

COLUMBIANA GENERAL HEALTH DISTRICT

COLUMBIANA COUNTY

Regular Audit

For the Years Ended December 31, 2019 and 2018





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Board of Health
Columbiana County General Health District
PO Box 309
Lisbon, OH 44432

We have reviewed the *Independent Auditor's Report* of Columbiana County General Health District, Columbiana County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2018 through December 31, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Columbiana County General Health District is responsible for compliance with these laws and regulations.

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

Keith Faber
Auditor of State
Columbus, Ohio

August 2, 2020

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INDEPENDENT AUDITOR'S REPORT

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

To the Board of Health:

Report on the Financial Statements

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana General Health District, Columbiana County, Ohio (the District) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting of these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is an acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana General Health District, Columbiana County, as of December 31, 2019 and 2018, and the respective changes in cash financial position and the respective budgetary comparisons for the General, Cancer Levy, and Home Sewage funds thereof for the years then ended in accordance with the cash basis of accounting described in Note 2.

Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter

Emphasis of matter

As discussed in Note 11 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District. We did not modify our opinions regarding this matter.

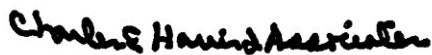
Other Matter

Other Information

We applied no procedures to Management's Discussion & Analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
June 15, 2020

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

The management's discussion and analysis of the Columbiana General Health District's (the "Health District") financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2019, within the limitations of the Health District's cash basis of accounting. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole; readers should also review the cash-basis basic financial statements and the notes to the financial statements to enhance their understanding of the Health District's financial performance.

Financial Highlights

Key financial highlights for 2019 are as follows:

- For 2019, the total net cash position of the Health District increased \$467,839, which represents a 37% increase from 2018.
- For 2019, general cash receipts accounted for \$697,648 or 31% of total governmental activities cash receipts. Program specific cash receipts accounted for \$1,533,691 or 69% of total governmental activities cash receipts.
- For 2019, the Health District had \$1,763,500 in cash disbursements related to governmental activities; \$1,533,691 of these cash disbursements were offset by program specific charges for services, operating grants and contributions. General cash receipts (primarily property taxes) of \$697,648 were adequate to provide for these programs.
- The Health District's major funds are the general fund, cancer levy fund and home sewage fund. The general fund, the Health District's largest major fund, had cash receipts of \$787,045 in 2019. The cash disbursements of the general fund totaled \$758,829 in 2019. The general fund's cash balance increased \$28,216 from 2018 to 2019.

Using this Cash Basis Basic Financial Statements (BFS)

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the Health District's cash basis of accounting.

The statement of net position – cash basis and statement of activities – cash basis provides information about the activities of the whole Health District, presenting an aggregate view of the Health District's cash basis finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Health District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Health District, there are three major governmental funds. The general fund is the most significant major fund.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Reporting the Health District as a Whole

Statement of Net Position and the Statement of Activities

The statement of net position – cash basis and the statement of activities – cash basis answers the question, how did we do financially during 2019? These statements include *only net position* using the *cash basis of accounting*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting takes into account only the current year's receipts and disbursements if the cash is actually received or paid.

These two statements report the Health District's net position and changes in those net position on a cash basis. This change in net cash position is important because it tells the reader that, for the Health District as a whole, the cash basis financial position of the Health District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Health District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, mandated federal and state programs and other factors.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not collected) and deferred outflows of resources and liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) and deferred inflows of resources are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

In the statement of net position – cash basis and the statement of activities – cash basis, governmental activities include the Health District's programs and services, including public health infrastructure, immunization action plan grant and cancer levy.

The statement of net position – cash basis and the statement of activities – cash basis can be found on pages 13-14 of this report.

Reporting the Health District's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Health District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Health District are classified as governmental funds.

Fund financial reports provide detailed information about the Health District's major funds. The Health District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Health District's most significant funds. The Health District's major governmental funds are the general fund, cancer levy fund and home sewage fund. The analysis of the Health District's major governmental funds begins on page 10.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Governmental Funds

All of the Health District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed view of the Health District's general government operations and the basic services it provides.

Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various Health District programs. Since the Health District is reporting on the cash basis of accounting, there are no differences in the net position and fund cash balances or changes in net position and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements. The governmental fund statements can be found on pages 15-16 of this report.

The Health District's budgetary process accounts for certain transactions on a cash basis. The budgetary statements for the general fund, cancer levy fund and home sewage fund are presented to demonstrate the Health District's compliance with annually adopted budgets. The budgetary statements can be found on pages 17-19 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 20 of this report.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Government-Wide Financial Analysis

Recall that the statement of net position – cash basis provides the perspective of the Health District as a whole.

The table below provides a summary of the Health District's net cash position at December 31, 2019 and December 31, 2018.

	Net Cash Position	
	Governmental Activities 2019	Governmental Activities 2018
Assets		
Equity in pooled cash and cash equivalents	\$ 1,734,487	\$ 1,266,648
Total assets	1,734,487	1,266,648
Net Position		
Restricted	818,052	485,977
Unrestricted	916,435	780,671
Total net position	\$ 1,734,487	\$ 1,266,648

For 2019, the total net cash position of the Health District increased \$467,839, which represents a 37% increase.

The balance of government-wide unrestricted net cash position of \$916,435 at December 31, 2019 may be used to meet the government's ongoing obligations to citizens and creditors.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

The table below shows the changes in net cash position for 2019 and 2018.

	Change in Net Cash Position	
	Governmental Activities	Governmental Activities
	2019	2018
Cash receipts		
Program cash receipts:		
Charges for services	\$ 795,322	\$ 807,172
Operating grants and contributions	738,369	740,495
	<u>1,533,691</u>	<u>1,547,667</u>
Total program cash receipts		
General cash receipts:		
Property and other taxes	634,342	613,227
Unrestricted grants	63,236	47,048
Other	70	281
	<u>697,648</u>	<u>660,556</u>
Total general cash receipts		
Total cash receipts	<u>2,231,339</u>	<u>2,208,223</u>
Cash disbursements		
Salaries	745,279	758,063
Supplies	14,274	16,207
Remittance to State	84,296	81,697
Equipment	5,039	5,271
Contracts - services	365,220	407,248
Membership/subscriptions	4,681	203
Travel	33,001	39,325
Advertising and printing	2,067	574
Public employee's retirement	104,882	106,677
Hospitalization	248,540	245,624
Medicare	10,792	10,961
Worker's compensation	-	3,824
Other	139,198	5,867
Utilities	6,231	154,410
	<u>1,763,500</u>	<u>1,835,951</u>
Total cash disbursements		
Change in net cash position	467,839	372,272
Net cash position at beginning of year	1,266,648	894,376
Net cash position at end of year	<u>\$ 1,734,487</u>	<u>\$ 1,266,648</u>

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Governmental Activities

Governmental cash position increased by \$467,839 in 2019 from 2018.

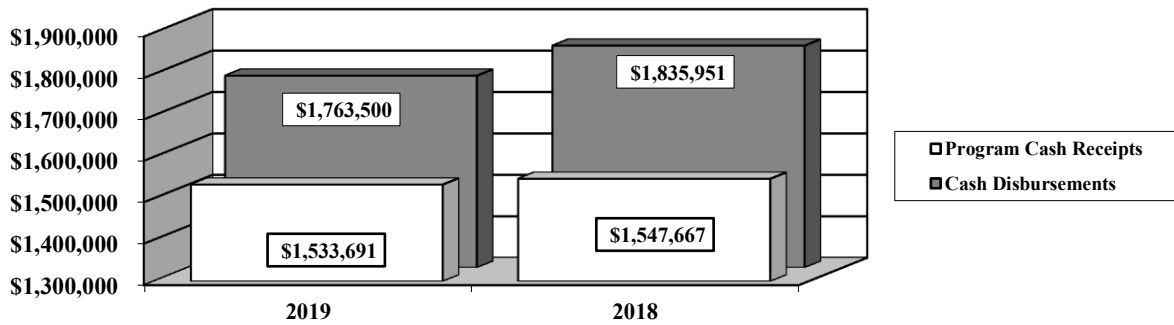
In 2019, charges for services decreased \$11,850 due to a decrease in collections for licenses and permits. Operating grants and contributions decreased by \$2,126 to a decrease in state funding for home sewage related to the repair and replacement of sewage treatment systems.

