



**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY
DECEMBER 31, 2020**

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OHIO AUDITOR OF STATE KEITH FABER



One Government Center, Suite 1420
Toledo, Ohio 43604-2246
(419) 245-2811 or (800) 443-9276
NorthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

Sandusky County Combined General Health District
Sandusky County
2000 Countryside Drive
Fremont, Ohio 43420-8560

To the Members of the Board:

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 Sandusky County Combined General Health District, Sandusky County, Ohio (the District), as of and for the year ended December 31, 2020, 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 these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is 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.

Efficient • Effective • Transparent

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2020, and the respective changes in cash financial position and the respective budgetary comparison for the General, Public Health Clinic, Public Health Emergency Response, SPF-Partnership for Success, and Help Me Grow funds thereof for the year then ended in accordance with the accounting basis described in Note 2.

Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the accounting basis. 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 15 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. We did not modify our opinion regarding this matter.

Other Matters

Supplementary Information

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

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

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

Other Information

We applied no procedures to management's discussion and 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 September 29, 2021, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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.



Keith Faber
Auditor of State
Columbus, Ohio

September 29, 2021

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**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)**

The discussion and analysis of Sandusky County Combined General Health District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2020, within the limitations of the District's cash basis of accounting. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for the year 2020 are as follows:

- The District's net position increased \$1,092,873 or 65.72% from the prior year.
- General receipts accounted for \$682,661, or 16.74% of all receipts. Program specific receipts, in the form of charges for services and sales and operating grants and contributions, accounted for \$3,395,216, or 83.26% of total revenues of \$4,077,877.
- The District had \$2,985,004 in disbursements related to governmental activities; program-specific charges for services, grants and contributions offset all of these disbursements.

Using the Basic Financial Statements

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

Report Components

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis provide information about the cash activities of the District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of the use of this cash basis of accounting, certain assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and the effects of these items on revenues and expenses are not recorded in these financial statements.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Reporting the District as a Whole

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis reflect how the District performed financially during 2020, within the limitations of the cash basis of accounting. The Statement of Net Position - Cash Basis presents the cash balances of the governmental activities of the District at year end. The Statement of Activities - Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, one can think of these changes as one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, one should also consider other non-financial factors as well such as the District's property tax base, the condition of the District's capital assets, the reliance on non-local financial resources for operations and the need for continued growth.

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis present governmental activities, which include all the District's services. The District has no business-type activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's major funds - not the District as a whole. The District establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. All of the operating funds of the District are governmental.

Governmental Funds - The District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed short-term view of the District's governmental operations and the health services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the District's health programs. The District's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The District's major governmental funds are the General fund, the Public Health Clinic fund, the Public Health Emergency Response fund, the SPF-Partnership for Success fund and the Help Me Grow fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

The District as a Whole

Table 1 provides a summary of the District's net position cash basis at December 31, 2020 compared to December 31, 2019.

**Table 1
Net Position - Cash Basis**

	Governmental Activities	
	2020	2019
Assets		
Equity in pooled cash and cash equivalents	\$ 2,755,873	\$ 1,663,000
Net Position		
Restricted for:		
Environmental health	\$ 1,458,731	\$ 957,649
Unrestricted	1,297,142	705,351
 Total Net Position	 \$ 2,755,873	 \$ 1,663,000

The District's net position increased \$1,092,873 from 2019 due to program receipts of \$3,395,216 and general receipts of \$682,661 exceeding current year disbursements of \$2,985,004.

In 2020, 16.74% of the District's total receipts were from general receipts, consisting mainly of property taxes levied for general District purposes. Program receipts accounted for 83.26% of the District's total receipts in 2020. These receipts consist primarily of charges for services for food service, family planning, help me grow, public health clinic and health and State and federal operating grants and contributions. Operating grants and contributions increased \$1,034,142 or 98.19% from 2019. This large increase was primarily the result of the District receiving \$530,300 in CARES Act monies as a result of the COVID-19 pandemic.

Health accounted for 13.09% of the District's total disbursements for 2020. These costs represent the costs to administer all programs not supported by special receipts.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Table 2 reflects the change in net position on a cash basis in 2020 as compared to 2019:

**Table 2
Changes in Net Position - Cash Basis**

	Governmental Activities	
	2020	2019
Receipts		
Program cash receipts:		
Charges for services and sales	\$ 1,307,863	\$ 1,433,394
Operating grants and contributions	2,087,353	1,053,211
Total program cash receipts	<u>3,395,216</u>	<u>2,486,605</u>
General receipts:		
Property taxes and other local taxes		
Levied for general Health District purposes	543,970	505,483
Grants and entitlements not restricted		
to specific programs	133,065	147,639
Miscellaneous	5,626	100,665
Total general receipts	<u>682,661</u>	<u>753,787</u>
Total Receipts	<u>4,077,877</u>	<u>3,240,392</u>
Disbursements		
Environmental health:		
Nursing	1,785	9,962
Trailer park	11,096	16,768
Food service	63,443	98,982
Water system	10,114	28,027
Swimming pool	13,797	20,289
Family planning	142,249	173,883
CFHS	44,726	63,850
WIC	259,560	271,492
Wellness	50,689	122,813
Public health emergency preparedness	53,299	56,620
Public health emergency response	506,203	-
Prevention partnership	38,254	58,533
Sewage treatment service	27,392	43,606
Smoke free workplace	-	1,121
Help me grow	203,588	189,184
Environmental and public health	16,113	28,850
Tobacco use prevention and cessation	49,029	44,263
Immunization action plan	17,516	39,524
Solid waste	-	31,119
Creating healthy communities	92,450	77,186
MHL capacity service	32,271	56,941
Moms quit for two	5,287	16,824
Ohio water pollution control loan	173,019	249,892
Public health clinic	313,903	442,776
Community health assessment	42,489	81,262
SPF-Partnership for success	342,357	59,103
Drug free communities	21,982	-
PIRE	61,711	5,073
Health	<u>390,682</u>	<u>615,439</u>
Total Disbursements	<u>2,985,004</u>	<u>2,903,382</u>
Change in net position	1,092,873	337,010
Net position at beginning of year	<u>1,663,000</u>	<u>1,325,990</u>
Net position at end of year	<u>\$ 2,755,873</u>	<u>\$ 1,663,000</u>

