



OHIO AUDITOR OF STATE
KEITH FABER



**ASHLAND COUNTY DISTRICT BOARD OF HEALTH
ASHLAND COUNTY
DECEMBER 31, 2024 AND 2023**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Ashland County District Board of Health
Ashland County
1763 State Route 60
Ashland, Ohio 44805

To the Board of Health:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Ashland County District Board of Health, Ashland 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 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 *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 February 3, 2026, 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
Ohio Auditor of State



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

February 3, 2026

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Ashland County District Board of Health
Ashland 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 | | | |
| Property Taxes | \$ 415,163 | \$ - | \$ 415,163 |
| Charges for Services | 509,599 | - | 509,599 |
| Fines, Licenses and Permits | 89,837 | 80,635 | 170,472 |
| Intergovernmental | | | |
| Grants | 145,328 | 176,329 | 321,657 |
| Other | 28,275 | - | 28,275 |
| Contributions and Donations | 666 | 1,875 | 2,541 |
| Miscellaneous | 60,970 | 2,598 | 63,568 |
| <i>Total Cash Receipts</i> | <u>1,249,838</u> | <u>261,437</u> | <u>1,511,275</u> |
| Cash Disbursements | | | |
| Current: | | | |
| Health: | | | |
| Salaries | 822,453 | 159,458 | 981,911 |
| Benefits | 295,427 | 28,713 | 324,140 |
| Supplies And Materials | 118,438 | 3,639 | 122,077 |
| State Remittances | 62,884 | 9,984 | 72,868 |
| Travel | 11,691 | 5,625 | 17,316 |
| Contract Services | 74,131 | 7,200 | 81,331 |
| Equipment | 3,685 | - | 3,685 |
| Other | 214,747 | 107,263 | 322,010 |
| <i>Total Cash Disbursements</i> | <u>1,603,456</u> | <u>321,882</u> | <u>1,925,338</u> |
| <i>Excess of Receipts Over (Under) Disbursements</i> | (353,618) | (60,445) | (414,063) |
| Other Financing Receipts (Disbursements) | | | |
| Transfers In | 220,198 | - | 220,198 |
| Transfers Out | - | (220,198) | (220,198) |
| <i>Total Other Financing Receipts (Disbursements)</i> | <u>220,198</u> | <u>(220,198)</u> | <u>-</u> |
| <i>Net Change in Fund Cash Balances</i> | (133,420) | (280,643) | (414,063) |
| <i>Fund Cash Balances, January 1 (restated)</i> | <u>750,425</u> | <u>873,970</u> | <u>1,624,395</u> |
| <i>Fund Cash Balances, December 31</i> | <u>\$ 617,005</u> | <u>\$ 593,327</u> | <u>\$ 1,210,332</u> |

See accompanying notes to the financial statements

Ashland County District Board of Health

Ashland County

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 Ashland County District Board of Health (The District) as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, public health emergency preparedness, and issues health-related licenses and permits.

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, which is 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:

CARES Act Fund The CARES Act Fund accounts for and records receipts of federal funding under the CARES Act, restricted for supporting public health services and emergency response efforts to benefit the community.

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 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 disbursements 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.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

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 object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts). 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 canceled, and reappropriated in the subsequent year.

A summary of 2024 budgetary activity appears in Note 3.

Accumulated Leave

District employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, 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.

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.

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.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

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 10.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2024, follows:

| 2024 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|-------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$1,502,700 | \$1,470,036 | (\$32,664) |
| Special Revenue | 363,322 | 261,437 | (101,885) |
| Total | \$1,866,022 | \$1,731,473 | (\$134,549) |

| 2024 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$1,878,725 | \$1,603,456 | \$275,269 |
| Special Revenue | 741,720 | 542,080 | 199,640 |
| Total | \$2,620,445 | \$2,145,536 | \$474,909 |

Note 4 – Deposits and Investments

As required by the Ohio Revised Code, the Ashland 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.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 5 – Intergovernmental Funding and Property Taxes (continued)

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the District 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 December 31. The second half payment is due the following June 20.

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.