Salaries represent the largest cash disbursement of the Health District. In 2019, salary cash disbursements of \$745,279, or 42% of total governmental cash disbursements was less than the \$758,063 in 2018. This is due to decreases in payroll related disbursements. Salary cash disbursements were supported by \$706,878 in direct charges to users for services and operating grants and contributions.

Contract services decreased by \$42,028 in part due to decreases in information technologies and communication services and home sewage installer services.

The statement of activities – cash basis shows the cost of program services and the charges for services and operating grants and contributions offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2019 and 2018. That is, it identifies the cost of these services supported by tax receipts and unrestricted state grants and entitlements.

Governmental Activities – Program Cash Receipts vs. Total Cash Disbursements

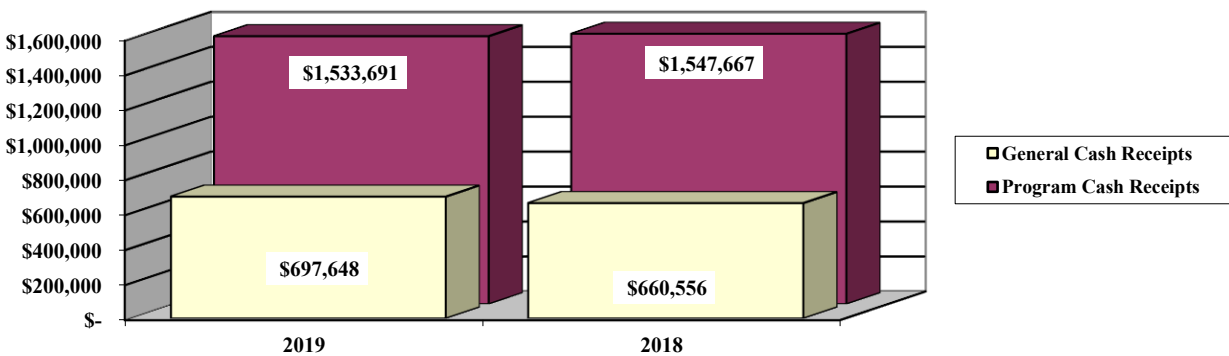


Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

	Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2019	2019	2018	2018
Cash disbursements				
Salaries	\$ 745,279	\$ 38,401	\$ 758,063	\$ 54,427
Supplies	14,274	133	16,207	295
Remittance to State	84,296	19,204	81,697	18,497
Equipment	5,039	3,663	5,271	3,996
Contracts - services	365,220	56,683	407,248	80,186
Membership/subscriptions	4,681	3,687	203	168
Travel	33,001	2,312	39,325	3,461
Advertising and printing	2,067	1,499	574	444
Public employee's retirement	104,882	5,404	106,677	7,661
Hospitalization	248,540	49,853	245,624	66,110
Medicare	10,792	557	10,961	786
Worker's compensation	-	-	3,824	337
Utilities	6,231	4,907	5,867	4,858
Other expenses	139,198	43,506	154,410	47,058
Total	\$ 1,763,500	\$ 229,809	\$ 1,835,951	\$ 288,284

The dependence upon general cash receipts for governmental activities is apparent; with 13% of cash disbursements supported through taxes and other general cash receipts during 2019.

Governmental Activities - General and Program Cash Receipts



Financial Analysis of the Government's Funds

As noted earlier, the Health District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Governmental Funds

The Health District's governmental funds are accounted for using the cash basis of accounting.

The Health District's governmental funds reported a combined fund cash balance of \$1,734,487 which is \$467,839 more than last year's total of \$1,266,648. The schedule below indicates the fund cash balance and the total change in fund cash balance as of December 31, 2019 and December 31, 2018, for all major and nonmajor governmental funds.

	<u>Fund Cash Balance</u>		
	December 31, <u>2019</u>	December 31, <u>2018</u>	Increase <u>(Decrease)</u>
Major funds			
General	\$ 376,370	\$ 348,154	\$ 28,216
Cancer Levy	194,396	122,033	72,363
Home Sewage	315,234	175,335	139,899
Other nonmajor governmental funds	<u>848,487</u>	<u>621,126</u>	<u>227,361</u>
 Total	 <u>\$ 1,734,487</u>	 <u>\$ 1,266,648</u>	 <u>\$ 467,839</u>

During 2019, the Health District's fund cash balance increased \$467,839. This increase can primarily be attributed to the activity of the home sewage fund and cancer levy fund. The home sewage fund experienced higher cash receipts during 2019 due to an increase in subdivision tax revenue. The cancer levy fund increase in cash was mainly attributable to increases intergovernmental receipts.

General Fund

The general fund, the Health District's largest major fund, had cash receipts of \$787,045 in 2019. The cash disbursements of the general fund totaled \$757,329 in 2019. The general fund's cash balance increased \$28,216 from 2018 to 2019.

The table that follows assists in illustrating the cash receipts of the general fund.

	<u>2019</u>	<u>2018</u>	Increase
	<u>Amount</u>	<u>Amount</u>	<u>(Decrease)</u>
Cash Receipts			
Taxes	\$ 402,890	\$ 372,311	8.21 %
Intergovernmental	48,645	46,762	4.03
Fees	335,441	315,767	6.23
Other	<u>69</u>	<u>281</u>	(75.44)
 Total	 <u>\$ 787,045</u>	 <u>\$ 735,121</u>	 7.06 %

During 2019, the cash receipts of the general fund increased \$51,924 or 7%. The table that follows assists in illustrating the cash disbursements of the general fund.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

	2019 Amount	2018 Amount	Increase (Decrease)
Cash Disbursements			
Salaries	\$ 373,275	\$ 319,131	16.97 %
Supplies	8,474	8,935	(5.16)
Remittance to state	49,985	47,031	6.28
Equipment	3,939	3,271	20.42
Contracts - services	62,358	47,634	30.91
Membership/subscriptions	391	203	92.61
Travel	22,659	24,192	(6.34)
Advertising and printing	1,322	179	638.55
Public employee's retirement	55,718	42,721	30.42
Hospitalization	133,700	123,995	7.83
Medicare	5,405	4,610	17.25
Worker's compensation	-	1,654	(100.00)
Other	33,872	24,057	40.80
Utilities	6,231	5,867	6.20
Total	<u>\$ 757,329</u>	<u>\$ 653,480</u>	15.89 %

During 2019, the cash disbursements of the general fund increased \$103,849 or 16%. This increase can mainly be attributed to increases in salaries paid, and costs related to insurance premiums.

Cancer Levy Fund

The cancer levy fund, a Health District major fund, had cash receipts of \$296,365 in 2019. The cancer levy fund had cash disbursements of \$224,002 in 2019. The cancer levy fund cash balance increased \$72,363 from 2018 to 2019.

Home Sewage Fund

The home sewage fund, a Health District major fund, had cash receipts of \$466,271 in 2019. The home sewage fund had cash disbursements of \$326,372 in 2019. The home sewage fund cash balance increased \$139,899 from 2018 to 2019.

