



OHIO AUDITOR OF STATE  
**KEITH FABER**





**WARREN COUNTY COMBINED HEALTH DISTRICT  
WARREN COUNTY  
DECEMBER 31, 2023**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Warren County Combined Health District  
Warren County  
416 S. East St  
Lebanon, Ohio 45036

To the Board of Directors:

### **Report on the Audit of the Financial Statements**

#### ***Unmodified and Adverse Opinions***

We have audited the financial statements of the Warren County Combined Health District, Warren County, Ohio (the District), which comprises the cash balances, receipts and disbursements for each governmental fund type combined total as of and for the year ended December 31, 2023, and the related notes to the financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental combined total as of and for the year ended December 31, 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of December 31, 2023, or the changes in financial position thereof for the year then ended.

#### ***Basis for Opinions***

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

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

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

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Supplementary Information***

Our audit was conducted to opine on the financial statements as a whole.

The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule is the responsibility of management and derives from and relates directly to the underlying accounting and other records used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio  
November 26, 2024

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**WARREN COUNTY COMBINED HEALTH DISTRICT  
WARREN COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General	Special Revenue	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Property Taxes	\$3,074,701	\$0	\$3,074,701
Charges for Services/Fees	\$677,490	\$36,383	\$713,873
Fines, Licenses and Permits	\$538,319	\$648,261	\$1,186,580
Intergovernmental	\$1,019,280	\$1,664,464	\$2,683,744
Other Operating Revenue	\$128,063		\$128,063
<i>Total Cash Receipts</i>	<u>\$5,437,853</u>	<u>\$2,349,108</u>	<u>\$7,786,961</u>
<b>Cash Disbursements</b>			
Personal Services	\$5,063,056	\$1,749,580	\$6,812,636
Training & Education	\$9,052	\$1,400	\$10,452
Contractual Services	\$419,078	\$322,336	\$741,414
Material & Supplies	\$299,368	\$7,694	\$307,062
Capital Outlay	\$365,925	\$39,135	\$405,060
Other Operating Charges	\$223,297	\$65,986	\$289,283
Reimbursements & Refunds		\$1,245	\$1,245
<i>Total Cash Disbursements</i>	<u>\$6,379,776</u>	<u>\$2,187,376</u>	<u>\$8,567,152</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(\$941,923)</u>	<u>\$161,732</u>	<u>(\$780,191)</u>
 <i>Fund Cash Balances, January 1</i>	 <u>\$10,230,560</u>	 <u>\$528,992</u>	 <u>\$10,759,552</u>
 <i>Fund Cash Balances, December 31</i>	 <u><u>\$9,288,637</u></u>	 <u><u>\$690,724</u></u>	 <u><u>\$9,979,361</u></u>

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

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**Warren County Combined Health District**

*Warren County*

*Notes to the Financial Statements*

*For the Year Ended December 31, 2023*

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**Note 1— Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Warren County Combined Health District. Warren County, Ohio (Health District) as a body corporate and politic. A nine-member Board and a Health Commissioner govern the Health District. The Health District's services include communicable disease investigations, immunization clinics, inspections, and public health nursing services, and the Health District issues health-related licenses and permits.

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**

***Basis of Presentation***

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

***Fund Accounting***

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

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

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

**Food Service (9912) Fund-** This is a fund which accounts for the food service licenses and fees.

**Sewage (9916) Fund-** This is a fund which accounts for the septic permits, alteration licenses, OM payments, and WPCLF Grant.

**Water (9953) Fund** -This is a fund which accounts for permits, registrations and fees.

**Health Grants (9961)-** This is a Federal Grant fund which accounts for Women, Infant & children (WIC), Reproductive Health & Wellness Program (**RHWP**),

**Campgrounds (9963) Fund-** This is a fund which accounts for the license fees for state campgrounds.

**Swimming Pools (9976) Fund-** This is a fund which accounts for the license fees for public swimming pool program.

**Warren County Combined Health District**

*Warren County*

*Notes to the Financial Statements*

*For the Year Ended December 31, 2023*

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***Basis of Accounting***

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

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

***Budgetary Process***

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

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

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

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

A summary of 2023 budgetary activity appears in Note 3

***Accumulated Leave***

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

***Fund Balance***

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

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

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

**Warren County Combined Health District**

*Warren County*

*Notes to the Financial Statements*

*For the Year Ended December 31, 2023*

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

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

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The 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.