Note 6 – Risk Management

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Risk Pool Membership

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023 (latest information available), the County contracted with the County Risk Sharing Authority, Inc. (CORSA) for insurance coverage. The CORSA program has a \$2,500 deductible. Coverage provided by CORSA is as follows:

- General Liability: \$1,000,000
- Excess Liability: \$9,000,000
- Law Enforcement Professional Liability: \$1,000,000
- Public Officials Errors and Omissions Liability: \$1,000,000
- Automobile Liability: \$1,000,000
- Uninsured Motorists Liability: \$250,000
- Cyber Liability: \$1,000,000
- Building and Contents: \$121,467,643
- Other Property Insurance
 - Flood and Earthquake: \$125,000,000
- Comprehensive Boiler and Machinery: \$100,000,000
- Crime Insurance
 - Faithful Performance: \$1,000,000
 - Money and Securities: \$1,000,000
 - Depositor's Forgery: \$1,000,000

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 6 – Risk Management (continued)

- Money Order and Counterfeit Paper: \$1,000,000

With the exceptions of medical and dental coverage for Developmental Disabilities employees and workers' compensation, insurance is held with CORSA. There has been no significant reduction in insurance coverage from 2021 and settled claims have not exceeded this coverage in the past three years. The County pays all elected officials' bonds by statute.

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 10% of their gross salaries, and the District contributed an amount equaling 14% 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% for members in the traditional pension plan and 2% 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%; however, a portion of the health care rate was funded with reserves

Note 9 – Contingent Liabilities

The District may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suits, management believes that the resolution of any matters will not materially adversely affect the District's financial condition.

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 – 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 District had no such fund balances.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 10 – Fund Balances (continued)

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 would be considered assigned.

Note 11 – Ohio Department of Health Receipts

The following table shows Federal grant receipts that were received during 2024 for grants that were passed through the Ohio Department of Health to the Health District.

| <u>Grant</u> | <u>CFDA Number</u> | <u>Amount Received</u> |
|--------------------------------------|------------------------|----------------------------|
| COVID-19 Bridge Vaccination | 93.268 | \$ 10,140 |
| Public Health Emergency Preparedness | 93.069 | 71,490 |
| Public Health Workforce | 93.391 | 5,000 |
| Public Health Workforce | 93.354 | 5,000 |
| Public Health Workforce | 93.967 | 59,151 |
| Total | | <u>\$150,781</u> |

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Ashland County District Board of Health
Ashland 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 | | | |
| Property Taxes | \$ 412,028 | \$ - | \$ 412,028 |
| Charges for Services | 510,197 | - | 510,197 |
| Fines, Licenses and Permits | 73,982 | 155,119 | 229,101 |
| Intergovernmental | | | |
| Grants | 59,993 | 296,047 | 356,040 |
| Other | 19,622 | - | 19,622 |
| Contributions and Donations | 325 | - | 325 |
| Miscellaneous | 74,133 | 11,089 | 85,222 |
| <i>Total Cash Receipts</i> | 1,150,280 | 462,255 | 1,612,535 |
| Cash Disbursements | | | |
| Current: | | | |
| Health: | | | |
| Salaries | 605,767 | 267,995 | 873,762 |
| Benefits | 217,544 | 77,254 | 294,798 |
| Supplies And Materials | 89,447 | 912 | 90,359 |
| State Remittances | 68,599 | 9,958 | 78,557 |
| Travel | 9,966 | 5,514 | 15,480 |
| Contract Services | 26,405 | 4,124 | 30,529 |
| Equipment | 6,489 | 230,000 | 236,489 |
| Other | 280,196 | 200,110 | 480,306 |
| <i>Total Cash Disbursements</i> | 1,304,413 | 795,867 | 2,100,280 |
| <i>Excess of Receipts Over (Under) Disbursements</i> | (154,133) | (333,612) | (487,745) |
| Other Financing Receipts (Disbursements) | | | |
| Transfers In | 151,897 | 100,605 | 252,502 |
| Transfers Out | (100,605) | (151,897) | (252,502) |
| <i>Total Other Financing Receipts (Disbursements)</i> | 51,292 | (51,292) | - |
| <i>Net Change in Fund Cash Balances</i> | (102,841) | (384,904) | (487,745) |
| <i>Fund Cash Balances, January 1</i> | 853,266 | 1,258,874 | 2,112,140 |
| <i>Fund Cash Balances, December 31</i> | \$ 750,425 | \$ 873,970 | \$ 1,624,395 |

See accompanying notes to the financial statements

Ashland County District Board of Health

Ashland County

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 Ashland County District Board of Health (The District) as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, public health emergency preparedness, and issues health-related licenses and permits.

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, which is 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:

CARES Act Fund The CARES act funds accounts for and reports receipts of CARES Act money for the purpose of providing public health services to members of community.

Food Services The food service fund accounts for and records fines, licenses, and permits restricted for the use of providing food to the county.