Budgeting Highlights - General Fund

The Health District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund.

For 2019, the general fund original and final budget basis receipts were \$709,000. Actual cash receipts of \$787,045 were more than final budget estimates by \$78,045. The final budgetary basis disbursements of \$757,329 were \$48,329 more than original budget disbursements of \$709,000. The actual budgetary basis disbursements of \$757,329 were \$109,011 less than the final budget estimates.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Capital Assets and Debt Administration

Capital Assets

The Health District does not record capital assets in the accompanying cash basis basic financial statements, but records payments for capital assets as disbursements. The Health District had equipment cash disbursements of \$5,039 during 2019.

Debt Administration

The Health District did not have any long-term obligations at December 31, 2019.

Current Issues

The challenge for the Health District is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely on operating grants and are diligent in searching for new funding sources in order to allow our programs to continue. Charges for services and contract rates are analyzed to ensure to administer and carry out programs are covered.

Contacting the Health District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Health District's finances and to show the Health District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ms. Karen Clark, Fiscal Officer, Columbiana General Health District, 7360 State Route 45 P.O. Box 309, Lisbon, OH 44432.

Columbiana General Health District
Columbiana County
Statement of Net Position - Cash Basis
December 31, 2019

	Governmental Activities
Assets	
Equity in pooled cash and cash equivalents	\$ 1,734,487
Total assets	1,734,487
Net Position	
Restricted for:	
Public health infrastructure	40,282
IAP grant	52,582
Cancer levy	194,396
Home sewage	315,234
Home health	167,744
Rabies grant	8,594
Health and safety	39,220
Unrestricted	916,435
Total net position	\$ 1,734,487

See accompanying notes to the financial statements.

Columbiana General Health District
Columbiana County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2019

	<u>Program Cash Receipts</u>			Net (Disbursements) Receipts and Changes in Net Position
	<u>Cash Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants, Contributions and Interest</u>	<u>Governmental Activities</u>
Governmental Activities				
Current:				
Salaries	\$ 745,279	\$ 389,088	\$ 317,790	\$ (38,401)
Supplies	14,274	7,188	6,953	(133)
Remittance to state	84,296	43,640	21,452	(19,204)
Equipment	5,039	958	418	(3,663)
Contract - services	365,220	115,182	193,355	(56,683)
Membership/subscriptions	4,681	890	104	(3,687)
Travel	33,001	16,618	14,071	(2,312)
Advertising and printing	2,067	402	166	(1,499)
Public employee retirement	104,882	54,756	44,722	(5,404)
Hospitalization	248,540	108,309	90,378	(49,853)
Medicare	10,792	5,633	4,602	(557)
Utilities	6,231	1,185	139	(4,907)
Other expenses	139,198	51,473	44,219	(43,506)
Total governmental activities	<u>\$ 1,763,500</u>	<u>\$ 795,322</u>	<u>\$ 738,369</u>	<u>(229,809)</u>
General Receipts				
Property taxes levied for:				
				402,890
				231,452
Grants and entitlements not restricted				
				63,236
Miscellaneous				70
				<u>697,648</u>
				697,648
				467,839
				467,839
				1,266,648
				<u>1,266,648</u>
				1,266,648
				<u>\$ 1,734,487</u>

See accompanying notes to the financial statements.

Columbiana General Health District
Columbiana County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2019

	<u>General</u>	<u>Cancer Levy</u>	<u>Home Sewage</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Equity in pooled cash and cash equivalents	\$ 376,370	\$ 194,396	\$ 315,234	\$ 848,487	\$ 1,734,487
Total assets	<u>\$ 376,370</u>	<u>\$ 194,396</u>	<u>\$ 315,234</u>	<u>\$ 848,487</u>	<u>\$ 1,734,487</u>
Fund Balances					
Restricted	-	194,396	315,234	308,422	818,052
Committed	-	-	-	540,065	540,065
Unassigned	<u>376,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,370</u>
Total fund balances	<u>\$ 376,370</u>	<u>\$ 194,396</u>	<u>\$ 315,234</u>	<u>\$ 848,487</u>	<u>\$ 1,734,487</u>

See accompanying notes to the financial statements.

Columbiana General Health District
Columbiana County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General	Cancer Levy	Home Sewage	Other Governmental Funds	Total Governmental Funds
Receipts					
From local sources:					
Taxes	\$ 402,890	\$ 231,452	\$ -	\$ -	\$ 634,342
Intergovernmental	48,645	14,591	254,661	406,052	723,949
Fees	234,221	-	89,105	24,727	348,053
Vital statistics fees	101,220	-	-	-	101,220
Licenses and permits	-	-	104,937	241,114	346,051
Miscellaneous	69	50,322	17,568	9,765	77,724
Total receipts	787,045	296,365	466,271	681,658	2,231,339
Disbursements					
Current:					
Salaries	373,275	108,661	63,329	200,014	745,279
Supplies	8,474	1,613	335	3,852	14,274
Remittance to state	49,985	-	7,976	26,335	84,296
Equipment	3,939	-	-	1,100	5,039
Contract - services	62,358	31,081	231,305	40,476	365,220
Membership/subscriptions	391	-	4,290	-	4,681
Travel	22,659	-	-	10,342	33,001
Advertising and printing	1,322	-	-	745	2,067
Public employee retirement	55,718	15,251	8,104	25,809	104,882
Hospitalization	133,700	55,882	9,016	49,942	248,540
Medicare	5,405	1,575	917	2,895	10,792
Utilities	6,231	-	-	-	6,231
Other expenses	33,872	9,939	1,100	94,287	139,198
Total disbursements	757,329	224,002	326,372	455,797	1,763,500
Excess of receipts over (under) disbursements	29,716	72,363	139,899	225,861	467,839
Other financing sources (uses)					
Transfers in	-	-	-	1,500	1,500
Transfers out	(1,500)	-	-	-	(1,500)
Total other financing sources (uses)	(1,500)	-	-	1,500	-
Net change in fund balance	28,216	72,363	139,899	227,361	467,839
Fund balances beginning of year	348,154	122,033	175,335	621,126	1,266,648
Fund balances end of year	<u>\$ 376,370</u>	<u>\$ 194,396</u>	<u>\$ 315,234</u>	<u>\$ 848,487</u>	<u>\$ 1,734,487</u>

See accompanying notes to the financial statements.

Columbiana General Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
From local sources:				
Taxes	\$ 383,000	\$ 383,000	\$ 402,890	\$ 19,890
Intergovernmental	45,000	45,000	48,645	3,645
Fees	185,000	185,000	234,221	49,221
Vital statistics fees	85,000	85,000	101,220	16,220
Miscellaneous	11,000	11,000	69	(10,931)
Total receipts	<u>709,000</u>	<u>709,000</u>	<u>787,045</u>	<u>78,045</u>
Disbursements				
Current:				
Salaries	345,000	399,000	373,275	25,725
Supplies	11,000	11,000	8,474	2,526
Remittance to state	45,000	50,000	49,985	15
Equipment	6,000	6,000	3,939	2,061
Contract - services	35,000	80,000	62,358	17,642
Membership/subscriptions	5,900	4,900	391	4,509
Travel	25,800	32,800	22,659	10,141
Advertising aand printing	750	1,750	1,322	428
Public employee retirement	48,300	55,860	55,718	142
Hospitalization	150,000	150,000	133,700	16,300
Medicare	5,003	5,783	5,405	378
Unemployment compensation	2,000	2,000	-	2,000
Worker's compensation	5,347	1,097	-	1,097
Utilities	7,000	7,000	6,231	769
Other expenses	16,900	59,150	33,872	25,278
Total disbursements	<u>709,000</u>	<u>866,340</u>	<u>757,329</u>	<u>109,011</u>
Excess of receipts over (under) disbursements	-	(157,340)	29,716	187,056
Other financing sources (uses)				
Transfers out	-	(1,500)	(1,500)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,500)</u>	<u>(1,500)</u>	<u>-</u>
Net change in fund balance	-	(158,840)	28,216	187,056
Fund balance at beginning of year	<u>348,154</u>	<u>348,154</u>	<u>348,154</u>	<u>-</u>
Fund balance at end of year	<u>\$ 348,154</u>	<u>\$ 189,314</u>	<u>\$ 376,370</u>	<u>\$ 187,056</u>

See accompanying notes to the financial statements.

