



bhm cpa group, inc.

CERTIFIED PUBLIC ACCOUNTANTS

LOGAN COUNTY HEALTH DISTRICT
LOGAN COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Board of Health
Logan County Health District
310 South Main Street
Bellefontaine, Ohio 43311

We have reviewed the *Independent Auditor's Report* of the Logan County Health District, prepared by BHM CPA Group, Inc., for the audit period January 1, 2023 through December 31, 2024. 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 Logan County Health District is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

August 03, 2025

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**LOGAN COUNTY HEALTH DISTRICT
LOGAN COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Logan County Health District
Logan County
310 South Main Street
Bellefontaine, Ohio 43311

To the Board:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Logan County Health District, Logan County, Ohio (the District), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 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 fund type as of and for the years ended December 31, 2024 and 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, 2024 and 2023, or the changes in financial position thereof for the years 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 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2025, 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.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 25, 2025

**LOGAN COUNTY HEALTH DISTRICT
LOGAN COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Charges for Services	\$ 78,207	\$ -	\$ 78,207
Fines, Licenses and Permits	217,855	412,580	630,435
Intergovernmental:			
Apportionments	525,000	-	525,000
Grants	148,659	780,224	928,883
Other	2,106	2,902	5,008
Total Cash Receipts	<u>971,827</u>	<u>1,195,706</u>	<u>2,167,533</u>
Cash Disbursements			
Current:			
Health:			
Salaries	296,387	680,705	977,092
Medicare	3,961	9,817	13,778
Supplies	67,751	72,610	140,361
Remittances to State	45,322	101,727	147,049
Equipment	29,511	755	30,266
Contracts - Service	93,310	113,644	206,954
Contracts - Repair	10,377	-	10,377
Property Insurance	14,930	-	14,930
Education	5,256	2,555	7,811
Travel	13,051	31,201	44,252
Utilities and Rental	5,507	8,568	14,075
Advertising and Printing	3,150	16,797	19,947
Public Employee's Retirement	34,255	107,878	142,133
Worker's Compensation	5,542	9,115	14,657
Hospital/Life Insurance	159,190	50,559	209,749
Other	7,565	15,495	23,060
Total Cash Disbursements	<u>795,065</u>	<u>1,221,426</u>	<u>2,016,491</u>
Excess of Receipts Over (Under) Disbursements	176,762	(25,720)	151,042
Other Financing Receipts (Disbursements)			
Reimbursements	38,658	-	38,658
Refunds	(46)	-	(46)
Total Other Financing Receipts (Disbursements)	<u>38,612</u>	<u>-</u>	<u>38,612</u>
Net Change in Fund Cash Balances	215,374	(25,720)	189,654
Fund Cash Balances, January 1	<u>1,722,939</u>	<u>562,720</u>	<u>2,285,659</u>
Fund Cash Balances, December 31	<u>\$ 1,938,313</u>	<u>\$ 537,000</u>	<u>\$ 2,475,313</u>

See accompanying notes to the financial statements.

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Logan County Health District, Logan County, (the District) as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. The District's services include communicable disease surveillance and investigations, immunization clinics, inspections, and public health nursing services, and the issuance of health-related licenses and permits, and maintenance of county birth and death records.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The 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 District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are 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 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 District had the following significant Special Revenue Funds:

Covid Enhanced Operations Fund This fund accounts for general COVID-19 operations related to federal monies granted through the Ohio Department of Health.

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 Board 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.

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2024

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The 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 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 2024 budgetary activity appears in Note 3.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

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 District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The 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 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.

Committed The Board can *commit* amounts via formal action (resolution). The 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.

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2024

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 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 ending December 31, 2024, follows:

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	\$ 1,746,300	\$ 1,010,485	\$ (735,815)
Special Revenue	1,598,142	1,195,706	(402,436)
Total	<u>\$ 3,344,442</u>	<u>\$ 2,206,191</u>	<u>\$ (1,138,251)</u>

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Budgetary	Appropriation	Variance
	Expenditures	Authority	
General	\$ 925,085	\$ 1,936,233	\$ 1,011,148
Special Revenue	1,258,660	1,782,759	524,099
Total	<u>\$ 2,183,745</u>	<u>\$ 3,718,992</u>	<u>\$ 1,535,247</u>

Note 4 – Deposits and Investments

As required by the Ohio Revised Code, the Logan County Treasurer is custodian for the 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 District's appropriations over other estimated receipts among the townships and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. The financial statements present these amounts as intergovernmental receipts.

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 6 – Risk Management

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

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

The Pool reported the following summary of assets and liabilities as of December 31, 2023 (most recent available):

	<u>2023</u>
Assets	\$ 67,306,752
Liabilities	<u>(23,172,377)</u>
Net Position	<u>\$ 44,134,375</u>

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The 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 14 percent of their gross salaries, and the District contributed an amount equaling 10 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2024.

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 2024, 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 2024, 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.