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

**Note 3 — Budgetary Activity**

Budgetary activity for the year ended December 31, 2023, follows:

2023 Budgeted vs. Actual Receipts

Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	5,135,177	5,437,853	\$302,676
Special Revenue	2,199,680	2,349,108	149,428
Total	<u>\$7,334,857</u>	<u>\$7,786,961</u>	<u>\$452,104</u>

2023 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	8,228,003	6,552,818	(\$1,675,185)
Special Revenue	2,499,103	2,275,826	(223,277)
Total	<u>\$10,727,106</u>	<u>\$8,828,644</u>	<u>(\$1,898,462)</u>

**Warren County Combined Health District**  
*Warren County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 4 — Deposits and Investments**

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

**Note 5 — Intergovernmental Funding and Property Taxes**

***Intergovernmental Funding***

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

***Property Taxes***

Real property taxes that are not paid for two years goes to Sherrif sale for which the taxing authority of the subdivision to whose jurisdiction the Health Districts is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include credits and/or deduction amounts the State pays as Other Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due February 28. The second half payment is due the following July 28.

Public utilities are also taxed on personal and real property located within the taxing district.

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

**Warren County Combined Health District**  
*Warren County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 6 — Risk Management**

The Health District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;

***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 may make supplemental assessments if the experience of the overall pool is unfavorable. The Pool covers the following risks:

- General liability and casualty;
- Public official's liability; and
- Vehicle liability and physical damage
- Medical mal-practice

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

	2023
Cash and investments	\$43,996,442
Actuarial liabilities	\$19,743,401

**Note 7 — Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Health District contributed an amount equaling 14 percent of participants' gross salaries. The Health District has paid all contributions required through December 31, 2023.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS — Local</i>	<i>2012-2023</i>	<i>10%</i>	<i>14%</i>

***Social Security***

The Health District's 9 board members contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The District contributed an amount equal to 6.2 percent of participants' gross salaries. The Health District has paid all contributions required through December 31, 2023.

**Warren County Combined Health District**

*Warren County*

*Notes to the Financial Statements*

*For the Year Ended December 31, 2023*

**Note 8 — Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. OPERS offers a health reimbursement arrangement (HRA) allowance to 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. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

**Note 9 — Construction and Contractual Commitments**

The Warren County Health District owes \$61,118.60 dollars to La Boit Specialty Vehicles, Inc. for the contractual commitment of a mobile clinic facility to provide public health services to the community. This outstanding balance will be paid in full upon receipt of the completed mobile clinic.

**Note 10— Contingent Liabilities**

**Grants**

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

**Note 11 — Fund Balances**

Included in fund balance are amounts the Health District cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Debt Service	Capital Projects	Permanent	Total
Nonspendable:						
Unclaimed Monies						\$0
Corpus						
Outstanding Encumbrances	173,042	88,450				
Total	align="right">\$173,042	align="right">\$88,450	align="center">SO	align="center">SO	align="center">SO	align="right">\$261,492

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



**Warren County Combined Health District**

*Warren County*

*Notes to the Financial Statements*

*For the Year Ended December 31, 2023*

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**Note 12 — 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 in April 2023. During 2023, the Health District received COVID-19 funding. The Health District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

During 2023, the Health District charged prior year expenditures to the 9961 Fund (Covid Enhanced 99614107-Expense Fund). The 9911 Fund (9911 42500 General Fund) billed the 9961 Fund (Covid Enhanced 99614107-Expense Fund) for these costs. The 9911 Fund (9911 42500 General Fund) is reflecting this receipt of \$34130.60 as a 42500 Revenue (Grants) in the accompanying financial statements.