Columbiana Genera Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Cancer Levy
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
From local sources:				
Taxes	\$ 234,700	\$ 234,700	\$ 231,452	\$ (3,248)
Intergovernmental	300	300	14,591	14,291
Miscellaneous	30,000	30,000	50,322	20,322
Total receipts	265,000	265,000	296,365	31,365
Disbursements				
Current:				
Salaries	158,000	144,000	108,661	35,339
Supplies	3,000	3,000	1,613	1,387
Contract - services	20,000	34,896	31,081	3,815
Travel	260	260	-	260
Public employee retirement	22,120	22,120	15,251	6,869
Hospitalization	42,940	56,940	55,882	1,058
Medicare	2,291	2,291	1,575	716
Worker's compensation	2,449	-	-	-
Other expenses	13,940	11,493	9,939	1,554
Total disbursements	265,000	275,000	224,002	50,998
Net change in fund balance	-	(10,000)	72,363	82,363
Fund balance at beginning of year	122,033	122,033	122,033	-
Fund balance at end of year	<u>\$ 122,033</u>	<u>\$ 112,033</u>	<u>\$ 194,396</u>	<u>\$ 82,363</u>

See accompanying notes to the financial statements.

Columbiana Genera Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Home Sewage
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
From local sources:				
Intergovernmental	\$ -	\$ 158,338	\$ 254,661	\$ 96,323
Fees	41,000	55,402	89,105	33,703
Licenses and permits	50,000	65,246	104,937	39,691
Miscellaneous	10,000	10,923	17,568	6,645
Total receipts	101,000	289,909	466,271	176,362
Disbursements				
Current:				
Salaries	56,500	63,500	63,329	171
Supplies	1,435	335	335	-
Remittance to state	5,000	8,000	7,976	24
Contract - services	-	287,575	231,305	56,270
Membership/subscriptions	-	5,334	4,290	1,044
Travel	5,460	3,414	-	3,414
Public employee retirement	7,910	8,890	8,104	786
Hospitalization	23,000	13,964	9,016	4,948
Medicare	819	921	917	4
Worker's compensation	876	876	-	876
Other expenses	-	1,100	1,100	-
Total disbursements	101,000	393,909	326,372	67,537
Net change in fund balance	-	(104,000)	139,899	243,899
Fund balance at beginning of year	175,335	175,335	175,335	-
Fund balance at end of year	\$ 175,335	\$ 71,335	\$ 315,234	\$ 243,899

See accompanying notes to the financial statements.

Columbiana General Health District

Columbiana County

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2019*

Note 1 – Reporting Entity

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

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

Note 2 – Summary of Significant Accounting Policies

As discussed further in the "Basis of Accounting" section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Health District's accounting policies.

Basis of Presentation

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

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

The statement of net position presents the cash balance of the governmental activities of the Health District at year end. The statement of activities compares disbursements with program receipts for each of the Health District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Health District is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the general receipts of the Health District.

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (continued)

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

Fund Accounting

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

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

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

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

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

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

Proprietary Funds These funds are used to account for activities that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The Health District does not have any proprietary funds.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. The Health District does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The Health District does not have any fiduciary funds.

Columbiana General Health District

Columbiana County

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2019*

Note 2 – Summary of Significant Accounting Policies (continued)

Basis of Accounting

The Health District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Health District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Health District are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Budgetary Process

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

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

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

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

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Board of Health during the year.

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Cash and Investments

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

Inventory and Prepaid Items

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

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

Interfund Receivables/Payables

The Health District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Health District's cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 5 and 6, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long-Term Obligations

The Health District's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Net Position

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

Fund Balance

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

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

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions. Enabling legislation authorizes the Health District to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Health District can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the County Board of Health. Those committed amounts cannot be used for any other purpose unless the County Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the County Board of Health, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Columbiana General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Assigned Amounts in the assigned fund balance classification are intended to be used by the Health District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the County Board of Health or a Health District official delegated that authority by resolution, or by State statute. State Statute authorizes the Health District Clerk/Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The County Board of Health can also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget in the General Fund.

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

The Health District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statements of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general, cancer levy, and home sewage funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is that outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as assigned fund balance (cash basis). There were no outstanding encumbrances in any major fund as of December 31, 2019.

Note 4 – Risk Management

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

During 2019, the Health District received liability insurance through the Public Entities Pool of Ohio. Coverage provided by the Public Entities Pool of Ohio is as follows:

Legal Liability - Third Party Claims (\$1,000 deductible)	\$6,000,000
Medical Malpractice Liability (\$1,000 deductible)	6,000,000
Automobile Liability	6,000,000
Wrongful Acts (\$1,000 deductible)	6,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in insurance coverage from the previous year.

**Columbiana General Health District
Columbiana County**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2019*

Note 5 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

Plan Description - Health District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Health District employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

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

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 5 – Defined Benefit Pension Plan (continued)

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District’s contractually required contribution was \$104,882 for year 2019.

Columbiana General Health District

Columbiana County

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2019*

Note 6 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

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

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

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0% of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2019, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$0 for 2019.

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 7 - Contingent Liabilities

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

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

Note 8 – Fund Balances

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

Fund Balances	General	Cancer Levy	Home Sewage	Other Governmental Funds	Total Governmental Funds
<u>Restricted</u>					
Public health infrastructure	\$ -	\$ -	\$ -	\$ 40,282	\$ 40,282
IAP grant	-	-	-	52,582	52,582
Cancer levy	-	194,396	-	-	194,396
Home sewage	-	-	315,234	-	315,234
Home health	-	-	-	167,744	167,744
Health and safety	-	-	-	39,220	39,220
Rabies grant	-	-	-	8,594	8,594
Total restricted	-	194,396	315,234	308,422	818,052
<u>Committed</u>					
Camp/trailer	-	-	-	32,097	32,097
Water	-	-	-	120,259	120,259
Pool	-	-	-	17,470	17,470
Disaster relief	-	-	-	4,500	4,500
Community health	-	-	-	115,928	115,928
Early start	-	-	-	111,050	111,050
Food service	-	-	-	138,761	138,761
Total committed	-	-	-	540,065	540,065
<u>Unassigned</u>	376,370	-	-	-	376,370
Total fund balance	<u>\$ 376,370</u>	<u>\$ 194,396</u>	<u>\$ 315,234</u>	<u>\$ 848,487</u>	<u>\$ 1,734,487</u>

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 9 – Interfund Transfers

Interfund transfers for the year ended December 31, 2019 consisted of the following:

Transfers To	Transfers From
Other Governmental Funds	General
Other Governmental Funds	\$ 1,500

The general fund transfers to the other governmental funds were made to provide additional resources for current operations.

Note 10 – Tax Abatement Agreement Entered into by Other Governments

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

Note 11 – Subsequent Events

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District. The District’s investment portfolio in which the District participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. The impact on the District’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

The management's discussion and analysis of the Columbiana General Health District's (the "Health District") financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2018, within the limitations of the Health District's cash basis of accounting. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole; readers should also review the cash-basis basic financial statements and the notes to the financial statements to enhance their understanding of the Health District's financial performance.