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 9 – Contingent Liabilities

Amounts grantor agencies pay to the 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 10 – Identification of Grants Received Through Ohio Department of Health

Federal Entity: Department of Health and Human Services
Pass-Through Entity: Ohio Department of Health
Federal Grant: Public Health Emergency Preparedness Program
Federal CFDA#: 93.069
Project Number : 04610012PH1324/14610012PH1425
2024 Receipt Amount: \$ 71,556

Federal Entity: Department of Health and Human Services
Pass-Through Entity: Ohio Department of Health
Federal Grant: Covid-19 Enhanced Operations
Federal CFDA#: 93.323
Project Number : 04610012EO0122/04610012EO0223
2024 Receipt Amount: \$ 351,666

Federal Entity: Department of Health and Human Services
Pass-Through Entity: Ohio Department of Health
Federal Grant: Public Health Workforce
Federal CFDA#: 93.354/93.391/93.967
Project Number : 04610012WF0122/04610012WF0123
2024 Receipt Amount: \$ 60,090

Federal Entity: Not applicable
Pass-Through Entity: Ohio Department of Health
Federal Grant: Tobacco Use and Prevention and Cessation
Federal CFDA#: Am. Sub H.B. 110/5BXO and Am. Sub H.B. 33/5XBO
Project Number : 04610014TU0124/04610014TU0125
2024 Receipt Amount: \$ 56,350

Federal Entity: Department of Health and Human Services
Pass-Through Entity: Ohio Department of Health
Federal Grant: Integrated Harm Reduction
Federal CFDA#: 93.788
Project Number : 04610014IH0123
2024 Receipt Amount: \$ 135,000

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2024

Federal Entity: Department of Health and Human Services
Pass-Through Entity: Ohio Department of Health
Federal Grant: Innovative Approaches to STI Prevention
Federal CFDA#: 93.977
Project Number : 04610012II0124/04610012II0125
2024 Receipt Amount: \$ 45,000

Federal Entity: Department of Health and Human Services
Pass-Through Entity: Ohio Department of Health
Federal Grant: Injury Prevention – Falls Among Older Adults
Federal CFDA#: 93.991
Project Number : 080100141IF0624
2024 Receipt Amount: \$ 12,000

Federal Entity: Department of Health and Human Services
Pass-Through Entity: Ohio Department of Health
Federal Grant: Get Vaccinated Ohio – Public Health Initiative
Federal CFDA#: 93.268
Project Number : 07510012GV0220
2024 Receipt Amount: \$ 8,003

Note 11 – Fund Balances

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:

	Special		
	General	Revenue	
	Fund	Funds	Total
Outstanding Encumbrances	\$ 129,974	\$ 37,234	\$ 167,208

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

**LOGAN COUNTY HEALTH DISTRICT
LOGAN 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)
Cash Receipts			
Charges for Services	\$ 61,715	\$ -	\$ 61,715
Fines, Licenses and Permits	185,079	357,022	542,101
Intergovernmental:			
Apportionments	680,000	-	680,000
Grants	134,326	665,547	799,873
Other	2,230	2,365	4,595
Total Cash Receipts	<u>1,063,350</u>	<u>1,024,934</u>	<u>2,088,284</u>
Cash Disbursements			
Current:			
Health:			
Salaries	442,281	466,175	908,456
Medicare	5,434	6,596	12,030
Supplies	35,427	22,781	58,208
Remittances to State	47,412	98,191	145,603
Equipment	11,519	7,685	19,204
Contracts - Service	87,792	161,507	249,299
Contracts - Repair	5,317	-	5,317
Property Insurance	6,378	6,358	12,736
Education	1,370	1,898	3,268
Travel	13,236	13,627	26,863
Utilities and Rental	14,371	22,991	37,362
Advertising and Printing	4,729	4,000	8,729
Public Employee's Retirement	56,634	72,098	128,732
Worker's Compensation	8,438	5,189	13,627
Hospital/Life Insurance	81,503	52,983	134,486
Other	1,943	118,270	120,213
Debt Service:			
Principal Retirement	<u>166,250</u>	-	166,250
Total Cash Disbursements	<u>990,034</u>	<u>1,060,349</u>	<u>2,050,383</u>
Excess of Receipts Over (Under) Disbursements	73,316	(35,415)	37,901
Other Financing Receipts (Disbursements)			
Reimbursements	6,967	-	6,967
Refunds	(110)	(350)	(460)
Total Other Financing Receipts (Disbursements)	<u>6,857</u>	<u>(350)</u>	<u>6,507</u>
Net Change in Fund Cash Balances	80,173	(35,765)	44,408
Fund Cash Balances, January 1	<u>1,642,766</u>	<u>598,485</u>	<u>2,241,251</u>
Fund Cash Balances, December 31	<u>\$ 1,722,939</u>	<u>\$ 562,720</u>	<u>\$ 2,285,659</u>

See accompanying notes to the financial statements.

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Logan County Health District, Logan County, (the District) as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. The District's services include communicable disease surveillance and investigations, immunization clinics, inspections, and public health nursing services, and the issuance of health-related licenses and permits, and maintenance of county birth and death records.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The 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 District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are 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 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 District had the following significant Special Revenue Funds:

Sewage Treatment Fund This fund accounts for recording and permitting regulation oversight on septic systems in Logan County.

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 Board 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.