The 9961 Fund (Covid Workforce 99614110-Expense Fund). The 9911 Fund (9911 42500 General Fund) billed the 9961 Fund (Covid Workforce 99614110-Expense Fund) for these costs. The 9911 Fund (9911 42500 General Fund) is reflecting this receipt of \$19304.10 as a 42500 Revenue (Grants) in the accompanying financial statements.

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**WARREN COUNTY COMBINED HEALTH DISTRICT  
WARREN COUNTY**

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

<b>FEDERAL GRANTOR</b>	<b>Federal Assistance Listing Number</b>	<b>Pass Through Entity Identifying Number</b>	<b>Total Federal Expenditures</b>
<i>Pass Through Grantor Program / Cluster Title</i>			
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Ohio Department of Health</i>			
WIC Special Supplemental Nutrition Program for Women, Infant & Children	10.557	08310011WA1623	\$325,803
WIC Special Supplemental Nutrition Program for Women, Infant & Children	10.557	08310011WA1724	<u>114,903</u>
Total WIC Administration			<u>440,706</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>440,706</u></b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>Passed Through Ohio Department of Health</i>			
Reproductive Health and Wellness Family Planning Service	93.217	08310011RH1223	10,044
Reproductive Health and Wellness Family Planning Service	93.217	08310011RH1324	<u>65,607</u>
Total Reproductive Health and Wellness Family Planning			<u>75,651</u>
RHWP Maternal & Child Health Services Block Grant to the State	93.994	08310011RH1123	<u>10,938</u>
Public Health Emergency Preparedness	93.069	08310012PH1322	143,569
Public Health Emergency Preparedness	93.069	08310012PH1423	<u>79,070</u>
Total Public Health Emergency Preparedness			<u>222,639</u>
Covid-19 Epidemiology and Laboratory Capacity for Infection Diseases (ELC) Enhanced Operation	93.323	08310012EO0222	183,930
Covid-19 Epidemiology and Laboratory Capacity for Infection Diseases (ELC) Enhanced Operation	93.323	08310012EO0223	13,486
Covid-19 Detection and Mitigation in Congregate Living	94.323	08310012LV0123	<u>137,500</u>
Total Covid-19 Epidemiology and Laboratory Capacity for Infection Diseases (ELC) Enhanced Operation			<u>334,916</u>
Covid-19 Immunization and Vaccines for Children - Vaccination	93.268	08310012CN0122	<u>42,186</u>
Public Health Workforce	93.354	08310012WF0122	<u>309,531</u>
<b>Total U.S. Department of Health and Human Services</b>			<b><u>995,861</u></b>
<b>Total Expenditures of Federal Awards</b>			<b><u><u>\$1,436,567</u></u></b>

*The accompanying notes are an integral part of this schedule.*

**WARREN COUNTY COMBINED HEALTH DISTRICT  
WARREN COUNTY**

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

**NOTE A – BASIS OF PRESENTATION**

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

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE C – INDIRECT COST RATE**

The Health District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D – MATCHING REQUIREMENTS**

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

**NOTE E – OHIO DEPARTMENT OF HEALTH**

Ohio Department of Health Grants Administration Policies and Procedures (OGAPP) Manual requires the receipts of all federal awards to be reported in addition to the reporting of the federal expenditures. The following federal funds were received from the Ohio Department of Health during the audit period.

<b>Program</b>	<b>CFDA Number</b>	<b>Pass Through Number</b>	<b>Total Federal Receipts</b>
WIC Administration	10.557	08310011WA1623	\$ 393,003
WIC Administration	10.557	08310011WA1724	\$ 99,187
Reproductive Health and Wellness	93.217	08310011RH1223	\$ 4,788
Reproductive Health and Wellness	93.994	08310011RH1223	\$ 10,938
Reproductive Health and Wellness	93.217	08310011RH1324	\$ 56,429
Reproductive Health and Wellness	HB 110	08310011RH1324	\$ 25,807
COVID-19 Vaccination	93.268	08310012CN0122	\$ 47,326
Public Health Emergency Preparedness	93.069	08310012PH1423	\$ 161,088
Public Health Emergency Preparedness	93.069	08310012PH1524	\$ 35,037
Public Health Workforce	93.354	08310012WF0122	\$ 303,078
COVID-19 DETECTION and MITIGATION	93.323	08310012LV0123	\$ 137,500
COVID-19 Enhanced	93.323	08310012EO0222	\$ 218,061
COVID-19 Enhanced	93.323	08310012EO0323	\$ 12,083