Financial Highlights

Key financial highlights for 2018 are as follows:

- For 2018, the total net cash position of the Health District increased \$372,272, which represents a 42% increase from 2017.
- For 2018, general cash receipts accounted for \$660,556 or 30% of total governmental activities cash receipts. Program specific cash receipts accounted for \$1,547,667 or 70% of total governmental activities cash receipts.
- For 2018, the Health District had \$1,835,951 in cash disbursements related to governmental activities; \$1,547,667 of these cash disbursements were offset by program specific charges for services, operating grants and contributions. General cash receipts (primarily property taxes) of \$660,556 were adequate to provide for these programs.
- The Health District's major funds are the general fund, cancer levy fund and home sewage fund. The general fund, the Health District's largest major fund, had cash receipts of \$735,121 in 2018. The cash disbursements of the general fund totaled \$654,980 in 2018. The general fund's cash balance increased \$80,141 from 2017 to 2018.

Using this Cash Basis Basic Financial Statements (BFS)

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the Health District's cash basis of accounting.

The statement of net position – cash basis and statement of activities – cash basis provide information about the activities of the whole Health District, presenting an aggregate view of the Health District's cash basis finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Health District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Health District, there are three major governmental funds. The general fund is the most significant major fund.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

Reporting the Health District as a Whole

Statement of Net Position and the Statement of Activities

The statement of net position – cash basis and the statement of activities – cash basis answers the question, how did we do financially during 2018? These statements include *only net position* using the *cash basis of accounting*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting takes into account only the current year's receipts and disbursements if the cash is actually received or paid.

These two statements report the Health District's net position and changes in those net position on a cash basis. This change in net cash position is important because it tells the reader that, for the Health District as a whole, the cash basis financial position of the Health District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Health District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, mandated federal and state programs and other factors.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not collected) and deferred outflows of resources and liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) and deferred inflows of resources are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

In the statement of net position – cash basis and the statement of activities – cash basis, governmental activities include the Health District's programs and services, including public health infrastructure, immunization action plan grant and cancer levy.

The statement of net position – cash basis and the statement of activities – cash basis can be found on pages 41-42 of this report.

Reporting the Health District's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Health District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Health District are classified as governmental funds.

Fund financial reports provide detailed information about the Health District's major funds. The Health District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Health District's most significant funds. The Health District's major governmental funds are the general fund, cancer levy fund and home sewage fund. The analysis of the Health District's major governmental funds begins on page 38.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

Governmental Funds

All of the Health District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed view of the Health District's general government operations and the basic services it provides.

Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various Health District programs. Since the Health District is reporting on the cash basis of accounting, there are no differences in the net position and fund cash balances or changes in net position and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements. The governmental fund statements can be found on pages 43-44 of this report.

The Health District's budgetary process accounts for certain transactions on a cash basis. The budgetary statements for the general fund, cancer levy fund and home sewage fund are presented to demonstrate the Health District's compliance with annually adopted budgets. The budgetary statements can be found on pages 45-47 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 48 of this report.

Government-Wide Financial Analysis

Recall that the statement of net position – cash basis provides the perspective of the Health District as a whole.

The table below provides a summary of the Health District's net cash position at December 31, 2018 and December 31, 2017.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

	<u>Net Cash Position</u>	<u>Net Cash Position</u>	
	Governmental	Governmental	
	Activities	Activities	
	<u>2018</u>	<u>2017</u>	
Assets			
Equity in pooled cash and cash equivalents	\$ 1,266,648	\$ 894,376	
Total assets	<u>1,266,648</u>	<u>894,376</u>	
Net Position			
Restricted	485,977	323,713	
Unrestricted	<u>780,671</u>	<u>570,663</u>	
Total net position	<u>\$ 1,266,648</u>	<u>\$ 894,376</u>	

For 2018, the total net cash position of the Health District increased \$372,272, which represents a 42% increase.

The balance of government-wide unrestricted net cash position of \$780,671 at December 31, 2018 may be used to meet the government's ongoing obligations to citizens and creditors.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

The table below shows the changes in net cash position for 2018 and 2017.

	Change in Net Cash Position	
	Governmental Activities	Governmental Activities
	<u>2018</u>	<u>2017</u>
Cash receipts		
Program cash receipts:		
Charges for services	\$ 807,172	\$ 698,847
Operating grants and contributions	<u>740,495</u>	<u>551,593</u>
Total program cash receipts	<u>1,547,667</u>	<u>1,250,440</u>
General cash receipts:		
Property and other taxes	613,227	588,165
Unrestricted grants	47,048	30,898
Other	<u>281</u>	<u>27,025</u>
Total general cash receipts	<u>660,556</u>	<u>646,088</u>
Total cash receipts	<u>2,208,223</u>	<u>1,896,528</u>
Cash disbursements		
Salaries	758,063	828,225
Supplies	16,207	29,726
Remittance to State	81,697	74,262
Equipment	5,271	7,123
Contracts - services	407,248	331,482
Membership/subscriptions	203	2,365
Travel	39,325	41,449
Advertising and printing	574	96
Public employee's retirement	106,677	111,589
Hospitalization	245,624	272,557
Medicare	10,961	11,973
Worker's compensation	3,824	8,881
Other	5,867	21,007
Utilities	<u>154,410</u>	<u>6,029</u>
Total cash disbursements	<u>1,835,951</u>	<u>1,746,764</u>
Change in net cash position	372,272	149,764
Net cash position at beginning of year	<u>894,376</u>	<u>744,612</u>
Net cash position at end of year	<u>\$ 1,266,648</u>	<u>\$ 894,376</u>

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

Governmental Activities

Governmental cash position increased by \$372,272 in 2018 from 2017.

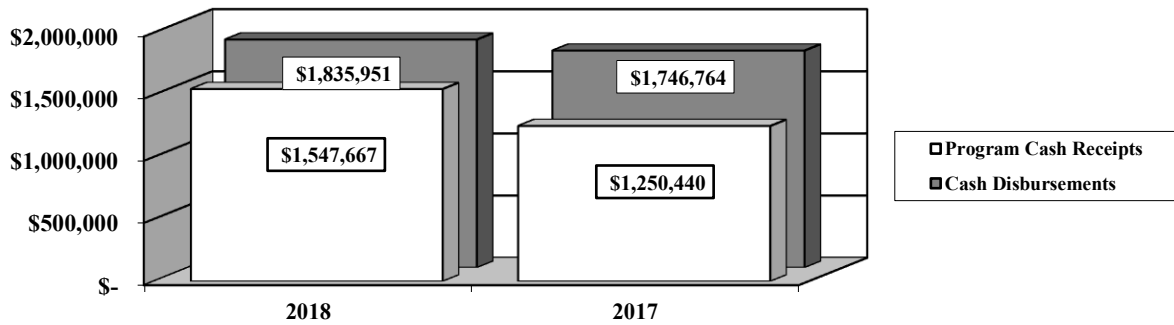
In 2018, charges for services increased \$108,325 due to an increase in collections for home sewage fees. Operating grants and contributions increased by \$14,468 to an increase in state funding for home sewage related to the repair and replacement of sewage treatment systems.

Salaries represent the largest cash disbursement of the Health District. In 2018, salary cash disbursements of \$758,063, or 41% of total governmental cash disbursements was less than the \$828,225 in 2017. This is due to decreases in payroll related disbursements. Salary cash disbursements were supported by \$703,636 in direct charges to users for services and operating grants and contributions.

Contract services increased by \$75,766 in part due to increases in information technologies and communication services and home sewage installer services.