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2023

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The 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 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.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

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 District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The 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 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.

Committed The Board can *commit* amounts via formal action (resolution). The 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.

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2023

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 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 ending December 31, 2023, follows:

Fund Type	2023 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,337,375	\$ 1,070,317	\$ (267,058)
Special Revenue	1,397,781	1,024,934	(372,847)
Total	<u>\$ 2,735,156</u>	<u>\$ 2,095,251</u>	<u>\$ (639,905)</u>

Fund Type	2023 Budgeted vs. Actual Budgetary Basis Expenditures		
	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,729,165	\$ 1,063,298	\$ 665,867
Special Revenue	1,587,619	1,103,599	484,020
Total	<u>\$ 3,316,784</u>	<u>\$ 2,166,897</u>	<u>\$ 1,149,887</u>

Note 4 – Deposits and Investments

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

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 5 – Intergovernmental Funding and Property Taxes

Intergovernmental Funding

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

Note 6 – Risk Management

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

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

The Pool reported the following summary of assets and liabilities as of December 31, 2023:

	<u>2023</u>
Assets	\$ 67,306,752
Liabilities	<u>(23,172,377)</u>
Net Position	<u>\$ 44,134,375</u>

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The 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 14 percent of their gross salaries, and the District contributed an amount equaling 10 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2023.

Logan County Health District
Logan County, Ohio
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 – Contingent Liabilities

Amounts grantor agencies pay to the 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 10 – Identification of Grants Received Through Ohio Department of Health

Federal Entity:	Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Public Health Emergency Preparedness Program
Federal CFDA#:	93.069
Project Number :	04610012PH1323/14610012PH1424
2023 Receipt Amount:	\$ 78,235
 Federal Entity:	 Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Integrated Naloxone Access and Infrastructure
Federal CFDA#:	93.788
Project Number :	04610014IN0423/IN23GAP1
2023 Receipt Amount:	\$ 83,250
 Federal Entity:	 Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Covid-19 Enhanced Operations
Federal CFDA#:	93.323
Project Number :	04610012EO0122/04610012EO0223
2023 Receipt Amount:	\$ 163,749
 Federal Entity:	 Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	COVID-19 Vaccination
Federal CFDA#:	93.268
Project Number :	04610012CN0122
2023 Receipt Amount:	\$ 22,744

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2023

Federal Entity:	Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Public Health Workforce
Federal CFDA#:	93.354/93.391/93.967
Project Number :	04610012WF0122/04610012WF0123
2023 Receipt Amount:	\$ 92,503
 Federal Entity:	Not applicable
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Tobacco Use and Prevention and Cessation
Federal CFDA#:	Am. Sub H.B. 110/5BXO and Am. Sub H.B. 33/5XBO
Project Number :	04610014TU0123/04610014TU0124
2023 Receipt Amount:	\$ 22,000
 Federal Entity:	Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	COVID-19 Detection and Mitigation in Congregate Living Settings
Federal CFDA#:	93.323
Project Number :	04610012LV0123
2023 Receipt Amount:	\$ 110,000
 Federal Entity:	Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Healthy Eating and Active Lifestyle
Federal CFDA#:	93.439
Project Number :	none
2023 Receipt Amount:	\$ 6,000
 Federal Entity:	Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Integrated Harm Reduction
Federal CFDA#:	93.788
Project Number :	04610014IH0123
2023 Receipt Amount:	\$ 39,302
 Federal Entity:	Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Innovative Approaches to STI Prevention
Federal CFDA#:	93.977
Project Number :	04610012II0124
2023 Receipt Amount:	\$ 20,000
 Federal Entity:	Department of Health and Human Services
Pass-Through Entity:	Ohio Department of Health
Federal Grant:	Get Vaccinated Ohio – Public Health Initiative
Federal CFDA#:	93.268
Project Number :	07510012GV0220
2023 Receipt Amount:	\$ 16,484

Logan County Health District
Logan County, Ohio
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 11 – Fund Balances

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:

	General Fund	Special Revenue		Total
		Funds		
Outstanding Encumbrances	\$ 73,154	\$ 42,900		\$ 116,054

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

Note 12 – Long-Term Obligation

The change in the District's long-term obligations during 2023 were as follows:

	<u>Balance at</u> <u>1/1/2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at</u> <u>12/31/2023</u>
Building Purchase Loan with Logan County Commissioners	\$ 166,250	\$ -	\$ (166,250)	\$ -

On January 9, 2001, the Logan County Commissioners agreed to loan the funds necessary for the purchase of the District Board of Health office facility by the District. During 2023, the Commissioners agreed to forgiveness of the loan interest if the loan was paid in full by December 31, 2023, which the District did.



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

Logan County Health District
Logan County
310 South Main Street
Bellefontaine, Ohio 43311

To the Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements of the Logan County Health District, Logan County, Ohio (The District) and have issued our report thereon dated June 25, 2025, 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. 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.

Logan County Health District
Logan County
Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Governmental Auditing Standards*
Page 2

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.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 25, 2025

OHIO AUDITOR OF STATE KEITH FABER



LOGAN COUNTY HEALTH DISTRICT

LOGAN 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 8/14/2025

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