Workforce Development The workforce development fund accounts for and records intergovernmental receipts restricted for the use of building up the workforce in the community.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

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 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 disbursements 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 District to budget each fund annually.

Appropriations Budgetary disbursements (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.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts). 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 canceled and reappropriated in the subsequent year.

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 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.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

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.

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 10.

Note 3 – Budgetary Activity

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

| 2023 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|-------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$ 1,366,700 | \$ 1,302,177 | \$ (64,523) |
| Special Revenue | 607,243 | 562,860 | (44,383) |

| 2023 Budgeted vs. Actual Budgetary Basis Disbursements | | | |
|--|----------------------------|----------------------------|------------|
| Fund Type | Appropriation Authority | Budgetary Disbursements | Variance |
| General | \$ 1,713,331 | \$ 1,405,065 | \$ 308,266 |
| Special Revenue | 1,332,452 | 947,768 | 384,684 |

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 4 – Deposits and Investments

As required by the Ohio Revised Code, the Ashland 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.

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the District 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 December 31. The second half payment is due the following June 20.

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.

Note 6 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Board of County Commissioners manages employee health benefits on a self-insured basis. The employee health benefit plan provides basic health and dental coverage through CEBCO: The County Employees Benefits Consortium of Ohio, the third-party administrator (TPA) of the program, which reviews and pays the claims. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$500,000 per employee per year. The family monthly premium is \$1,693, employee plus one premium is \$1,243, and single premiums were \$564 for medical.

Each full-time Health District employee receives a \$10,000.00 Life Insurance policy from Minnesota Life. The premium per employee is \$2 per month and is paid by the Health District.

The CEBCO sponsored Health & Wellness Plan charges the District a fee of \$25 annual fee per eligible/participatory employee.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 6 – Risk Management (continued)

Workers' Compensation coverage is provided by the State of Ohio. The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

During 2023, the County of Ashland, which includes the District, contracted with the County Risk Sharing Authority, Inc. (CORSA) for insurance coverage. The CORSA program has a \$2,500 deductible.

Coverage provided by CORSA is as follows:

- General Liability \$1,000,000.00
- Excess Liability \$9,000,000.00
- Law Enforcement Professional Liability \$1,000,000.00
- Public Officials Errors and Omissions Liability \$1,000,000.00
- Automobile Liability \$1,000,000.00
- Uninsured Motorists Liability \$250,000.00
- Cyber Liability \$1,000,000.00
- Building and Contents \$106,857,050.00
- Other Property Insurance Flood and Earthquake \$100,000,000.00
- Comprehensive Boiler and Machinery \$100,000,000.00
- Crime Insurance Faithful Performance \$1,000,000.00
- Money and Securities \$1,000,000.00
- Depositor's Forgery \$1,000,000.00
- Money Order and Counterfeit Paper \$1,000,000.00

There has been no significant reduction in insurance coverage from 2019 and settled claims have not exceeded this coverage in the past three years.

For 2023, the County participated in the County Commissioners Association of Ohio Service Corporation, a workers' compensation group rating plan (plan). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate are applied to all counties in the Plan. Each county pays its workers' compensation premium to the State based on the rate for the Plan rather than the county's individual rate.

In order to allocate the savings derived by the formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc., provides administrative, cost control, and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 6 – Risk Management (continued)

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the County is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any county leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

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 10% of their gross salaries, and the District contributed an amount equaling 14% of participants' gross salaries. The District has paid all contributions required through 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% for members in the traditional pension plan and 2% 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%; however, a portion of the health care rate was funded with reserves

Note 9 – Contingent Liabilities

The District may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suits, management believes that the resolution of any matters will not materially adversely affect the District's financial condition.

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.

Ashland County District Board of Health

Ashland County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 10 – 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:

| <u>Fund Balances</u> | <u>General</u> | <u>Special Revenue</u> | <u>Total</u> |
|--------------------------|----------------|----------------------------|--------------|
| Outstanding Encumbrances | \$ 47 | \$ 4 | \$ 51 |

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

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
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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

Ashland County District Board of Health
Ashland County
1763 State Route 60
Ashland, Ohio 44805

To the Board of Health:

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 of each governmental fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements for the Ashland County District Board of Health, Ashland County, Ohio (the District) and have issued our report thereon dated February 3, 2026, wherein we noted the District followed the 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.

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.

