activities for which the Health 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 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 the more significant of the Health District's accounting policies.

Basis of Presentation

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

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Health District that are governmental and those that are considered business-type. 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 Health District at year end. The statement of activities compares disbursements with program receipts for each of the Health 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 program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the general receipts of the Health District.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

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

Fund Accounting

The Health 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. The funds of the Health District are presented in only governmental funds.

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 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.

Cancer Levy Fund The cancer levy fund accounts for and reports property tax monies that are restricted for the purpose of reducing the incidence and mortality of cancer through programs for prevention, early detection, treatment and care.

Home Sewage Fund The home sewage fund accounts for and reports monies that are restricted for the purpose of assisting residents with waste water issues, repairing valuations of failing septic systems and public nuisance complaint investigations.

Health Projects Fund The health projects fund accounts for and reports intergovernmental grant monies that are restricted for the purpose of preserving public health throughout the county.

Workforce Development Fund The workforce development fund accounts for and reports intergovernmental grant monies restricted for the purpose of creating jobs for citizens of the county.

The other governmental funds of the Health District account for and report grants and other resources, whose use is restricted 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. Any such modifications made by the Health District are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (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.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

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 Health District Council may appropriate. The appropriations resolution is the Health District's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by County Board of Health. The legal level of control has been established by the County Board of Health at the object level for all funds. The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Health District.

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.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the County 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 budgeted amounts reflect the first appropriation resolution 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 County Board of Health during the year.

Cash and Investments

The Columbiana County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County Treasurer, Linda Bolon, 105 S. Market Street, Lisbon, Ohio 44432.

Inventory and Prepaid Items

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

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

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 Health District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities 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 Health District’s cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long-Term Obligations

The Health District’s cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset (including the intangible right to use) when entering into a lease or financed purchase transaction is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments and financed purchase payments are reported when paid.

Net Position

Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Health District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Fund Balance

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

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

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. Enabling legislation authorizes the Health District to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Health District can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the County Board of Health. Those committed amounts cannot be used for any other purpose unless the County Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the County Board of Health, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. 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 Health 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 County Board of Health or a Health District official delegated that authority by resolution, or by State statute. State Statute authorizes the Health District Clerk/Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The County Board of Health can also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue 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 Health 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.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

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 Statements of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general, cancer levy, home sewage, health projects, and workforce development 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 that outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as assigned fund balance (cash basis). There were no outstanding encumbrances in any major fund as of December 31, 2023.

Note 4 – Risk Management

Workers' Compensation

The Health District is exposed to various risks of property and casualty losses, and injuries to employees. The Health District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

Risk Pool Membership

The Health 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 Health 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 (latest information available):

	<u>2022</u>
Cash and investments	\$42,310,794
Actuarial liabilities	15,724,479

Note 5 – Deposits and Investments

As required by the Ohio Revised Code, the Columbiana 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.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 6 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Columbiana County General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 6 – Defined Benefit Pension Plan (continued)

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

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

Columbiana County General Health District

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Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 6 – Defined Benefit Pension Plan (continued)

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

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

Columbiana County General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 6 – Defined Benefit Pension Plan (continued)

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

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$154,217 for the year 2023.

Note 7 - 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.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 7 - Postemployment Benefits (continued)

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

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

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

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

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

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

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

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

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

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

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

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 7 - Postemployment Benefits (continued)

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account. Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan. When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

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

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

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14 percent of earnable salary and public safety and law enforcement employers contributed at 18 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

Note 7 - Postemployment Benefits (continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2% allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$0 for the year 2023.

Note 8 - Contingent Liabilities

The Health District may be a defendant in lawsuits. Although the outcome of any lawsuit is not presently determinable, in the opinion of the Health District, the resolution of any matter will not have a material adverse effect on the financial condition of the Health District.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed, by the grantor cannot be determined at this time although the Health District expects such amounts, if any, to be immaterial.

Note 9 – Fund Balances

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

Columbiana County General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 9 – Fund Balances (continued)

Fund Balances	General	Cancer Levy	Home Sewage	Health Projects	Workforce Development	Other Governmental Funds	Total Governmental Funds
<u>Restricted</u>							
Public health infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,286	\$ 111,286
IAP grant	-	-	-	-	-	29,948	29,948
Cancer levy	-	717,612	-	-	-	-	717,612
Home sewage	-	-	815,793	-	-	-	815,793
Disease and disaster	-	-	-	-	-	18,531	18,531
Home health	-	-	-	-	-	246,822	246,822
Health and safety	-	-	-	-	-	107,098	107,098
Rabies grant	-	-	-	-	-	7,237	7,237
Special Projects	-	-	-	-	-	133,641	133,641
Health Projects	-	-	-	172,215	-	-	172,215
Operations Program	-	-	-	-	-	59,073	59,073
Workforce Development	-	-	-	-	22,377	-	22,377
Total restricted	-	717,612	815,793	172,215	22,377	713,636	2,441,633
<u>Committed</u>							
Camp/trailer	-	-	-	-	-	97,899	97,899
Water	-	-	-	-	-	252,725	252,725
Pool	-	-	-	-	-	59,601	59,601
Community health	-	-	-	-	-	183,860	183,860
Food service	-	-	-	-	-	289,095	289,095
Total committed	-	-	-	-	-	883,180	883,180
<u>Unassigned</u>	715,892	-	-	-	-	-	715,892
Total fund balance	<u>\$ 715,892</u>	<u>\$ 717,612</u>	<u>\$ 815,793</u>	<u>\$ 172,215</u>	<u>\$ 22,377</u>	<u>\$ 1,596,816</u>	<u>\$ 4,040,705</u>

Note 10 – Prior Period Adjustment

The January 1, 2023 balances were restated by (\$5,880), (\$17,844), (\$3,568), \$1, and \$27,291 in the General, Cancer Levy, Home Sewage, Workforce Development, and other Non-major Governmental funds, respectively. These were for corrections of previous years' postings.

Columbiana County General Health District
Columbiana County
Statement of Net Position - Cash Basis
December 31, 2022

	Governmental Activities
Assets	
Equity in pooled cash and cash equivalents with fiscal agent	\$ 3,449,446
Total assets	3,449,446
 Net Position	
Restricted for:	
Other	2,129,891
Unrestricted	1,319,555
Total net position	\$ 3,449,446

See accompanying notes to the financial statements.

Columbiana County General Health District

Columbiana County

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2022*

	<u>Program Cash Receipts</u>			<u>Net (Disbursements) Receipts and Changes in Net Position</u>
	<u>Cash Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants, Contributions and Interest</u>	<u>Governmental Activities</u>
Governmental Activities				
Current:				
Salaries	\$ 955,827	\$ 402,208	\$ 677,955	\$ 124,336
Supplies	36,537	15,375	24,674	3,512
Remittance to state	94,818	72,772	17,646	(4,400)
Equipment	9,406	1,398	880	(7,128)
Contract - services	624,301	157,989	376,964	(89,348)
Membership/subscriptions	253	38	-	(215)
Travel	42,376	14,944	25,878	(1,554)
Advertising aand printing	5,593	831	1,601	(3,161)
Public employee retirement	127,906	53,822	83,543	9,459
Hospitalization	216,936	76,786	77,475	(62,675)
Medicare	13,776	5,797	9,237	1,258
Utilities	6,234	926	1,781	(3,527)
Other expenses	70,106	17,583	40,514	(12,009)
Total governmental activities	\$ 2,204,069	\$ 820,469	\$ 1,338,148	(45,452)

General Receipts

Property taxes levied for:

General purposes	404,733
Cancer programs	258,085
Grants and entitlements not restricted to specific programs	65,973
Miscellaneous	523
Total general receipts	729,314
 Change in net position	 683,862
 Net position beginning of year	 2,765,584
 Net position end of year	 \$ 3,449,446

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2022

	General	Cancer Levy	Home Sewage	Health Projects	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in pooled cash and cash equivalents with fiscal agent	\$ 520,748	\$ 585,532	\$ 744,007	\$ 170,441	\$ 1,428,718	\$ 3,449,446
Fund Balances						
Restricted	-	585,532	744,007	170,441	629,911	2,129,891
Committed	-	-	-	-	798,807	798,807
Unassigned	520,748	-	-	-	-	520,748
Total fund balances	<u>\$ 520,748</u>	<u>\$ 585,532</u>	<u>\$ 744,007</u>	<u>\$ 170,441</u>	<u>\$ 1,428,718</u>	<u>\$ 3,449,446</u>

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2022

	General	Cancer Levy	Home Sewage	Health Projects	Other Governmental Funds	Total Governmental Funds
Receipts						
From local sources:						
Taxes	\$ 404,733	\$ 258,085	\$ -	-	\$ -	\$ 662,818
Intergovernmental	38,632	27,342	269,622	537,941	506,799	1,380,336
Fees	215,247	-	96,705	-	2,691	314,643
Vital statistics fees	112,269	-	-	-	-	112,269
Licenses and permits	-	-	121,204	-	272,353	393,557
Miscellaneous	523	1,009	17,713	-	5,063	24,308
Total receipts	771,404	286,436	505,244	537,941	786,906	2,887,931
Disbursements						
Current:						
Salaries	320,778	58,262	48,419	155,243	373,125	955,827
Supplies	957	942	115	5,413	29,110	36,537
Remittance to state	54,984	-	13,370	-	26,464	94,818
Equipment	218	-	-	-	9,188	9,406
Contract - services	59,974	23,577	281,572	196,166	63,012	624,301
Membership/subscriptions	253	-	-	-	-	253
Travel	15,341	-	4,055	4,081	18,899	42,376
Advertising and printing	68	1,495	-	4,030	-	5,593
Public employee retirement	47,163	8,995	6,686	18,911	46,151	127,906
Hospitalization	119,909	33,739	12,877	-	50,411	216,936
Medicare	4,643	845	702	2,250	5,336	13,776
Utilities	5,663	-	-	571	-	6,234
Other expenses	13,083	500	-	10,835	45,688	70,106
Total disbursements	643,034	128,355	367,796	397,500	667,384	2,204,069
Excess of receipts over (under) disbursements	128,370	158,081	137,448	140,441	119,522	683,862
Fund balances beginning of year	392,378	427,451	606,559	30,000	1,309,196	2,765,584
Fund balances end of year	<u>\$ 520,748</u>	<u>\$ 585,532</u>	<u>\$ 744,007</u>	<u>\$ 170,441</u>	<u>\$ 1,428,718</u>	<u>\$ 3,449,446</u>

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
From local sources:				
Taxes	\$ 411,866	\$ 402,639	\$ 404,733	\$ 2,094
Intergovernmental	39,313	38,432	38,632	200
Fees	219,041	214,133	215,247	1,114
Vital statistics fees	114,248	111,688	112,269	581
Miscellaneous	532	520	523	3
	785,000	767,412	771,404	3,992
Total receipts				
Disbursements				
Current:				
Salaries	393,000	393,000	320,778	72,222
Supplies	10,000	15,000	957	14,043
Remittance to state	52,000	57,000	54,984	2,016
Equipment	6,000	6,000	218	5,782
Contract - services	41,000	68,000	59,974	8,026
Membership/subscriptions	500	500	253	247
Travel	23,650	28,650	15,341	13,309
Advertising and printing	1,000	1,000	68	932
Public employee retirement	55,020	55,020	47,163	7,857
Hospitalization	160,000	160,000	119,909	40,091
Medicare	5,699	5,699	4,643	1,056
Unemployment compensation	3,000	3,000	-	3,000
Worker's compensation	6,091	6,091	-	6,091
Utilities	6,000	6,000	5,663	337
Other expenses	22,040	30,040	13,083	16,957
	785,000	835,000	643,034	191,966
Total disbursements				
Excess of receipts over (under) disbursements	-	(67,588)	128,370	195,958
Fund balance at beginning of year	392,378	392,378	392,378	-
Fund balance at end of year	\$ 392,378	\$ 324,790	\$ 520,748	\$ 195,958

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Cancer Levy
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Taxes	\$ 264,600	\$ 264,600	\$ 258,085	\$ (6,515)
Intergovernmental	27,003	20,970	27,342	6,372
Miscellaneous	997	774	1,009	235
Total receipts	292,600	286,344	286,436	92
Disbursements				
Current:				
Salaries	180,000	173,000	58,262	114,738
Supplies	2,450	2,450	942	1,508
Contract - services	23,000	28,000	23,577	4,423
Travel	260	260	-	260
Advertising and printing	-	2,495	1,495	1,000
Public employee retirement	25,200	25,200	8,995	16,205
Hospitalization	50,000	50,000	33,739	16,261
Medicare	2,610	2,610	845	1,765
Worker's compensation	2,790	2,790	-	2,790
Other expenses	6,290	5,795	500	5,295
Total disbursements	292,600	292,600	128,355	164,245
Net change in fund balance	-	(6,256)	158,081	164,337
Fund balance at beginning of year	427,451	427,451	427,451	-
Fund balance at end of year	\$ 427,451	\$ 421,195	\$ 585,532	\$ 164,337

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Home Sewage
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$ 144,085	\$ 260,661	\$ 269,622	\$ 8,961
Fees	51,679	93,491	96,705	3,214
Licenses and permits	64,771	117,175	121,204	4,029
Miscellaneous	9,466	17,124	17,713	589
Total receipts	<u>270,000</u>	<u>488,451</u>	<u>505,244</u>	<u>16,793</u>
Disbursements				
Current:				
Salaries	120,000	109,000	48,419	60,581
Supplies	1,000	1,000	115	885
Remittance to state	8,200	15,200	13,370	1,830
Contract - services	92,000	363,251	281,572	81,679
Travel	10,400	10,400	4,055	6,345
Public employee retirement	16,800	16,800	6,686	10,114
Hospitalization	17,000	17,000	12,877	4,123
Medicare	1,740	1,740	702	1,038
Worker's compensation	1,860	1,860	-	1,860
Other expenses	1,000	1,000	-	1,000
Total disbursements	<u>270,000</u>	<u>537,251</u>	<u>367,796</u>	<u>169,455</u>
Net change in fund balance	-	(48,800)	137,448	186,248
Fund balance at beginning of year	<u>606,559</u>	<u>606,559</u>	<u>606,559</u>	<u>-</u>
Fund balance at end of year	<u>\$ 606,559</u>	<u>\$ 557,759</u>	<u>\$ 744,007</u>	<u>\$ 186,248</u>

See accompanying notes to the financial statements.

Columbiana County General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Health Projects
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Intergovernmental	\$ -	\$ 537,941	\$ 537,941	\$ -
Total receipts	-	537,941	537,941	-
Disbursements				
Current:				
Salaries	-	185,000	155,243	29,757
Supplies	-	30,000	5,413	24,587
Contract - services	-	210,000	196,166	13,834
Travel	-	5,225	4,081	1,144
Advertising aand printing	-	6,900	4,030	2,870
Public employee retirement	-	25,900	18,911	6,989
Medicare	-	2,683	2,250	433
Utilities	-	800	571	229
Other expenses	-	85,442	10,835	74,607
Total disbursements	-	551,950	397,500	154,450
Net change in fund balance	-	(14,009)	140,441	154,450
Fund balance at beginning of year	30,000	30,000	30,000	-
Fund balance at end of year	\$ 30,000	\$ 15,991	\$ 170,441	\$ 154,450

See accompanying notes to the financial statements.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The Columbiana County General Health District, Columbiana County, Ohio (the Health District), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Health District is directed by a five-member Board and a Health Commissioner. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services and issuing health-related licenses and permits.

Public Entity Risk Pools

The Health District participates in the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. The PEP provides property and casualty coverage for its members. Note 4 to the financial statements provides additional information for this entity.

The Health District's management believes these financial statements present all activities for which the Health 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 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 the more significant of the Health District's accounting policies.

Basis of Presentation

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

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Health District that are governmental and those that are considered business-type. 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 Health District at year end. The statement of activities compares disbursements with program receipts for each of the Health 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 program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the general receipts of the Health District.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

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

Fund Accounting

The Health 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. The funds of the Health District are presented in three categories: governmental, proprietary and fiduciary.

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 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.

Cancer Levy Fund The cancer levy fund accounts for and reports property tax monies that are restricted for the purpose of reducing the incidence and mortality of cancer through programs for prevention, early detection, treatment and care.

Home Sewage Fund The home sewage fund accounts for and reports monies that are restricted for the purpose of assisting residents with waste water issues, repairing valuations of failing septic systems and public nuisance complaint investigations.

Health Projects Fund The home sewage fund accounts for and reports intergovernmental grant monies that are restricted for the purpose of preserving public health throughout the county.

The other governmental funds of the Health District account for and report grants and other resources, whose use is restricted 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. Any such modifications made by the Health District are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (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.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

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 Health District Council may appropriate. The appropriations resolution is the Health District's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by County Board of Health. The legal level of control has been established by the County Board of Health at the object level for all funds. The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Health District.

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.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the County 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 budgeted amounts reflect the first appropriation resolution 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 County Board of Health during the year.

Cash and Investments

The Columbiana County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County Treasurer, Linda Bolon, 105 S. Market Street, Lisbon, Ohio 44432.

Inventory and Prepaid Items

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

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

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 Health District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities 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 Health District’s cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long-Term Obligations

The Health District’s cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset (including the intangible right to use) when entering into a lease or financed purchase transaction is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments and financed purchase payments are reported when paid.

Net Position

Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Health District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Fund Balance

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

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (continued)

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. Enabling legislation authorizes the Health District to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Health District can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the County Board of Health. Those committed amounts cannot be used for any other purpose unless the County Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the County Board of Health, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. 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 Health 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 County Board of Health or a Health District official delegated that authority by resolution, or by State statute. State Statute authorizes the Health District Clerk/Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The County Board of Health can also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue 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 Health 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.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

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 Statements of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general, cancer levy, home sewage and health projects 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 that outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as assigned fund balance (cash basis). There were no outstanding encumbrances in any major fund as of December 31, 2022.

Note 4 – Risk Management

Workers’ Compensation

The Health District is exposed to various risks of property and casualty losses, and injuries to employees. The Health District insures against injuries to employees through the Ohio Bureau of Worker’s Compensation.

Risk Pool Membership

The Health 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 Health 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>2022</u>
Cash and investments	\$42,310,794
Actuarial liabilities	15,724,479

Note 5 – Deposits and Investments

As required by the Ohio Revised Code, the Columbiana 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.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 6 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

Plan Description – Health District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS’ fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 6 – Defined Benefit Pension Plan (continued)

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

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

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

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

Columbiana County General Health District

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Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 6 – Defined Benefit Pension Plan (continued)

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2022 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
2022 Actual Contribution Rates			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits *****	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

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

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

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

**** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$127,906 for the year 2022.

Note 7 - 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.

Columbiana County General Health District

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Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 7 - Postemployment Benefits (continued)

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

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

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

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 with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. 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' Annual Comprehensive Financial Report 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.

Columbiana County General Health District

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Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 7 - Postemployment Benefits (continued)

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14 percent of earnable salary and public safety and law enforcement employers contributed at 18 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, 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 2022 was 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 \$0 for the year 2022.

Note 8 - Contingent Liabilities

The Health District may be a defendant in lawsuits. Although the outcome of any lawsuit is not presently determinable, in the opinion of the Health District, the resolution of any matter will not have a material adverse effect on the financial condition of the Health District.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed, by the grantor cannot be determined at this time although the Health District expects such amounts, if any, to be immaterial.

Note 9 – Fund Balances

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

Columbiana County General Health District

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Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 9 – Fund Balances (continued)

Fund Balances	General	Cancer Levy	Home Sewage	Health Projects	Other Governmental Funds	Total Governmental Funds
<u>Restricted</u>						
Public health infrastructure	\$ -	\$ -	\$ -	\$ -	\$ 94,108	\$ 73,567
Get vaccinated grant	-	-	-	-	37,784	40,814
Cancer levy	-	585,532	-	-	-	409,607
Home sewage	-	-	744,007	-	-	602,991
Disease and disaster	-	-	-	-	7,031	7,031
Home health	-	-	-	-	200,754	195,735
Health and safety	-	-	-	-	106,514	90,550
Rabies grant	-	-	-	-	8,223	8,139
Special Projects	-	-	-	-	95,324	151,957
Health Projects	-	-	-	170,441	-	30,000
Operations Program	-	-	-	-	60,421	63,009
Workforce Development	-	-	-	-	19,752	30,000
Total restricted	-	585,532	744,007	170,441	629,911	2,129,891
<u>Committed</u>						
Camp/trailer	-	-	-	-	79,874	79,874
Water	-	-	-	-	228,378	196,489
Pool	-	-	-	-	48,014	35,894
Community health	-	-	-	-	166,713	158,748
Food service	-	-	-	-	275,828	275,828
Total committed	-	-	-	-	798,807	798,807
<u>Unassigned</u>	520,748	-	-	-	-	520,748
Total fund balance	<u>\$ 520,748</u>	<u>\$ 585,532</u>	<u>\$ 744,007</u>	<u>\$ -</u>	<u>\$ 1,428,718</u>	<u>\$ 3,449,446</u>

Note 10 – Tax Abatement Agreement Entered into by Other Governments

Other governments entered into property tax abatement agreements with property owners under Community Urban Redevelopment Agreements (“CURAs”), the Ohio Community Reinvestment Area (“CRA”) program and Tax Incremental Financing (“TIF”) agreements within various taxing districts of the Health District. The CURA, CRA and TIF programs are directive incentive tax exemption programs benefiting property owners who renovate or construct new buildings. Under these programs, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. Within the taxing districts of the Health District, the multiple villages, cities and townships have entered into such agreements. Under these agreements, the Health District’s property taxes were reduced by approximately \$1,714. The Health District is not receiving any amounts from these other governments in association with the forgone property tax revenue.

Columbiana County General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2022

Note 11 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended April 2023. During 2022, the District received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the District. The impact on the District's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

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

Columbiana General Health District
Columbiana County
7360 State Route 45
PO Box 309
Lisbon, OH 44432

To the Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana County General Health District, Columbiana County, Ohio, (the District) as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 3, 2024, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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



Charles E. Harris & Associates, Inc.

June 3, 2024

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OHIO AUDITOR OF STATE KEITH FABER



COLUMBIANA COUNTY GENERAL HEALTH DISTRICT

COLUMBIANA 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 7/30/2024

65 East State 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