The statement of activities – cash basis shows the cost of program services and the charges for services and operating grants and contributions offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2018 and 2017. That is, it identifies the cost of these services supported by tax receipts and unrestricted state grants and entitlements.

Governmental Activities – Program Cash Receipts vs. Total Cash Disbursements

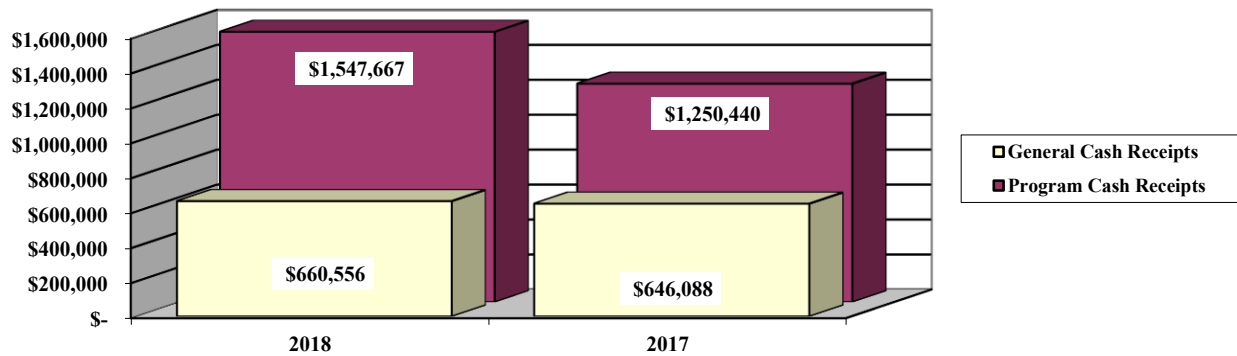


Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

	Governmental Activities		Governmental Activities	
	Total Cost of	Net Cost of	Total Cost of	Net Cost of
	Services	Services	Services	Services
	<u>2018</u>	<u>2018</u>	<u>2017</u>	<u>2017</u>
Cash disbursements				
Salaries	\$ 758,063	\$ 54,427	\$ 828,225	\$ 275,841
Supplies	16,207	295	29,726	3,739
Remittance to State	81,697	18,497	74,262	20,424
Equipment	5,271	3,996	7,123	3,927
Contracts - services	407,248	80,186	331,482	(12,000)
Membership/subscriptions	203	168	2,365	1,359
Travel	39,325	3,461	41,449	14,454
Advertising and printing	574	444	96	55
Public employee's retirement	106,677	7,661	111,589	37,433
Hospitalization	245,624	66,110	272,557	137,586
Medicare	10,961	786	11,973	3,983
Worker's compensation	3,824	337	8,881	3,507
Utilities	5,867	4,858	6,029	3,465
Other expenses	<u>154,410</u>	<u>47,058</u>	<u>21,007</u>	<u>2,551</u>
Total	\$ 1,835,951	\$ 288,284	\$ 1,746,764	\$ 496,324

The dependence upon general cash receipts for governmental activities is apparent; with 30% of cash disbursements supported through taxes and other general cash receipts during 2018.

Governmental Activities - General and Program Cash Receipts



Financial Analysis of the Government's Funds

As noted earlier, the Health District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

Governmental Funds

The Health District's governmental funds are accounted for using the cash basis of accounting.

The Health District's governmental funds reported a combined fund cash balance of \$1,266,648 which is \$372,272 more than last year's total of \$894,376. The schedule below indicates the fund cash balance and the total change in fund cash balance as of December 31, 2018 and December 31, 2017, for all major and nonmajor governmental funds.

	<u>Fund Cash Balance</u>		Increase (Decrease)
	December 31, <u>2018</u>	December 31, <u>2017</u>	
Major funds			
General	\$ 348,154	\$ 268,013	\$ 80,141
Cancer Levy	122,033	95,528	26,505
Home Sewage	175,335	99,823	75,512
Other nonmajor governmental funds	<u>621,126</u>	<u>431,012</u>	<u>190,114</u>
 Total	 <u>\$ 1,266,648</u>	 <u>\$ 894,376</u>	 <u>\$ 372,272</u>

During 2018, the Health District's fund cash balance increased \$372,272. This increase can primarily be attributed to the activity of the general fund and home sewage fund. The general fund experienced significantly higher cash receipts during 2018 due to an increase in subdivision tax revenue. The home sewage fund increase in cash was mainly attributable to increases in home sewage fees, licenses and permits.

General Fund

The general fund, the Health District's largest major fund, had cash receipts of \$735,121 in 2018. The cash disbursements of the general fund totaled \$654,980 in 2018. The general fund's cash balance increased \$80,141 from 2017 to 2018.

The table that follows assists in illustrating the cash receipts of the general fund.

	2018	2017	Increase (Decrease)
	<u>Amount</u>	<u>Amount</u>	
Cash Receipts			
Taxes	\$ 372,311	\$ 353,000	5.47 %
Intergovernmental	46,762	63,782	(26.68)
Fees	315,767	289,670	9.01
Other	<u>281</u>	<u>7,992</u>	(96.48)
 Total	 <u>\$ 735,121</u>	 <u>\$ 714,444</u>	 2.89 %

During 2018, the cash receipts of the general fund increased \$81,141 or 11%. This increase can mainly be attributed to an increase in subdivision revenues and fees collected of \$19,311 and \$26,097, respectively.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

The table that follows assists in illustrating the cash disbursements of the general fund.

	2018	2017	Increase
	<u>Amount</u>	<u>Amount</u>	<u>(Decrease)</u>
Cash Disbursements			
Salaries	\$ 319,131	\$ 348,752	(8.49) %
Supplies	8,935	10,700	(16.50)
Remittance to state	47,031	42,763	9.98
Equipment	3,271	6,925	(52.77)
Contracts - services	47,634	59,100	(19.40)
Membership/subscriptions	203	2,365	(91.42)
Travel	24,192	28,046	(13.74)
Advertising and printing	179	96	86.46
Public employee's retirement	42,721	45,513	(6.13)
Hospitalization	123,995	134,085	(7.53)
Medicare	4,610	5,039	(8.51)
Worker's compensation	1,654	3,881	(57.38)
Other	24,057	8,186	193.88
Utilities	<u>5,867</u>	<u>6,029</u>	(2.69)
Total	<u>\$ 653,480</u>	<u>\$ 701,480</u>	(6.84) %

During 2018, the cash disbursements of the general fund decreased \$48,000 or 7%. This increase can mainly be attributed to decreases in salaries paid, and costs related to insurance premiums.

Cancer Levy Fund

The cancer levy fund, a Health District major fund, had cash receipts of \$261,188 in 2018. The cancer levy fund had cash disbursements of \$234,683 in 2018. The cancer levy fund cash balance increased \$26,505 from 2017 to 2018.

Home Sewage Fund

The home sewage fund, a Health District major fund, had cash receipts of \$457,535 in 2018. The home sewage fund had cash disbursements of \$382,023 in 2018. The home sewage fund cash balance increased \$75,512 from 2017 to 2018.

Budgeting Highlights - General Fund

The Health District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund.

For 2018, the general fund original and final budget basis receipts were \$672,500. Actual cash receipts of \$735,121 were more than final budget estimates by \$62,621. The final budgetary basis disbursements of \$653,480 were \$19,020 less than original budget disbursements of \$672,500. The actual budgetary basis disbursements of \$653,480 were \$67,520 less than the final budget estimates.

Columbiana General Health District
Columbiana County
Management's Discussion and Analysis
For the Year Ended December 31, 2018
(Unaudited)

Capital Assets and Debt Administration

Capital Assets

The Health District does not record capital assets in the accompanying cash basis basic financial statements, but records payments for capital assets as disbursements. The Health District had equipment cash disbursements of \$5,271 during 2018.