KEITH FABER
Ohio Auditor of State



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

February 3, 2026

**ASHLAND COUNTY DISTRICT BOARD OF HEALTH
ASHLAND COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2024 AND 2023**

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

None noted.

| |
|--------------------------------------|
| OTHER – FINDINGS FOR RECOVERY |
|--------------------------------------|

We identified the following other issue related to a Finding for Recovery. This issue did not impact our GAGAS Compliance and Controls report.

FINDING NUMBER 2024-001

Finding for Recovery Repaid Under Audit

Ohio Rev. Code §3709.42 provides, in part, that a board of health may authorize an officer or employee of the board to use a credit card account held by the board, so long as the board of health adopts a written policy for the use of the credit card account in accordance with this section.

Ashland County Health Department Policy Procedure 100-025 requires that any credit card accounts be opened and issued to the Ashland County Health Department utilizing the County's Tax Identification Number. Additionally, the policy requires authorized users or employees to provide all documentation of purchases, and upon receipt of appropriate documentation, the Finance Manager will arrange for payment of credit card expenditures. Further, the policy states that credit card account expenditures will be monitored and approved by the Finance Manager.

In 2023, Ms. Jennifer Helbert was appointed as Director of Operations for the Board, responsible for coordinating financial processes, including monitoring expenditures and coordinating payment of the Board's credit card with the County Auditor's Office. During 2023 and 2024, the Board failed to timely remit credit card payments by the necessary deadlines to Capital One on fourteen separate occasions. As a result, the Board incurred late fees (\$234) and interest charges (\$1,445.97) totaling \$1,679.97. Late payment fees and interest charges incurred through gross negligence are illegal expenditures which do not serve a proper public purpose.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Chapter 117, a Finding for Recovery for public monies illegally expended is issued against Jennifer Helbert in the amount of \$1,679.97, in favor of Ashland County District Board of Health's General Fund.

On December 12, 2025, the Board received a repayment from Jennifer Helbert for \$1,679.97 which was taken from her gross pay to credit the Board's General Fund. As a result, this finding is considered to be repaid in full and constitutes a Finding for Recovery Repaid Under Audit.

Officials' Response: The Ashland County Board of Health fully acknowledges, accepts, and respects the importance of all findings resulting from an audit conducted by the Ohio Auditor of State. We recognize the vital role the audit process plays in ensuring transparency, accountability, and sound fiscal stewardship of public funds, and we appreciate the diligence and professionalism of your office.

The Board also wishes to provide context and express its support for Ms. Jenny Helbert, who served as Director of Operations during the audit years in question. The years 2023 and 2024 were extraordinary for public health agencies nationwide and presented unique operational challenges for the Ashland County Health Department.

**ASHLAND COUNTY DISTRICT BOARD OF HEALTH
ASHLAND COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2024 AND 2023
(Continued)**

**FINDING NUMBER 2024-001
(Continued)**

Officials' Response (Continued): During this time, the Department was navigating multiple significant and overlapping obstacles, including the relocation of departmental offices, the application for and completion of the lengthy and strenuous process of achieving national public health accreditation, the wind-down of COVID-19 response efforts at the national, state, and local levels, and various internal staffing and operational challenges. These circumstances created an unusually complex operating environment and placed exceptional demands on administrative and financial operations.

Additionally, the Board notes that certain external factors contributed to administrative challenges during this period. The local auditor's office continues to operate using an antiquated system, which has at times complicated processing timelines and coordination. Furthermore, the Department experienced notable and ongoing issues with the United States Postal Service, including delayed and inconsistent mail delivery, which impacted the timely receipt and processing of billing statements and correspondence.

While these factors provide important context, the Board understands that they do not negate the responsibility to ensure timely payments and proper financial oversight. The Board affirms that Ms. Helbert acted in good faith and with professionalism throughout this period, and it expresses continued confidence in her leadership and commitment to public service. Since the audit period, corrective actions have been implemented, including enhanced internal controls and monitoring procedures, to reduce the risk of similar occurrences in the future.

The Ashland County Board of Health remains committed to fiscal accountability, continuous improvement, and full compliance with all applicable financial requirements. We value the guidance provided through the audit process and appreciate the opportunity to strengthen our practices.



Ashland County Health Department

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2024 AND 2023

| Finding Number | Finding Summary | Status | Additional Information |
|----------------|---|-----------------|------------------------|
| 2022-001 | Material Weakness – Financial Reporting | Fully Corrected | |

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OHIO AUDITOR OF STATE KEITH FABER



ASHLAND COUNTY DISTRICT BOARD OF HEALTH

ASHLAND 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 2/24/2026

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