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Governmental Activities

The first column of the Statement of Activities - Cash Basis lists the major services provided by the District. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for environmental health and health, which account for 86.91% and 13.09% of all governmental disbursements, respectively. The "Program Cash Receipts" columns of the Statement of Activities - Cash Basis identify amounts paid by individuals who are directly charged for services and grants received by the District that must be used to provide a specific service. The net cost column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which is paid from money provided by local townships and municipalities, taxpayers and state subsidies. These net costs are paid from the general receipts. A comparison between the total cost of services and the net cost for both 2020 and 2019 is presented in Table 3, below.

**Table 3
Governmental Activities**

	<u>Total Cost of Services 2020</u>	<u>Net Cost of Services 2020</u>	<u>Total Cost of Services 2019</u>	<u>Net Cost of Services 2019</u>
Environmental health:				
Nursing	\$ 1,785	\$ 1,785	\$ 9,962	\$ 9,962
Trailer park	11,096	(203)	16,768	7,050
Food service	63,443	(74,308)	98,982	(27,019)
Water system	10,114	(21,601)	28,027	1,052
Swimming pool	13,797	4,422	20,289	11,589
Family planning	142,249	(79,954)	173,883	(28,032)
CFHS	44,726	(25,442)	63,850	46,837
WIC	259,560	(2,261)	271,492	1,044
Wellness	50,689	6,166	122,813	(12,855)
Public health emergency preparedness	53,299	(38,404)	56,620	(2,887)
Public health emergency response	506,203	(76,440)	-	-
Prevention partnership	38,254	1,125	58,533	26,013
Sewage treatment service	27,392	(22,640)	43,606	(24,309)
Smoke free workplace	-	(125)	1,121	996
Help me grow	203,588	(60,517)	189,184	(9,826)
Environmental and public health	16,113	(8,887)	28,850	3,850
Tobacco use prevention and cessation	49,029	(74,417)	44,263	(8,987)
Immunization action plan	17,516	(13,256)	39,524	4,824
Solid waste	-	(8,159)	31,119	25,274
Creating healthy communities	92,450	2,068	77,186	(10,493)
MHL capacity service	32,271	(23,447)	56,941	(3,495)
Moms quit for two	5,287	5,287	16,824	12,018
Ohio water pollution control loan	173,019	4,622	249,892	(22,232)
Public health clinic	313,903	(115,665)	442,776	(63,952)
Community health assessment	42,489	(15,761)	81,262	29,012
SPF-Partnership for success	342,357	6,708	59,103	(15,897)
Drug free communities	21,982	(8,018)	-	-
PIRE	61,711	(7,793)	5,073	(927)
Health	<u>390,682</u>	<u>234,903</u>	<u>615,439</u>	<u>468,167</u>
Totals	<u>\$ 2,985,004</u>	<u>\$ (410,212)</u>	<u>\$ 2,903,382</u>	<u>\$ 416,777</u>

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

The District's Funds

The District's governmental funds reported a combined fund balance of \$2,755,873, which is \$1,092,873 more than last years' total of \$1,663,000. That schedule below indicates the fund balance and the total change in fund balance as of December 31, 2020 and 2019.

	Fund Balance <u>December 31, 2020</u>	Fund Balance <u>December 31, 2019</u>	<u>Increase</u>
General	\$ 754,099	\$ 303,734	\$ 450,365
Public health clinic	361,066	245,401	115,665
Public health emergency response	91,440	-	91,440
SPF-partnership for success	9,189	25,897	(16,708)
Help me grow	284,054	223,537	60,517
Other nonmajor governmental funds	<u>1,256,025</u>	<u>864,431</u>	<u>391,594</u>
Total	<u>\$ 2,755,873</u>	<u>\$ 1,663,000</u>	<u>\$ 1,092,873</u>

General Fund Budgeting Highlights

The 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.

During the course of 2020, the District amended its budget several times. The General fund's original and final budgeted receipts of \$957,317 and \$889,427, respectively, were greater than actual receipts and other financing sources of \$871,047. Original and final appropriated disbursements and other financing uses were \$796,664. Actual budgetary-basis disbursements and other financing uses of \$428,366 were \$368,298 less than final appropriated disbursements and other financing uses of \$796,664.

Capital Assets

The District does not record capital assets in the accompanying basic financial statements, but records payments for capital assets as disbursements.

Current Issues

The challenge for the 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.

With the increase in COVID-19 response activities, there has been a fluctuation in grant obligations due to personnel being moved around to meet prioritized needs. Additional COVID-19 funding is greatly needed to cover all COVID-19 response activities.

Contacting the District's Financial Management

The financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the district's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Bryleigh Wolf, Director of Support Services Sandusky County Public Health, 2000 Countryside Drive, Fremont, Ohio 43420-8560.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2020

	Governmental Activities
Assets	
Equity in pooled cash and cash equivalents	\$ 2,755,873
 Net position	
Restricted for:	
Environmental health	\$ 1,458,731
Unrestricted.	1,297,142
Total net position	\$ 2,755,873

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Program Cash Receipts</u>			<u>Net (Disbursements) Receipts and Changes in Net Position</u>
	<u>Disbursements</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental activities:				
Environmental health:				
Nursing	\$ 1,785	\$ -	\$ -	\$ (1,785)
Trailer park	11,096	11,299	-	203
Food service	63,443	137,751	-	74,308
Water system	10,114	31,715	-	21,601
Swimming pool	13,797	9,375	-	(4,422)
Family planning	142,249	93,560	128,643	79,954
CFHS	44,726	-	70,168	25,442
WIC	259,560	-	261,821	2,261
Wellness	50,689	44,523	-	(6,166)
Public health emergency preparedness	53,299	-	91,703	38,404
Public health emergency response	506,203	-	582,643	76,440
Prevention partnership	38,254	37,129	-	(1,125)
Sewage treatment service	27,392	50,032	-	22,640
Smoke free workplace	-	-	125	125
Help me grow	203,588	169,928	94,177	60,517
Environmental and public health	16,113	25,000	-	8,887
Tobacco use prevention and cessation	49,029	-	123,446	74,417
Immunization action plan	17,516	-	30,772	13,256
Solid waste	-	8,159	-	8,159
Creating healthy communities	92,450	-	90,382	(2,068)
MHL capacity service	32,271	55,718	-	23,447
Moms quit for two	5,287	-	-	(5,287)
Ohio water pollution control loan	173,019	21,587	146,810	(4,622)
Public health clinic	313,903	328,554	101,014	115,665
Community health assessment	42,489	58,250	-	15,761
SPF-Partnership for success	342,357	-	335,649	(6,708)
Drug free communities	21,982	-	30,000	8,018
PIRE	61,711	69,504	-	7,793
Health	<u>390,682</u>	<u>155,779</u>	<u>-</u>	<u>(234,903)</u>
Total governmental activities	<u>\$ 2,985,004</u>	<u>\$ 1,307,863</u>	<u>\$ 2,087,353</u>	<u>410,212</u>
General Receipts:				
Property taxes and other local taxes				
levied for general health district purposes				543,970
Grants and entitlements not restricted to specific programs				133,065
Miscellaneous				<u>5,626</u>
Total general receipts				<u>682,661</u>
Change in net position				1,092,873
Net position at beginning of year				<u>1,663,000</u>
Net position at end of year				<u>\$ 2,755,873</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	<u>General</u>	<u>Public Health Clinic</u>	<u>Public Health Emergency Response</u>	<u>SPF- Partnership for Success</u>	<u>Help Me Grow</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets							
Equity in pooled cash and cash equivalents.	\$ 754,099	\$ 361,066	\$ 91,440	\$ 9,189	\$ 284,054	\$ 1,256,025	\$ 2,755,873
Fund Balances							
Restricted:							
Environmental health:							
Trailer park.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,094	\$ 14,094
Food service.	-	-	-	-	-	112,786	112,786
Water system.	-	-	-	-	-	31,750	31,750
Swimming pool.	-	-	-	-	-	7,295	7,295
Family planning.	-	-	-	-	-	233,026	233,026
CFHS.	-	-	-	-	-	60,416	60,416
WIC.	-	-	-	-	-	43,538	43,538
Wellness.	-	-	-	-	-	67,008	67,008
Public health emergency preparedness.	-	-	-	-	-	53,909	53,909
Public health emergency response.	-	-	91,440	-	-	-	91,440
Prevention partnership.	-	-	-	-	-	6,134	6,134
Sewage treatment service.	-	-	-	-	-	62,874	62,874
Smoke free workplace.	-	-	-	-	-	2,974	2,974
Help me grow.	-	-	-	-	284,054	-	284,054
Environmental and public health.	-	-	-	-	-	85,207	85,207
Tobacco use prevention and cessation.	-	-	-	-	-	111,404	111,404
Immunization action plan.	-	-	-	-	-	30,456	30,456
Solid waste.	-	-	-	-	-	8,884	8,884
Creating healthy communities.	-	-	-	-	-	48,956	48,956
MHL capacity service	-	-	-	-	-	36,927	36,927
Moms quit for two	-	-	-	-	-	100	100
Ohio water pollution control loan	-	-	-	-	-	34,572	34,572
SPF-Partnership for success	-	-	-	9,189	-	-	9,189
Drug free communities.	-	-	-	-	-	8,018	8,018
PIRE.	-	-	-	-	-	13,720	13,720
Committed:							
Environmental health:							
Public health clinic.	-	361,066	-	-	-	-	361,066
Community health assessment.	-	-	-	-	-	181,977	181,977
Assigned:							
Encumbrances	7,684	-	-	-	-	-	7,684
Unassigned	746,415	-	-	-	-	-	746,415
Total fund balances.	\$ 754,099	\$ 361,066	\$ 91,440	\$ 9,189	\$ 284,054	\$ 1,256,025	\$ 2,755,873

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General	Public Health Clinic	Public Health Emergency Response	SPF- Partnership for Success	Help Me Grow	Nonmajor Governmental Funds	Total Governmental Funds
Receipts							
Property taxes	\$ 543,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 543,970
Charges for services	155,779	328,554	-	-	169,928	653,602	1,307,863
Intergovernmental	133,065	101,014	582,643	335,649	94,177	973,870	2,220,418
Miscellaneous	577	-	-	-	-	5,049	5,626
Total receipts	<u>833,391</u>	<u>429,568</u>	<u>582,643</u>	<u>335,649</u>	<u>264,105</u>	<u>1,632,521</u>	<u>4,077,877</u>
Disbursements							
Current:							
Environmental health:							
Nursing	-	-	-	-	-	1,785	1,785
Trailer park	-	-	-	-	-	11,096	11,096
Food service	-	-	-	-	-	63,443	63,443
Water system	-	-	-	-	-	10,114	10,114
Swimming pool	-	-	-	-	-	13,797	13,797
Family planning	-	-	-	-	-	142,249	142,249
CFHS	-	-	-	-	-	44,726	44,726
WIC	-	-	-	-	-	259,560	259,560
Wellness	-	-	-	-	-	50,689	50,689
Public health emergency preparedness	-	-	-	-	-	53,299	53,299
Public health emergency response	-	-	506,203	-	-	-	506,203
Prevention partnership	-	-	-	-	-	38,254	38,254
Sewage treatment service	-	-	-	-	-	27,392	27,392
Help me grow	-	-	-	-	203,588	-	203,588
Environmental and public health	-	-	-	-	-	16,113	16,113
Tobacco use prevention and cessation	-	-	-	-	-	49,029	49,029
Immunization action plan	-	-	-	-	-	17,516	17,516
Creating healthy communities	-	-	-	-	-	92,450	92,450
MHL capacity service	-	-	-	-	-	32,271	32,271
Moms quit for two	-	-	-	-	-	5,287	5,287
Ohio water pollution control loan	-	-	-	-	-	173,019	173,019
Public health clinic	-	313,903	-	-	-	-	313,903
Community health assessment	-	-	-	-	-	42,489	42,489
SPF-Partnership for success	-	-	-	342,357	-	-	342,357
Drug free communities	-	-	-	-	-	21,982	21,982
PIRE	-	-	-	-	-	61,711	61,711
Health	<u>390,682</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,682</u>
Total disbursements	<u>390,682</u>	<u>313,903</u>	<u>506,203</u>	<u>342,357</u>	<u>203,588</u>	<u>1,228,271</u>	<u>2,985,004</u>
Excess (deficiency) of receipts over (under) disbursements	<u>442,709</u>	<u>115,665</u>	<u>76,440</u>	<u>(6,708)</u>	<u>60,517</u>	<u>404,250</u>	<u>1,092,873</u>
Other financing sources (uses)							
Transfers in	10,156	-	-	-	-	10,000	20,156
Transfers (out)	(10,000)	-	-	-	-	(10,156)	(20,156)
Advances in	27,500	-	15,000	-	-	5,000	47,500
Advances (out)	(20,000)	-	-	(10,000)	-	(17,500)	(47,500)
Total other financing sources (uses)	<u>7,656</u>	<u>-</u>	<u>15,000</u>	<u>(10,000)</u>	<u>-</u>	<u>(12,656)</u>	<u>-</u>
Net change in fund balances	450,365	115,665	91,440	(16,708)	60,517	391,594	1,092,873
Fund balances at beginning of year	303,734	245,401	-	25,897	223,537	864,431	1,663,000
Fund balances at end of year	<u>\$ 754,099</u>	<u>\$ 361,066</u>	<u>\$ 91,440</u>	<u>\$ 9,189</u>	<u>\$ 284,054</u>	<u>\$ 1,256,025</u>	<u>\$ 2,755,873</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Property taxes	\$ 660,292	\$ 592,402	\$ 543,970	\$ (48,432)
Charges for services	153,000	153,000	155,779	2,779
Intergovernmental	138,025	138,025	133,065	(4,960)
Miscellaneous	6,000	6,000	577	(5,423)
Total receipts	<u>957,317</u>	<u>889,427</u>	<u>833,391</u>	<u>(56,036)</u>
Disbursements				
Current:				
Health	696,664	696,664	398,366	298,298
Excess of receipts over disbursements	<u>260,653</u>	<u>192,763</u>	<u>435,025</u>	<u>242,262</u>
Other financing sources (uses)				
Transfers in	-	-	10,156	10,156
Transfers (out)	(15,000)	(15,000)	(10,000)	5,000
Advances in	-	-	27,500	27,500
Advances (out)	(85,000)	(85,000)	(20,000)	65,000
Total other financing sources (uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>7,656</u>	<u>107,656</u>
Net change in fund balance	<u>160,653</u>	<u>92,763</u>	<u>442,681</u>	<u>349,918</u>
Unencumbered fund balance at beginning of year	298,270	298,270	298,270	-
Prior year encumbrances appropriated	5,464	5,464	5,464	-
Unencumbered fund balance at end of year	<u>\$ 464,387</u>	<u>\$ 396,497</u>	<u>\$ 746,415</u>	<u>\$ 349,918</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
PUBLIC HEALTH CLINIC FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Charges for services	\$ 305,000	\$ 305,000	\$ 328,554	\$ 23,554
Intergovernmental	120,000	120,000	101,014	(18,986)
Miscellaneous	50,000	50,000	-	(50,000)
Total receipts	<u>475,000</u>	<u>475,000</u>	<u>429,568</u>	<u>(45,432)</u>
Disbursements				
Current:				
Environmental health	396,588	396,588	317,698	78,890
Net change in fund balance	78,412	78,412	111,870	33,458
Unencumbered fund balance at beginning of year	243,263	243,263	243,263	-
Prior year encumbrances appropriated	2,138	2,138	2,138	-
Unencumbered fund balance at end of year	<u><u>\$ 323,813</u></u>	<u><u>\$ 323,813</u></u>	<u><u>\$ 357,271</u></u>	<u><u>\$ 33,458</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
PUBLIC HEALTH EMERGENCY RESPONSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Intergovernmental	\$ -	\$ 505,170	\$ 582,643	\$ 77,473
Disbursements				
Current:				
Environmental health	-	520,093	560,482	(40,389)
Excess (deficiency) of receipts over (under) disbursements.	-	(14,923)	22,161	37,084
Other financing sources				
Advances in.	-	15,000	15,000	-
Net change in fund balance	-	77	37,161	37,084
Unencumbered fund balance at beginning of year	-	-	-	-
Unencumbered fund balance at end of year.	<u>\$ -</u>	<u>\$ 77</u>	<u>\$ 37,161</u>	<u>\$ 37,084</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SPF-PARTNERSHIP FOR SUCCESS FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Intergovernmental	\$ 200,000	\$ 236,200	\$ 335,649	\$ 99,449
Disbursements				
Current:				
Environmental health	290,000	352,000	342,364	9,636
Excess of disbursements over receipts.	(90,000)	(115,800)	(6,715)	109,085
Other financing sources (uses)				
Advances in.	100,000	100,000	-	(100,000)
Advances (out)	(10,000)	(10,000)	(10,000)	-
Total other financing sources (uses)	90,000	90,000	(10,000)	(100,000)
Net change in fund balance	-	(25,800)	(16,715)	9,085
Unencumbered fund balance at beginning of year	25,897	25,897	25,897	-
Unencumbered fund balance at end of year.	<u>\$ 25,897</u>	<u>\$ 97</u>	<u>\$ 9,182</u>	<u>\$ 9,085</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
HELP ME GROW FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Charges for services	\$ 35,000	\$ 135,000	\$ 169,928	\$ 34,928
Intergovernmental	<u>130,000</u>	<u>130,000</u>	<u>94,177</u>	<u>(35,823)</u>
Total receipts.	<u>165,000</u>	<u>265,000</u>	<u>264,105</u>	<u>(895)</u>
Disbursements				
Current:				
Environmental health	<u>194,057</u>	<u>214,057</u>	<u>206,195</u>	<u>7,862</u>
Excess (deficiency) of receipts over (under) disbursements.	<u>(29,057)</u>	<u>50,943</u>	<u>57,910</u>	<u>6,967</u>
Other financing (uses)				
Advances (out)	<u>(125)</u>	<u>(125)</u>	<u>-</u>	<u>125</u>
Net change in fund balance	(29,182)	50,818	57,910	7,092
Unencumbered fund balance at beginning of year. . .	222,355	222,355	222,355	-
Prior year encumbrances appropriated.	<u>1,182</u>	<u>1,182</u>	<u>1,182</u>	<u>-</u>
Unencumbered fund balance at end of year.	<u>\$ 194,355</u>	<u>\$ 274,355</u>	<u>\$ 281,447</u>	<u>\$ 7,092</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 - REPORTING ENTITY

Sandusky County Combined General Health District, Sandusky County, Ohio (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by an eight-member Board with one member appointed by the City of Clyde, two members appointed by the City of Fremont, four members appointed by the District Advisory Council and one member appointed by the District Licensing Advisory Council. The District is comprised of the primary government, component units and other organizations that were included to ensure the financial statements are not misleading.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. The District is responsible for the provisions of public health, the prevention or restriction of disease and the prevention, abatement and suppression of nuisances.

The Sandusky County Auditor acts as fiscal agent for the District and the Sandusky County Treasurer acts as custodian of all funds.

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

B. Component Units

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization, or (4) the District is obligated for the debt of the organization. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the District, are accessible to the District and are significant in amount to the District and organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's basic financial statements to be misleading or incomplete. The District has no component units.

C. Risk Pools

The District participates in two public entity risk pools. These organizations are presented in Note 8 to the financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. The cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). GAAP includes 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 District's accounting policies.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

A. Basis of Presentation

The District's basic financial statements consist of government-wide financial statements, including a statement of Net Position – Cash Basis, a Statement of Activities – Cash Basis, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position – Cash Basis and the Statement of Activities – Cash Basis display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The Statement of Net Position – Cash Basis presents the cash balance of the District at year end. The Statement of Activities – Cash Basis compares cash disbursements and program cash receipts for each program or function of the District's governmental activities. Cash 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 District is responsible. Program cash receipts include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational requirements of a particular program. Cash receipts which are not classified as program cash receipts are presented as general cash receipts of the District, with certain limited exceptions. The comparison of direct cash disbursements with program cash receipts identifies the extent to which each governmental program is self-financing on a cash basis or draws from the general cash receipts of the District.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the 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.

B. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use.

Governmental Funds

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

General Fund - The General fund is used to account for all financial resources, except those required to be accounted for in another fund. The General fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Public Health Clinic fund - The Public Health Clinic fund is used to account charges for services and intergovernmental revenues used to provide immunization clinics to citizens.

Public Health Emergency Response fund - The Public Health Emergency Response fund is used to account for all COVID-19 funding from the Ohio Department of Health for response, contact tracing, and vaccination preparation for the community.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

SPF-Partnership for Success fund - The SPF-Partnerships for Success fund is used to account for all coalition building and the prevention of marijuana and alcohol in youth between the ages of 12-20 in rural counties in Ohio.

Help Me Grow fund - The Help Me Grow fund is used to account for charges for services to address the need for home-visiting services for young children and their families.

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

C. Basis of Accounting

The District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the 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 incurred.

As a result of the use of this cash basis of accounting, certain assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the effects of these items on revenues and expenses are not recorded in these financial statements.

D. 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 exist or increased tax rates. The certificate of estimated resources establishes a limit on the amount the District may appropriate.

The appropriations resolution is the District's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established at the object level for all funds.

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 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 certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the 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 certificate of estimated resources in effect at the time final appropriations were passed by the District.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

The appropriation 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 the 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 District during the year.

E. Cash and Investments

In accordance with Ohio Revised Code, the District's cash is held and invested by the Sandusky County Treasurer, who acts as custodian for the District's monies. The District's assets are held in the County Treasurer's cash and investment pool, and are valued at the Treasurer's reported carrying amount. Individual fund integrity is maintained through District records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

F. Restricted Assets

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation.

G. Inventory and Prepaid Items

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

H. Capital Assets

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

I. Interfund Receivables/Payables

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

J. 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 District's cash basis of accounting.

K. Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Note 9 and 10, the employer contribution include portions for pension benefits and for postretirement health care benefits.

L. Net Position

Net cash position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net cash position restricted for environmental health includes resources restricted for grants for specific purposes.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

The District's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position is available.

M. Fund Cash Balance

Fund cash balance is divided into five classifications based primarily on the extent to which the 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 cash balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The District had no nonspendable balance at December 31, 2020.

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

Committed - The committed fund cash balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund cash 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 cash balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the General fund, assigned amounts include those approved through the District's formal purchasing procedure and those required for subsequent year appropriations.

Unassigned - Unassigned fund cash balance is the residual classification for the General fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

N. Interfund Transactions

Transfers between governmental funds are eliminated on the government-wide financial statements.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For 2020, the District has implemented GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance.*" GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Certain provisions contained in the following pronouncements were scheduled to be implemented for the fiscal year ended December 31, 2020. Due to the implementation of GASB Statement No. 95, the effective dates of certain provisions contained in these pronouncements are postponed. The following pronouncement is postponed by one year and the District has elected delaying implementation until the fiscal year ended December 31, 2021:

- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

The following pronouncements are postponed by eighteen months and the District has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While the District is reporting financial position, results of operations and changes in fund balances on the cash basis, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The budgetary comparison schedule presented for the General fund and the major special revenue funds are presented 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 outstanding year end encumbrances are treated as disbursements (budgetary-basis) rather than assigned, committed or restricted fund balance (cash-basis).

The following table summarizes the adjustments necessary to reconcile the cash basis statement to the budgetary basis statements:

	Fund Balance				
	General	Public Health Clinic	Public Health Emergency Response	SPF- Partnership for Success	Help Me Grow
Cash basis	\$ 754,099	\$ 361,066	\$ 91,440	\$ 9,189	\$ 284,054
Adjustment for encumbrances	<u>(7,684)</u>	<u>(3,795)</u>	<u>(54,279)</u>	<u>(7)</u>	<u>(2,607)</u>
Budgetary basis	<u>\$ 746,415</u>	<u>\$ 357,271</u>	<u>\$ 37,161</u>	<u>\$ 9,182</u>	<u>\$ 281,447</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

The Sandusky County Treasurer maintains a cash pool used by all funds, including those of the District. The Ohio Revised Code prescribes allowable deposits and investments. The District's carrying amount of cash on deposit with the County at December 31, 2020, was \$2,755,873.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

The Sandusky County Treasurer, as fiscal agent for the District, is responsible for maintaining adequate depository collateral for all funds in the County's pooled and deposited accounts.

NOTE 6 - INTERFUND TRANSACTIONS

- A.** Interfund transfers for the year ended December 31, 2020, consisted of the following, as reported on the fund statements:

<u>Transfers to the General fund from:</u>	
Nonmajor governmental funds	\$ 10,156
 <u>Transfers to the nonmajor governmental funds from:</u>	
General fund	<u>10,000</u>
Total	<u><u>\$ 20,156</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Amounts transferred to the General fund from nonmajor governmental funds were due to the closure of two of the District's funds during 2020. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

- B.** Interfund advances for the year ended December 31, 2020, consisted of the following, as reported on the fund statements:

<u>Advances from the General fund to:</u>	
Public health emergency response fund	\$ 15,000
Nonmajor governmental funds	<u>5,000</u>
	<u>20,000</u>
 <u>Advances to the General fund to:</u>	
SPF-partnership for success fund	\$ 10,000
Nonmajor governmental funds	<u>17,500</u>
	<u>27,500</u>
Total	<u><u>\$ 47,500</u></u>

The primary purpose of the interfund advances is to cover costs in specific funds where revenues were not received by December 31. These interfund advances are also made to repay advances made in the prior fiscal year from the General fund.

Interfund advances between governmental funds are eliminated on the government-wide financial statements.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility property located in the District. Real property tax receipts received in 2020 represent the collection of 2019 taxes. Real property taxes and public utility taxes are levied after October 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by state law at 35% of appraised market value. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property taxes are assessed on real estate, land and improvements are assessed at 35% of appraised market value.

The assessed value upon which 2020 taxes were collected was \$1,488,148,880. The full rate for all District operations applied to real property for fiscal year ended December 31, 2020, was \$.50 per \$1,000 of assessed valuation. The assessed values of real and tangible personal property upon which 2020 property tax receipts were based are as follows:

<u>Real property</u>	
Agricultural/Residential	\$ 936,900,610
Commercial/Industrial/Mineral	194,626,830
<u>Public Utility</u>	
Real	700,780
Personal	<u>355,920,660</u>
Total assessed valuation	<u>\$ 1,488,148,880</u>

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected.

NOTE 8 - RISK MANAGEMENT

A. Risk Pool Membership

The District is exposed to various risks of property and casualty losses, and injuries to employees.

The District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

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

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

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

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

	<u>2020</u>
Cash and investments	\$ 40,318,971
Actuarial liabilities	14,111,510

B. Insurance Purchasing Pool

For 2020, the County Commissioners participated in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan (Plan), as insurance purchasing pool. The Plan is intended to achieve lower workers compensation rates while establishing safer working conditions and environments for the participants. The workers compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate. In order to allocate the savings derived by formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants.

Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost controls, and actuarial services to the Plan. Each year, the County Commissioners pays an enrollment fee to the Plan to cover the costs of administering the program.

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

NOTE 9 - DEFINED BENEFIT PENSION PLAN

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description – 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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Comprehensive Annual Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

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.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), 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.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	State and Local
2020 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2020 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

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

** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The District's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$278,295 for 2020.

NOTE 10 - POSTEMPLOYMENT BENEFIT PLAN

Plan Description - Ohio Public Employees Retirement System (OPERS)

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.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. 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. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care was 0.00% for the Traditional and Combined plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.00%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2020, OPERS did not allocate any employer contributions to post-employment health care.

NOTE 11 - CONTINGENT GRANTS

The District receives significant financial assistance from numerous federal, state, and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District; however, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

NOTE 12 - INTERGOVERNMENTAL FUNDING

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

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

NOTE 13 - COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are reservations of fund balance for subsequent-year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

Fund:	Year-End Encumbrances
General fund	\$ 7,684
Public health clinic fund	3,795
Public health emergency response	54,279
SPF-partnership for success	7
Help me grow fund	2,607
Other nonmajor governmental funds	10,934
Total	\$ 79,306

NOTE 14 - TAX ABATEMENT AGREEMENTS ENTERED INTO BY OTHER GOVERNMENTS

Other governments entered into property tax abatement agreements with property owners under two programs - Community Reinvestment Area (CRA) and Enterprise Zone (Ezone). These programs relate to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

Ezone - Under the authority of ORC Sections 5709.62 and 5709.63, the Ezone program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. An Ezone is a designated area of land in which businesses can receive tax incentives in the form of tax exemptions on qualifying new investment.

An Ezone's geographic area is identified by the local government involved in the creation of the zone. Once the zone is defined, the local legislative authority participating in the creation must petition the OSDA. The OSDA must then certify the area for it to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement (the Agreement) with the business, which may include tax sharing with the Board of Education. Legislation must then be passed to approve the Agreement. All Agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

Sandusky County has entered into the following tax abatement agreements for the abatement of real property taxes:

- Ezone agreement between the County, the City of Ballville, the City of Fremont and Fremont City School District
- Ezone agreement between the County, Madison Township, the Village of Gibsonburg and Gibsonburg EVSD
- Ezone agreement between the County, the City of Clyde, and Clyde EVSD
- CRA agreements entered into by the City of Bellevue, the City of Fremont and Fremont City School District

Under these agreements, the District's property taxes were reduced by \$13,581. The District is not receiving any amounts from these other governments in association with the forgone property tax revenue.

NOTE 15 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. In addition, the impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

The District received \$386,879 in CARES Act funding directly from the Ohio Department of Health during 2020. These amounts are reflected as intergovernmental receipts in the Public Health Emergency Response fund on the accompanying financial statements.

In addition, the District received \$122,945 passed through from Sandusky County and Sandusky County spent a total of \$20,476 to purchase a new door for the vital statistics department as well as a storage container on behalf of the District with CARES Act funding administered by the County Commissioners. These amounts are reflected as intergovernmental receipts in the Public Health Emergency Response fund on the accompanying financial statements. Ballville Township also passed \$13,301 in CARES Act funding to the District for part of the costs associated with the storage container noted above. This amount is reflected as charges for services receipts on the accompanying financial statements.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Ohio Department of Health</i>			
Family Planning Services	93.217	07210011RH0920	\$ 33,859
Family Planning Services	93.217	07210011RH1021	90,034
Total CFDA #93.217			123,893
Maternal and Child Health Services Block Grant to the States	93.994	07210011MP0420	25,670
National State-Based Tobacco Control Programs	93.305	07210014CC0619	1,901
Preventive Health and Health Services Block Grant	93.991	07210014CC0720	90,549
Public Health Emergency Preparedness	93.069	07210012PH1120	27,294
Public Health Emergency Preparedness	93.069	07210012PH1221	26,006
Total CFDA #93.069			53,299
Immunization Cooperative Agreements	93.268	07210012GV0220	12,735
Immunization Cooperative Agreements	93.268	07210012GV0321	4,781
Total CFDA #93.268			17,517
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	07210012CO0120	47,801
<i>Direct Award</i>			
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	19SP81382A-19	245,232
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	19SP81382A-20	107,125
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	20SP81060A	21,982
Total CFDA #93.243			374,339
<i>Passed through Ohio Department of Mental Health and Addiction Services</i>			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2000142	31,467
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2100132	16,787
Total CFDA #93.959			48,254
Total U.S. Department of Health and Human Services			783,223
U.S. DEPARTMENT OF TREASURY			
<i>Passed Through Ohio Department of Health</i>			
Coronavirus Relief Fund	21.019	07210012CT0120	167,636
Coronavirus Relief Fund	21.019	07210012CO0121	147,345
<i>Passed through Sandusky County</i>			
Coronavirus Relief Fund	21.019	N/A	143,421
<i>Passed through Ballville Township</i>			
Coronavirus Relief Fund	21.019	N/A	13,301
Total U.S. Department of Treasury			471,703
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Ohio Department of Health</i>			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	07210011WA1320	208,749
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	07210011WA1421	50,811
Total U.S. Department of Agriculture			259,559
Total Expenditures of Federal Awards			\$ 1,514,485

The accompanying notes are an integral part of this schedule.

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Sandusky County Combined General Health District, Sandusky County, Ohio (the District) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D – MATCHING REQUIREMENTS

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

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OHIO AUDITOR OF STATE KEITH FABER



One Government Center, Suite 1420
Toledo, Ohio 43604-2246
(419) 245-2811 or (800) 443-9276
NorthwestRegion@ohioauditor.gov

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

Sandusky County Combined General Health District
Sandusky County
2000 Countryside Drive
Fremont, Ohio 43420-8560

To the Members of the Board:

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 Sandusky County Combined General Health District, Sandusky County, Ohio (the District) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated September 29, 2021, 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 continuing emergency measures which may 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) as a basis for designing 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2020-001 to be a material weakness.

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 financial statements. 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*.

District's Response to Finding

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and corrective action plan. We did not subject the District's response to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



Keith Faber
Auditor of State
Columbus, Ohio

September 29, 2021

OHIO AUDITOR OF STATE KEITH FABER



One Government Center, Suite 1420
Toledo, Ohio 43604-2246
(419) 245-2811 or (800) 443-9276
NorthwestRegion@ohioauditor.gov

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

Sandusky County Combined General Health District
Sandusky County
2000 Countryside Drive
Fremont, Ohio 43420-8560

To the Members of the Board:

Report on Compliance for each Major Federal Program

We have audited Sandusky County Combined General Health District, Sandusky County, Ohio's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of Sandusky County Combined General Health District's major federal programs for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal programs.

Management's Responsibility

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for each of the District's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on each of the District's major programs. However, our audit does not provide a legal determination of the District's compliance.

Opinion on each Major Federal Program

In our opinion, Sandusky County Combined General Health District, Sandusky County, Ohio, complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

September 29, 2021

**SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT
SANDUSKY COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Coronavirus Relief Fund – CFDA #21.019 Special Supplemental Nutrition Program for Women, Infants, and Children – CFDA #10.557
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

FINDING NUMBER 2020-001

Material Weakness

Financial Reporting

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

An error was noted in the financial statements which resulted in receipts and disbursements for the Public Health Emergency Response fund being understated in the amount of \$143,421 due to the District's failure to record CARES Act disbursements made on the District's behalf.

This error was the result of inadequate policies and procedures in reviewing the financial statements and notes to the financial statements. Failure to complete accurate financial statements and notes to the financial statements could lead to the District making misinformed decisions. The accompanying financial statements have been adjusted to correct this error. In addition to the adjustment noted above, we also identified additional misstatements ranging from \$13,301 to \$37,129 that we have brought to the District's attention.

To help ensure the District's financial statements and notes to the financial statements are complete and accurate, the District should adopt policies and procedures, including a final review of the financial statements and notes to the financial statements by management and the Board, to help identify and correct errors and omissions.

Officials' Response:

See Corrective Action Plan.

3. FINDINGS FOR FEDERAL AWARDS

None



SANDUSKY COUNTY PUBLIC HEALTH



CORRECTIVE ACTION PLAN 2 CFR § 200.511(c) DECEMBER 31, 2020

Finding Number:	2020-001
Planned Corrective Action:	The Director of Support Services and the Board will ensure a review of the financial statements is completed in the future to identify and correct errors and omissions.
Anticipated Completion Date:	December 31, 2021
Responsible Contact Person:	Bryleigh Wolf, Director of Support Services

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OHIO AUDITOR OF STATE KEITH FABER



SANDUSKY COUNTY COMBINED GENERAL HEALTH DISTRICT

SANDUSKY 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 10/14/2021

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