Debt Administration

The Health District did not have any long-term obligations at December 31, 2018.

Current Issues

The challenge for the Health District is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely on operating grants and are diligent in searching for new funding sources in order to allow our programs to continue. Charges for services and contract rates are analyzed to ensure to administer and carry out programs are covered.

Contacting the Health District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Health District's finances and to show the Health District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ms. Karen Clark, Fiscal Officer, Columbiana General Health District, 7360 State Route 45 P.O. Box 309, Lisbon, OH 44432.

Columbiana General Health District
Columbiana County
Statement of Net Position - Cash Basis
December 31, 2018

	Governmental Activities
Assets	
Equity in pooled cash and cash equivalents	\$ 1,266,648
Total assets	1,266,648
Net Position	
Restricted for:	
Public health infrastructure	37,551
IAP grant	26,542
Cancer levy	122,033
Home sewage	175,335
Home health	115,802
Rabies grant	8,714
Unrestricted	780,671
Total net position	\$ 1,266,648

See accompanying notes to the financial statements.

Columbiana General Health District
Columbiana County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2018

	<u>Program Cash Receipts</u>			Net (Disbursements) Receipts and Changes in Net Position
	<u>Cash Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants, Contributions and Interest</u>	<u>Governmental Activities</u>
Governmental Activities				
Current:				
Salaries	\$ 758,063	\$ 394,143	\$ 309,493	\$ (54,427)
Supplies	16,207	8,164	7,748	(295)
Remittance to state	81,697	42,068	21,132	(18,497)
Equipment	5,271	907	368	(3,996)
Contract - services	407,248	116,583	210,479	(80,186)
Membership/subscriptions	203	35	-	(168)
Travel	39,325	19,808	16,056	(3,461)
Advertising aand printing	574	102	28	(444)
Public employee retirement	106,677	55,464	43,552	(7,661)
Hospitalization	245,624	102,303	77,211	(66,110)
Medicare	10,961	5,699	4,476	(786)
Worker's compensation	3,824	1,926	1,561	(337)
Utilities	5,867	1,009	-	(4,858)
Other expenses	154,410	58,961	48,391	(47,058)
Total governmental activities	<u>\$ 1,835,951</u>	<u>\$ 807,172</u>	<u>\$ 740,495</u>	<u>(288,284)</u>
General Receipts				
Property taxes levied for:				
				372,311
				240,916
Grants and entitlements not restricted				
				47,048
Miscellaneous				
				281
				<u>660,556</u>
				372,272
				894,376
				<u>\$ 1,266,648</u>

See accompanying notes to the financial statements.

Columbiana General Health District
Columbiana County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2018

	General	Cancer Levy	Home Sewage	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in pooled cash and cash equivalents	\$ 348,154	\$ 122,033	\$ 175,335	\$ 621,126	\$ 1,266,648
Total assets	<u>\$ 348,154</u>	<u>\$ 122,033</u>	<u>\$ 175,335</u>	<u>\$ 621,126</u>	<u>\$ 1,266,648</u>
Fund Balances					
Restricted	-	122,033	175,335	188,609	485,977
Committed	-	-	-	432,517	432,517
Assigned	157,340	-	-	-	157,340
Unassigned	190,814	-	-	-	190,814
Total fund balances	<u>\$ 348,154</u>	<u>\$ 122,033</u>	<u>\$ 175,335</u>	<u>\$ 621,126</u>	<u>\$ 1,266,648</u>

See accompanying notes to the financial statements.

Columbiana General Health District
Columbiana County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2018

	General	Cancer Levy	Home Sewage	Other Governmental Funds	Total Governmental Funds
Receipts					
From local sources:					
Taxes	\$ 372,311	\$ 240,916	\$ -	-	\$ 613,227
Intergovernmental	46,762	286	259,627	\$ 431,674	738,349
Fees	217,362	-	87,314	24,233	328,909
Vital statistics fees	98,405	-	-	-	98,405
Licenses and permits	-	-	95,151	284,706	379,857
Miscellaneous	281	19,986	15,443	13,766	49,476
Total receipts	735,121	261,188	457,535	754,379	2,208,223
Disbursements					
Current:					
Salaries	319,131	127,569	75,568	235,795	758,063
Supplies	8,935	535	996	5,741	16,207
Remittance to state	47,031	-	9,775	24,891	81,697
Equipment	3,271	-	-	2,000	5,271
Contract - services	47,634	28,210	259,627	71,777	407,248
Membership/subscriptions	203	-	-	-	203
Travel	24,192	29	4,680	10,424	39,325
Advertising and printing	179	-	-	395	574
Public employee retirement	42,721	17,872	11,765	34,319	106,677
Hospitalization	123,995	56,160	18,111	47,358	245,624
Medicare	4,610	1,849	1,093	3,409	10,961
Worker's compensation	1,654	624	408	1,138	3,824
Utilities	5,867	-	-	-	5,867
Other expenses	24,057	1,835	-	128,518	154,410
Total disbursements	653,480	234,683	382,023	565,765	1,835,951
Excess of receipts over (under) disbursements	81,641	26,505	75,512	188,614	372,272
Other financing sources (uses)					
Transfers in	-	-	-	1,500	1,500
Transfers out	(1,500)	-	-	-	(1,500)
Total other financing sources (uses)	(1,500)	-	-	1,500	-
Net change in fund balance	80,141	26,505	75,512	190,114	372,272
Fund balances beginning of year	268,013	95,528	99,823	431,012	894,376
Fund balances end of year	<u>\$ 348,154</u>	<u>\$ 122,033</u>	<u>\$ 175,335</u>	<u>\$ 621,126</u>	<u>\$ 1,266,648</u>

See accompanying notes to the financial statements.

Columbiana Genera Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
From local sources:				
Taxes	\$ 353,000	\$ 340,596	\$ 372,311	\$ 31,715
Intergovernmental	45,000	42,779	46,762	3,983
Fees	180,000	198,846	217,362	18,516
Vital statistics fees	85,000	90,022	98,405	8,383
Miscellaneous	9,500	257	281	24
Total receipts	672,500	672,500	735,121	62,621
Disbursements				
Current:				
Salaries	330,000	330,000	319,131	10,869
Supplies	10,000	10,000	8,935	1,065
Remittance to state	45,000	45,000	47,031	(2,031)
Equipment	5,000	5,261	3,271	1,990
Contract - services	35,000	55,000	47,634	7,366
Membership/subscriptions	500	500	203	297
Travel	23,300	34,100	24,192	9,908
Advertising aand printing	500	500	179	321
Public employee retirement	46,200	46,200	42,721	3,479
Hospitalization	152,700	152,700	123,995	28,705
Medicare	4,785	4,785	4,610	175
Unemployment compensation	3,000	-	-	-
Worker's compensation	5,115	1,654	1,654	-
Utilities	2,400	6,400	5,867	533
Other expenses	9,000	28,900	24,057	4,843
Total disbursements	672,500	721,000	653,480	67,520
Excess of receipts over (under) disbursements	-	(48,500)	81,641	130,141
Other financing sources (uses)				
Transfers out	-	(1,500)	(1,500)	-
Total other financing sources (uses)	-	(1,500)	(1,500)	-
Net change in fund balance	-	(50,000)	80,141	130,141
Fund balance at beginning of year	268,013	268,013	268,013	-
Fund balance at end of year	<u>\$ 268,013</u>	<u>\$ 218,013</u>	<u>\$ 348,154</u>	<u>\$ 130,141</u>

See accompanying notes to the financial statements.