# OHIO AUDITOR OF STATE KEITH FABER



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

Warren Co. Combined Health District  
Warren County  
416 S. East Street  
Lebanon, Ohio 45036

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type combined total as of and for the year ended December 31, 2023 and the related notes to the financial statement of the Warren County Combined Health District, Warren County, (the District) and have issued our report thereon dated November 26, 2024, wherein we noted the District followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

### ***Report on Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a material weakness.

**Report on Compliance and Other Matters**

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

**District's Response to Findings**

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

**Purpose of This Report**

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



Keith Faber  
Auditor of State  
Columbus, Ohio  
November 26, 2024

# OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215  
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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Warren County Combined Health District  
Warren County  
416 S. East Street  
Lebanon, Ohio 45036

To the Board of Directors:

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

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

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

#### ***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control Over Compliance**

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

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



Warren County Combined Health District  
Warren County  
Independent Auditor's Report on Compliance with Requirements  
Applicable to Each Major Federal Program and on Internal Control Over Compliance  
Required by the Uniform Guidance  
Page 3

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

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



Keith Faber  
Auditor of State  
Columbus, Ohio  
November 26, 2024

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**WARREN COUNTY COMBINED HEALTH DISTRICT  
WARREN COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2023**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Adverse under GAAP, unmodified under the regulatory basis
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	AL#10.557 Special Supplemental Nutrition Program for Women, Infants and Children (WIC) AL #93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR § 200.520?</b>	No

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

**FINDING NUMBER 2023-001**

**Material Weakness**

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

**FINDING NUMBER 2023-001  
(Continued)**

The following errors were noted with financial reporting:

- The Health District improperly overstated the Ending Fund Balance for the Special Revenue Fund by \$88,450.
- The Health District understated the Capital Outlay Expenditure line for the Special Revenue Fund by \$38,893.

These errors were not identified and corrected prior to the District preparing its financial statements and notes to the financial statements due to deficiencies in the internal controls over financial statement monitoring. Failure to accurately post and report transactions could result in material errors in the financial statements and reduces the District's ability to monitor financial activity and to make sound decisions which effect the overall available cash positions of the District.

The District also made errors in financial reporting in the Statement of Receipts, Disbursements, and Changes in Fund Balances in amounts ranging from \$832 to \$5,776. The District corrected the financial statements for the aforementioned errors.

To help ensure the District's financial statements are complete and accurate, the District should implement internal control procedures to identify and correct errors and omissions in the recording of financial transactions.

**Officials' Response:**

See Corrective Action Plan.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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None



# WARREN COUNTY HEALTH DISTRICT

416 South East Street – Lebanon, Ohio 45036

www.warrenchd.com

**Public Health**  
Prevent. Promote. Protect.

Duane Stansbury, R.S., M.P.H.  
Health Commissioner

Clint Koenig MD, MSPH  
Medical Director

## **CORRECTIVE ACTION PLAN** **2 CFR § 200.511(c)** **December 31, 2023**

<b>Finding Number:</b>	2023-001
<b>Planned Corrective Action:</b>	WCCHD will correct financial statement reporting in future years. The financial statement covering FY2023 was completed by February 28, 2024. The next financial statement will be completed by February 28, 2025.
<b>Anticipated Completion Date:</b>	02/28/2025
<b>Responsible Contact Person:</b>	Charlena McKinney



# OHIO AUDITOR OF STATE KEITH FABER



**WARREN COUNTY COMBINED HEALTH DISTRICT**

**WARREN 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 12/17/2024**

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](http://www.ohioauditor.gov)