Columbiana Genera Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Cancer Levy
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
From local sources:				
Taxes	\$ 212,200	\$ 240,916	\$ 240,916	-
Intergovernmental	300	286	286	-
Miscellaneous	33,000	19,986	19,986	-
Total receipts	245,500	261,188	261,188	-
Disbursements				
Current:				
Salaries	155,000	155,000	127,569	\$ 27,431
Supplies	1,000	3,000	535	2,465
Contract - services	20,000	30,000	28,210	1,790
Travel	150	150	29	121
Public employee retirement	21,700	21,700	17,872	3,828
Hospitalization	41,860	59,860	56,160	3,700
Medicare	2,247	2,247	1,849	398
Worker's compensation	2,403	624	624	-
Other expenses	1,140	2,919	1,835	1,084
Total disbursements	245,500	275,500	234,683	40,817
Net change in fund balance	-	(14,312)	26,505	40,817
Fund balance at beginning of year	95,528	95,528	95,528	-
Fund balance at end of year	<u>\$ 95,528</u>	<u>\$ 81,216</u>	<u>\$ 122,033</u>	<u>\$ 40,817</u>

See accompanying notes to the financial statements.

Columbiana Genera Health District
Columbiana County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Home Sewage
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
From local sources:				
Intergovernmental	\$ -	\$ 256,387	\$ 259,627	\$ 3,240
Fees	40,000	87,314	87,314	-
Licenses and permits	50,000	95,151	95,151	-
Miscellaneous	10,000	15,443	15,443	-
Total receipts	100,000	454,295	457,535	3,240
Disbursements				
Current:				
Salaries	56,000	81,000	75,568	5,432
Supplies	2,020	1,705	996	709
Remittance to state	4,000	9,775	9,775	-
Contract - services	-	386,078	259,627	126,451
Travel	5,460	6,598	4,680	1,918
Public employee retirement	7,840	12,240	11,765	475
Hospitalization	23,000	22,100	18,111	3,989
Medicare	812	1,174	1,093	81
Worker's compensation	868	408	408	-
Total disbursements	100,000	521,078	382,023	139,055
Net change in fund balance	-	(66,783)	75,512	142,295
Fund balance at beginning of year	99,823	99,823	99,823	-
Fund balance at end of year	<u>\$ 99,823</u>	<u>\$ 33,040</u>	<u>\$ 175,335</u>	<u>\$ 142,295</u>

See accompanying notes to the financial statements.

Columbiana General Health District

Columbiana County

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2018*

Note 1 – Reporting Entity

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

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

Note 2 – Summary of Significant Accounting Policies

As discussed further in the "Basis of Accounting" section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Health District's accounting policies.

Basis of Presentation

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

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

The statement of net position presents the cash balance of the governmental activities of the Health District at year end. The statement of activities compares disbursements with program receipts for each of the Health District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Health District is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the general receipts of the Health District.

Columbiana General Health District

Columbiana County

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2018*

Note 2 – Summary of Significant Accounting Policies (continued)

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

Fund Accounting

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

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

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

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

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

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

Proprietary Funds These funds are used to account for activities that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The Health District does not have any proprietary funds.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. The Health District does not have any trust funds. Agency funds are purely custodial in nature and are used to account for assets held by the Health District for individuals, other governments, or other organizations. The Health District does not have any fiduciary funds.

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (continued)

Basis of Accounting

The Health District's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Health District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Health District are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Health District Council may appropriate.

The appropriations resolution is the Health District's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by County Board of Health. The legal level of control has been established by County Board of Health at the object level for all funds. The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Health District. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by County Board of Health.

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

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by County Board of Health during the year.

Cash and Investments

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

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (continued)

Inventory and Prepaid Items

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

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

Interfund Receivables/Payables

The Health District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Health District's cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 5 and 6, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long-Term Obligations

The Health District's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

Net Position

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

Fund Balance

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

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 2 – Summary of Significant Accounting Policies (continued)

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

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions. Enabling legislation authorizes the Health District to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Health District can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of County Board of Health. Those committed amounts cannot be used for any other purpose unless Health District Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by County Board of Health, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the Health District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the County Board of Health or a Health District official delegated that authority by resolution, or by State statute. State Statute authorizes the Health District Clerk/Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The County Board of Health can also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget in the General Fund.

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

The Health District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Columbiana General Health District

Columbiana County

Notes to the Basic Financial Statements

For the Year Ended December 31, 2018

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statements of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general, cancer levy, and home sewage funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is that outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as assigned fund balance (cash basis). There were no outstanding encumbrances in any major fund as of December 31, 2018.

Note 4 – Risk Management

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

During 2018, the Health District received liability insurance through the Public Entities Pool of Ohio. Coverage provided by the Public Entities Pool of Ohio is as follows:

Legal Liability - Third Party Claims (\$1,000 deductible)	\$6,000,000
Medical Malpractice Liability (\$1,000 deductible)	6,000,000
Automobile Liability	6,000,000
Wrongful Acts (\$1,000 deductible)	6,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in insurance coverage from the previous year.

Note 5 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

Plan Description - Health District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Health District employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

**Columbiana General Health District
Columbiana County**

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2018*

Note 5 – Defined Benefit Pension Plan (continued)

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 5 – Defined Benefit Pension Plan (continued)

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

	State and Local
2018 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2018 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
 Employee	 10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District’s contractually required contribution was \$106,062 for year 2018.

Note 6 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of another Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS’ CAFR referenced below for additional information.

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

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 6 - Postemployment Benefits (continued)

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

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0% of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2018, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District’s contractually required contribution was \$0 for 2018.

Note 7 - Contingent Liabilities

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

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

Columbiana General Health District
Columbiana County

Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 8 – Fund Balances

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

Fund Balances	General	Cencer Levy	Home Sewage	Other Governmental Funds	Total Governmental Funds
<u>Restricted</u>					
Public health infrastructure	\$ -	\$ -	\$ -	\$ 37,551	\$ 37,551
IAP grant	-	-	-	26,542	26,542
Cancer levy	-	122,033	-	-	122,033
Home sewage	-	-	175,335	-	175,335
Home health	-	-	-	115,802	115,802
Rabies grant	-	-	-	8,714	8,714
Total restricted	-	122,033	175,335	188,609	485,977
<u>Committed</u>					
Camp/trailer	-	-	-	19,649	19,649
Water	-	-	-	96,334	96,334
Pool	-	-	-	9,287	9,287
Disaster relief	-	-	-	3,000	3,000
Community health	-	-	-	102,893	102,893
Early start	-	-	-	103,871	103,871
Food service	-	-	-	97,483	97,483
Total committed	-	-	-	432,517	432,517
<u>Assigned</u>					
Subsequent year appropriations	157,340	-	-	-	157,340
Total assigned	157,340	-	-	-	157,340
<u>Unassigned</u>					
	190,814	-	-	-	190,814
Total fund balance	<u>\$ 348,154</u>	<u>\$ 122,033</u>	<u>\$ 175,335</u>	<u>\$ 621,126</u>	<u>\$ 1,266,648</u>

Columbiana General Health District
Columbiana County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2018

Note 9 – Interfund Transfers

Interfund transfers for the year ended December 31, 2018 consisted of the following:

Transfers To	Transfers From
	General
Other Governmental Funds	\$ 1,500

The general fund transfers to the other governmental funds were made to provide additional resources for current operations.

Note 10 – Tax Abatement Agreement Entered into by Other Governments

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

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

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

To the Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana General Health District, Columbiana County (the District) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 15, 2020, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

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

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


Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated June 15, 2020.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Charles E. Harris and Associates, Inc.
June 15, 2020

OHIO AUDITOR OF STATE KEITH FABER



COLUMBIANA COUNTY GENERAL HEALTH DISTRICT

COLUMBIANA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 8/13/2020

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov