



PERRY

& Associates CPAs

PASSION *Beyond the Numbers*

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2022**

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Health
Union County General Health District
940 London Avenue #1100
Marysville, Ohio 43040

We have reviewed the *Independent Auditor's Report* of Union County General Health District, Union County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2022 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

November 07, 2023

This page intentionally left blank.

UNION COUNTY GENERAL HEALTH DISTRICT

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor’s Report.....	1
Prepared by Management:	
Management’s Discussion and Analysis.....	5
Government-wide Financial Statements	
Statement of Net Position – Cash Basis.....	11
Statement of Activities – Cash Basis.....	12
Fund Financial Statements	
Statement of Cash Basis Assets and Fund Balances – Governmental Funds.....	13
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances – Governmental Funds.....	14
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis – General Fund.....	15
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis – Public Health Nursing Fund.....	16
Notes to the Basic Financial Statements.....	17
Schedule of Expenditures of Federal Awards.....	32
Notes to the Schedule of Expenditures of Federal Awards.....	33
Independent Auditor’s Report on Internal Control Over Financial Reporting and On Compliance and Other Matters Required by <i>Government Auditing Standards</i>	34
Independent Auditor’s Report on Compliance with Requirements Applicable to Each Major Federal Programs and on Internal Control Over Compliance Required by Uniform Guidance.....	36
Schedule of Audit Findings.....	39

This page intentionally left blank.



INDEPENDENT AUDITOR'S REPORT

Union County General Health District
Union County
940 London Avenue, Suite 1100
Marysville, Ohio 43040

To the Board of Health:

Report on the Audit of the Financial Statements

Opinions

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Union County General Health District, Union County, Ohio (the District), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2022, and the respective changes in cash-basis financial position thereof and the respective budgetary comparison for the General and Public Health Nursing Fund for the year then ended in accordance with the cash-basis of accounting described in Note 2C.

Basis for Opinions

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

Emphasis of Matter - Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
Members: American Institute of Certified Public Accountants
• Ohio Society of CPAs • West Virginia Society of CPAs • Association of Certified Fraud Examiners • Association of Certified Anti-Money Laundering Specialists •

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

An Independently owned member
RSM US Alliance 

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted to opine on the financial statements as a whole that collectively comprise the District's basic financial statements.

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

Supplementary Information (Continued)

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

Other Information

We applied no procedures to management's discussion & analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

August 31, 2023

This page was intentionally left blank.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Unaudited)**

The discussion and analysis of the Union County General Health District's, Union County, Ohio (the "Health District") financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2022, within the limitations of the Health District's cash basis of accounting. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Health District's financial performance.

Financial Highlights

Key financial highlights for the year 2022 are as follows:

- Net position of governmental activities increased \$494,167 or 11.22% as compared to 2021.
- General receipts in the form of property taxes and unrestricted grants and entitlements comprise the largest percentage of the Health District's receipts, accounting for \$2,184,113 or 42.11% of all dollars coming into the Health District. Program specific receipts in the form charges for services and operating grants and contributions make up the remaining of the Health District's receipts, accounting for \$3,003,004 or 57.89%.
- The Health District had \$4,692,950 in disbursements during 2022.
- In 2022, the general fund had receipts of \$2,583,501 and disbursements and other financing uses of \$2,269,981. The fund balance of the general fund increased by \$313,520 from \$2,369,500 to \$2,683,020.
- The public nursing fund, a major fund, accounts for receipts collected from general nursing and other various personal health activities throughout the county. Receipts, primarily in the form of intergovernmental monies, charges for services, donations and other miscellaneous sources, and other financing sources of \$1,935,314 represents an increase of \$527,212 from 2021. Disbursements of \$1,765,334 an increase \$240,956 as compared to 2021. The overall fund balance increased \$169,980 from \$806,551 to \$976,531.

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 Health District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Health 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 Health 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 Health 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, and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in these financial statements.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Unaudited)**

Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Health District as a Whole

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis reflect how the Health District performed financially during 2022, 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 Health District at year end. The Statement of Activities - Cash Basis compares cash disbursements with program receipts for each governmental program 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 cash disbursements with program receipts identifies how each governmental function draws from the Health District's general receipts.

These statements report the Health 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 Health District's financial health. Over time, increases or decreases in the Health District's cash position is one indicator of whether the Health District's financial health is improving or deteriorating. When evaluating the Health District's financial condition, one should also consider other non-financial factors as well such as the condition of the Health District's capital assets and infrastructure, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources.

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis present governmental activities, which include all the Health District's services. Charges for services and state and federal grants finance just under half of these activities. To a significant extent, benefits provided through the governmental activities are being paid for by the people receiving them. The Health District has no business-type activities.

Reporting the Health District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the Health District's major funds - not the Health District as a whole. The Health 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 Health District are governmental.

Governmental Funds - The Health District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Health 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 Health District's health programs. The Health 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 Health District's major governmental funds are the general fund and the public health nursing fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Unaudited)

The Health District as a Whole

Table 1 provides a summary of the Health District's cash basis net position at December 31, 2022 compared to December 31, 2021.

**Table 1
Statement of Net Position - Cash Basis**

	Governmental Activities	
	<u>2022</u>	<u>2021</u>
Assets		
Equity in pooled cash and cash equivalents	\$ 4,896,971	\$ 4,402,804
Net Position		
Restricted for:		
Public health nursing	\$ 976,531	\$ 806,551
Public health infrastructure	209,590	242,455
Sewage	420,706	474,662
Other public health programs	607,124	509,636
Unrestricted	2,683,020	2,369,500
Total Net Position	\$ 4,896,971	\$ 4,402,804

THIS SPACE INTENTIONALLY LEFT BLANK

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Unaudited)

Table 2 reflects the change in net position on a cash basis in 2022 as compared to 2021:

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

	Governmental Activities	
	<u>2022</u>	<u>2021</u>
Receipts		
Program cash receipts:		
Charges for services and sales	\$ 1,055,547	\$ 1,101,999
Operating grants and contributions	<u>1,947,457</u>	<u>2,040,713</u>
Total program cash receipts	<u>3,003,004</u>	<u>3,142,712</u>
General receipts:		
Property taxes	1,942,406	1,898,222
Grants and entitlements	<u>241,707</u>	<u>275,828</u>
Total general receipts	<u>2,184,113</u>	<u>2,174,050</u>
Total Receipts	<u>5,187,117</u>	<u>5,316,762</u>
Disbursements		
Environmental health:		
General environmental health	223,699	213,695
Food service	115,571	91,974
Plumbing	250,161	192,013
Water	51,476	54,218
Sewage	282,817	301,558
Pools/Spas	6,021	6,139
Camps/MHP	110	220
Solid waste	6,218	7,408
Radon	1,145	37,978
Rabies	260	3,095
Mosquito	27,335	27,745
Contract tracing	-	178,999
COVID-19	74,717	609,174
Personal health:		
General nursing & ohio children's trust	482,511	298,106
Health education and partnerships	225,387	208,886
Injury prevention	423,748	470,674
Safe communities	8,564	14,948
Immunization action plan	20,669	31,499
LEADS/central intake	67,311	53,423
Prescription assistance	7,591	5,575
FEMA	268,221	-
Reproductive health & wellness	227,383	210,531
Clinics/BCMH	310,734	245,684
Public health infrastructure/MRC/Radiation	274,232	308,327
Vital statistics	119,763	112,471
Administration	823,126	826,757
General health district & LGIF	274,492	267,448
Enhanced OP COVID-19	<u>119,688</u>	<u>196,127</u>
Total Disbursements	<u>4,692,950</u>	<u>4,974,672</u>
Change in net position	494,167	342,090
Net position at beginning of year	<u>4,402,804</u>	<u>4,060,714</u>
Net position at end of year	<u>\$ 4,896,971</u>	<u>\$ 4,402,804</u>

In 2022, 42.11% of the Health District's total receipts were from general receipts, consisting mainly of property taxes levied for general Health District purposes. Program receipts accounted for 57.89% of the Health District's total receipts in year 2022. These receipts consist primarily of charges for services for birth and death certificates, food services licenses, trailer park permits, swimming pools permits, and water system permits and state and federal operating grants and donations.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Unaudited)

Governmental Activities

If you look at the Statement of Activities for 2022 on page 12, you will see that the first column lists the major disbursements of the Health District. The next column identifies the amount of these disbursements. In 2022, the major program disbursements for governmental activities were: administration and sewage, which accounted for 17.54% and 6.03% of all governmental disbursements, respectively. The next two columns of the statement entitled Program Receipts identify amounts paid by people who are directly charged for services and grants and contributions received by the Health District that must provide a specific service. The net (disbursements) receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local townships and municipalities, taxpayers, state subsidies and cash balances of grant and fee programs. These net costs are paid from the general receipts which are presented at the bottom of the statement. A comparison between the total cost of services and the net cost for both 2022 and 2021 is presented in Table 3 below.

**Table 3
Governmental Activities**

	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>
Environmental health:				
General environmental health	\$ 223,699	\$ 171,755	\$ 213,695	\$ 155,855
Food service	115,571	(96,630)	91,974	(62,557)
Plumbing	250,161	192,072	192,013	140,233
Water	51,476	(928)	54,218	(2,897)
Sewage	282,817	53,956	301,558	(10,399)
Pools/Spas	6,021	(4,524)	6,139	(5,354)
Camps/MHP	110	(1,485)	220	(2,290)
Solid waste	6,218	300	7,408	2,518
Radon	1,145	879	37,978	27,699
Rabies	260	200	3,095	2,257
Mosquito	27,335	20,988	27,745	20,235
Contract tracing	-	-	178,999	36,691
COVID-19	74,717	5,240	609,174	124,867
Personal health:				
General nursing & ohio children's trust	482,511	103,869	298,106	82,437
Health education and partnerships	225,387	48,519	208,886	57,764
Injury prevention	423,748	91,219	470,674	130,159
Safe & drug free communities	8,564	5,779	14,948	82
Immunization action plan	20,669	4,449	31,499	8,711
LEADS/central intake	67,311	14,490	53,423	14,773
Prescription assistance	7,591	1,634	5,575	1,541
FEMA	268,221	-	-	-
Reproductive health & wellness	227,383	48,949	210,531	58,219
Clinics/BCMh	310,734	66,891	245,684	67,940
Public health infrastructure/MRC/Radiation	274,232	19,231	308,327	63,201
Vital statistics	119,763	91,953	112,471	82,029
Administration	823,126	631,992	826,757	602,985
General health district & LGIF	274,492	210,754	267,448	195,059
Enhanced OP COVID-19	119,688	8,394	196,127	40,202
Totals	<u>\$ 4,692,950</u>	<u>\$ 1,689,946</u>	<u>\$ 4,974,672</u>	<u>\$ 1,831,960</u>

The Health District has attempted to limit its dependence upon property taxes and local subsidies by actively pursuing Federal grants and charging rates for services that are closely related to costs. About 46.54% of the Health District's costs are supported through property taxes, unrestricted grants and other general receipts.

The Health District's Funds

Total governmental funds had receipts and other financing sources of \$5,737,117 and disbursements and other financing uses of \$5,242,950.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Unaudited)**

In 2022, the general fund had receipts of \$2,583,501 and disbursements and other financing sources of \$2,269,981. The fund balance of the general fund increased by \$313,520 due mainly to an increase in charges for services. The general fund had an overall increase in receipts and an increase in disbursements.

The public nursing fund, a major fund, accounts for receipts collected from general nursing and other various personal health activities throughout the county. Receipts, primarily in the form of intergovernmental monies, charges for services, miscellaneous sources, and other financing sources of \$1,935,314 represents an increase of \$527,212 from 2021. Disbursements of \$1,765,334 increased \$240,956 as compared to 2021. The overall fund balance increased \$169,980 from \$806,551 to \$976,531.

General Fund Budgeting Highlights

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

During the course of 2022, the Health District amended its appropriations, and the budgetary statements reflect both the original and final appropriated amounts. The general fund's final budgeted receipts and other financing sources of \$2,410,900 were the same as the original budgeted receipts and other financing sources of \$2,410,900. Actual receipts were \$2,583,501, which were \$172,601 more than final budget estimates. Actual budgetary-basis disbursements and other financing uses of \$2,416,414 were \$543,949 less than final appropriated expenditures and other financing uses of \$2,960,363.

Capital Assets

The Health District does not currently keep track of its capital assets and infrastructure.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and providers with a general overview of the Health District's finances and to reflect the Health District's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Jason E. Orcena, DrPH, Health Commissioner, Union County Health Department, 940 London Avenue, Suite 1100, Marysville, Ohio 43040.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2022

	<u>Governmental Activities</u>
Assets	
Equity in pooled cash and cash equivalents with fiscal agent	<u>\$ 4,896,971</u>
Net position	
Restricted for:	
Public health nursing	\$ 976,531
Public health infrastructure	209,590
Sewage	420,706
Other public health programs	607,124
Unrestricted	<u>2,683,020</u>
Total net position	<u>\$ 4,896,971</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Program Cash Receipts</u>			Net (Disbursements) Receipts and Changes in Net Position
	<u>Disbursements</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental activities:				
Environmental health:				
General environmental health	\$ 223,699	\$ 51,944	\$ -	\$ (171,755)
Food service	115,571	138,492	73,709	96,630
Plumbing	250,161	58,089	-	(192,072)
Water	51,476	52,251	153	928
Sewage	282,817	196,140	32,721	(53,956)
Pools/spas	6,021	10,545	-	4,524
Camps/MHP	110	1,595	-	1,485
Solid waste	6,218	-	5,918	(300)
Radon	1,145	266	-	(879)
Rabies	260	60	-	(200)
Mosquito	27,335	6,347	-	(20,988)
COVID-19	74,717	15,465	54,012	(5,240)
Personal health:				
General nursing & ohio children's trust	482,511	43,769	334,873	(103,869)
Health education and partnerships	225,387	20,445	156,423	(48,519)
Injury prevention	423,748	38,439	294,090	(91,219)
Safe & drug free communities	8,564	-	2,785	(5,779)
Immunization action plan	20,669	1,875	14,345	(4,449)
LEADS/central intake	67,311	6,106	46,715	(14,490)
Prescription assistance	7,591	689	5,268	(1,634)
FEMA	268,221	-	268,221	-
Reproductive health & wellness	227,383	20,626	157,808	(48,949)
Clinics/BCMH	310,734	28,187	215,656	(66,891)
Public health infrastructure/MRC/radiation	274,232	56,762	198,239	(19,231)
Vital statistics	119,763	27,810	-	(91,953)
Administration	823,126	191,134	-	(631,992)
General health district & LGIF	274,492	63,738	-	(210,754)
Enhanced OP COVID-19	119,688	24,773	86,521	(8,394)
Total governmental activities	<u>\$ 4,692,950</u>	<u>\$ 1,055,547</u>	<u>\$ 1,947,457</u>	<u>(1,689,946)</u>
General Receipts:				
Property taxes and other local taxes				
levied for general health district purposes				1,942,406
Grants and entitlements not restricted to specific programs				241,707
Total general receipts				<u>2,184,113</u>
Change in net position				494,167
Net position at beginning of year				<u>4,402,804</u>
Net position at end of year				<u>\$ 4,896,971</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General Fund	Public Health Nursing Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Equity in pooled cash and cash equivalents with fiscal agent	\$ 2,683,020	\$ 976,531	\$ 1,237,420	\$ 4,896,971
Fund Balances				
Restricted:				
Environmental health:				
Food service	\$ -	\$ -	\$ 317,628	\$ 317,628
Water	-	-	42,247	42,247
Sewage	-	-	420,706	420,706
Pools/spas	-	-	73,812	73,812
Camps/MHP	-	-	10,463	10,463
Solid waste	-	-	9,931	9,931
Personal health:				
Safe & drug free communities	-	-	71,180	71,180
Maternal & child health	-	-	81,863	81,863
Public health nursing	-	976,531	-	976,531
Public health infrastructure/MRC/radiation	-	-	209,590	209,590
Committed:				
Compensated absences	76,665	-	-	76,665
Assigned:				
Administration	118,433	-	-	118,433
Subsequent year appropriation	417,784	-	-	417,784
Unassigned	2,070,138	-	-	2,070,138
Total fund balances	\$ 2,683,020	\$ 976,531	\$ 1,237,420	\$ 4,896,971

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund	Public Health Nursing Fund	Nonmajor Governmental Funds	Total Governmental Funds
Receipts				
Property and other local taxes	\$ 1,942,406	\$ -	\$ -	\$ 1,942,406
Intergovernmental	241,707	1,172,077	709,119	2,122,903
Fees, licenses and permits	305,008	1,212	399,023	705,243
Contractual services	-	62,500	-	62,500
Charges for services	91,430	96,424	97,000	284,854
Donations	-	143	-	143
Miscellaneous	2,950	52,958	13,141	69,049
Investment income	-	-	19	19
Total receipts	2,583,501	1,385,314	1,218,302	5,187,117
Disbursements				
Current:				
Environmental health:				
General environmental health	223,699	-	-	223,699
Food service	-	-	115,571	115,571
Plumbing	250,161	-	-	250,161
Water	-	-	51,476	51,476
Sewage	-	-	282,817	282,817
Pools/spas	-	-	6,021	6,021
Camps/MHP	-	-	110	110
Solid waste	-	-	6,218	6,218
Radon	1,145	-	-	1,145
Rabies	260	-	-	260
Mosquito	27,335	-	-	27,335
Contract tracing	-	-	-	-
COVID-19	-	-	74,717	74,717
Personal health:				
General nursing & ohio children's trust	-	482,511	-	482,511
Health education and partnerships	-	225,387	-	225,387
Injury prevention	-	423,748	-	423,748
Safe & drug free communities	-	-	8,564	8,564
Immunization action plan	-	20,669	-	20,669
LEADS/central intake	-	67,311	-	67,311
Prescription assistance	-	7,591	-	7,591
FEMA	-	-	268,221	268,221
Reproductive health & wellness	-	227,383	-	227,383
Clinics/BCMH	-	310,734	-	310,734
Public health infrastructure/MRC/radiation	-	-	274,232	274,232
Vital statistics	119,763	-	-	119,763
Administration	823,126	-	-	823,126
General health district & LGIF	274,492	-	-	274,492
Enhanced OP COVID-19	-	-	119,688	119,688
Total disbursements	1,719,981	1,765,334	1,207,635	4,692,950
Excess (deficiency) of receipts over (under) disbursements	863,520	(380,020)	10,667	494,167
Other financing sources (uses)				
Transfers in	-	550,000	-	550,000
Transfers (out)	(550,000)	-	-	(550,000)
Total other financing sources (uses)	(550,000)	550,000	-	-
Net change in fund balances	313,520	169,980	10,667	494,167
Fund balances at beginning of year	2,369,500	806,551	1,226,753	4,402,804
Fund balances at end of year	<u>\$ 2,683,020</u>	<u>\$ 976,531</u>	<u>\$ 1,237,420</u>	<u>\$ 4,896,971</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and other local taxes	\$ 1,826,000	\$ 1,826,000	\$ 1,942,406	\$ 116,406
Intergovernmental	213,925	213,925	241,707	27,782
Fees, licenses and permits	258,975	258,975	305,008	46,033
Charges for services	74,000	74,000	91,430	17,430
Miscellaneous	8,000	8,000	2,950	(5,050)
Total receipts	<u>2,380,900</u>	<u>2,380,900</u>	<u>2,583,501</u>	<u>202,601</u>
Disbursements				
Current:				
Environmental health:				
General environmental health	323,715	315,738	234,708	81,030
Plumbing	238,408	258,204	252,093	6,111
Radon	3,947	3,900	1,145	2,755
Rabies	10,490	10,490	260	10,230
Mosquito	24,541	28,700	27,385	1,315
Vital statistics	141,921	142,012	134,561	7,451
Administration	1,192,653	1,258,054	902,835	355,219
General health district & LGIF	357,463	343,265	285,427	57,838
Total disbursements	<u>2,293,138</u>	<u>2,360,363</u>	<u>1,838,414</u>	<u>521,949</u>
Excess of receipts over disbursements	<u>87,762</u>	<u>20,537</u>	<u>745,087</u>	<u>724,550</u>
Other financing sources (uses)				
Transfers in	30,000	30,000	-	(30,000)
Transfers out	(600,000)	(600,000)	(578,000)	22,000
Total other financing sources (uses)	<u>(570,000)</u>	<u>(570,000)</u>	<u>(578,000)</u>	<u>(8,000)</u>
Net change in fund balance	<u>(482,238)</u>	<u>(549,463)</u>	<u>167,087</u>	<u>716,550</u>
Unencumbered fund balance beginning of year	2,235,187	2,235,187	2,235,187	-
Prior year encumbrances appropriated	85,648	85,648	85,648	-
Unencumbered fund balance end of year	<u>\$ 1,838,597</u>	<u>\$ 1,771,372</u>	<u>\$ 2,487,922</u>	<u>\$ 716,550</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
PUBLIC HEALTH NURSING FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Intergovernmental	\$ 1,064,397	\$ 1,111,068	\$ 1,172,077	\$ 61,009
Contractual services	72,000	72,000	62,500	(9,500)
Fees, licenses and permits	20,000	20,000	1,212	(18,788)
Charges for services	92,000	92,000	96,424	4,424
Donations	1,000	1,000	143	(857)
Miscellaneous	60,700	60,700	52,958	(7,742)
Total receipts	<u>1,310,097</u>	<u>1,356,768</u>	<u>1,385,314</u>	<u>28,546</u>
Disbursements				
Current:				
Personal health:				
General nursing & ohio children's trust	681,046	678,846	611,597	67,249
Health education and partnerships	393,621	356,146	252,521	103,625
Injury prevention	494,447	577,633	459,251	118,382
Immunization action plan	61,741	60,882	20,795	40,087
LEADS/central intake	72,382	71,736	68,677	3,059
Prescription assistance	22,793	16,906	15,491	1,415
Reproductive health & wellness	312,511	323,713	229,759	93,954
Clinics/BCMh	443,411	445,273	315,169	130,104
Total disbursements	<u>2,481,952</u>	<u>2,531,135</u>	<u>1,973,260</u>	<u>557,875</u>
Excess of disbursements over receipts	<u>(1,171,855)</u>	<u>(1,174,367)</u>	<u>(587,946)</u>	<u>586,421</u>
Other financing sources:				
Transfers in	<u>600,000</u>	<u>600,000</u>	<u>550,000</u>	<u>(50,000)</u>
Total other financing sources	<u>600,000</u>	<u>600,000</u>	<u>550,000</u>	<u>(50,000)</u>
Net change in fund balance	(571,855)	(574,367)	(37,946)	536,421
Unencumbered fund balance beginning of year	538,715	538,715	538,715	-
Prior year encumbrances appropriated	<u>267,836</u>	<u>267,836</u>	<u>267,836</u>	<u>-</u>
Unencumbered fund balance end of year	<u>\$ 234,696</u>	<u>\$ 232,184</u>	<u>\$ 768,605</u>	<u>\$ 536,421</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 1 - REPORTING ENTITY

The Union County General Health District (the “Health 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. A seven-member Board of Health (the “Board”) governs the Health District. Three members are appointed by the District Advisory Council on behalf of the townships, two members are appointed by the City of Marysville, one member is appointed by the District Advisory Council as a medical representative, and one member is appointed by the Licensing Council that represents vendors who are inspected or certified by the Health District. The Board appoints a health commissioner and all employees of the Health District.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the Health District are not misleading.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Health District. The Health District’s services include communicable disease investigations, immunization clinics, inspections, public health nursing services, the issuance of health-related licenses and permits, and emergency response planning.

B. Public Entity Risk Pool

The Health District participates in the Public Entities Pool of Ohio, a public entity risk pool. This organization is presented in Note 12 to the financial statements.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in the “Basis of Accounting” section of this note, these financial statements are presented on a cash basis of accounting. 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. The following are the more significant of the Health District’s accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

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

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

Fund Financial Statements

During the year, the Health District segregates transactions related to certain Health 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 Health District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

B. Fund Accounting

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

Governmental Funds

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

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

Public Health Nursing Fund - This fund receives grants and patient fees to provide for and make disbursements toward health planning, health promotion, health education, and various public health and clinical nursing services.

The other governmental funds of the Health District account for grants and other resources that are restricted or committed for a particular purpose.

C. Basis of Accounting

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

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

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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 existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Health may appropriate. The appropriations resolution is the Board of Health's authorization to spend resources and sets annual limits on disbursements plus encumbrances at the level of control selected by the Board of Health. The legal level of control has been established by the Board of Health at the fund, department, and 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 Health District if the filing has not been made.

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

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources in effect 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 Board of Health.

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

E. Cash and Investments

The County Treasurer is the custodian for the Health District's cash and cash equivalents. The County's cash and investment pool holds the Health District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Union County Treasurer, 233 West Sixth Street, Marysville, Ohio 43040. The phone number is (937) 645-3035.

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. The Health District has no restricted assets at December 31, 2022.

G. Inventory and Prepaid Items

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

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

H. Capital Assets

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

I. Accumulated Leave

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

J. Employer Contributions to Cost-Sharing Pension Plans

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

K. Long-Term Obligations

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

L. Net Position

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The Health District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

M. Fund Cash Balance

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

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board of Health. Those committed amounts cannot be used for any other purpose unless the Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the Health District for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Health or a Health District official delegated that authority by resolution, or by State statute. The amount of subsequent year's appropriations in excess of the subsequent year's estimated receipts for the general fund is also reported as assigned fund balance.

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

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

N. Interfund Transactions

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 in governmental funds.

O. Interfund Receivables/Payables

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

The fund financial statements report outstanding interfund loans as interfund receivables/payables. Interfund loans which do not represent available expendable resources are classified as nonspendable fund balance. Interfund balances are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and public health nursing fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).

In addition, as part of Governmental Accounting Standards Board Statement No. 54, “Fund Balance Reporting”, certain funds that are legally budgeted in separate special revenue funds (salary and benefit stabilization) are considered part of the General fund on the cash basis.

Adjustments necessary to convert the results of operations at the end of the year on the budget-basis to the cash basis are as follows:

	<u>General Fund</u>	<u>Public Health Nursing Fund</u>
Cash basis	\$ 313,520	\$ 169,980
Funds budgeted elsewhere	(28,000)	-
Less: encumbrances	(118,433)	(207,926)
Budget-basis	<u>\$ 167,087</u>	<u>\$ (37,946)</u>

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For 2022, the Health District has implemented GASB Statement No. 87, “Leases”, GASB Implementation Guide 2019-3, “Leases”, GASB Implementation Guide 2020-1, “Implementation Guide Update - 2020”, GASB Statement No. 91, “Conduit Debt Obligations”, GASB Statement No. 92, “Omnibus 2020”, GASB Statement No. 93, “Replacement of Interbank Offered Rates”, GASB Statement No. 97, “ Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32” and certain paragraphs of GASB Statement No. 99, “Omnibus 2022”.

GASB Statement No. 87 and GASB Implementation Guide 2019-3 enhance the relevance and consistency of information of the government’s leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

GASB Implementation Guide 2020-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2020-1 did not have an effect on the financial statements of the Health District.

GASB Statement No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The implementation of GASB Statement No. 91 did not have an effect on the financial statements of the Health District.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 92 enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The implementation of GASB Statement No. 92 did not have an effect on the financial statements of the Health District.

GASB Statement No. 93 establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The implementation of GASB Statement No. 93 did not have an effect on the financial statements of the Health District.

GASB Statement No. 97 is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the Health District.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the Health District.

NOTE 5 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the Health District. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes.

Real property taxes received in 2022 were levied after October 1, 2021, on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of appraised market value. Real property taxes received in 2022 were collected in and intended to finance 2023. Real property taxes received in 2022 were collected in and intended to finance 2023.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2022 with real property taxes.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 5 - PROPERTY TAXES - (Continued)

The full tax rate for all Health District operations for the year ended December 31, 2022 was \$1.25 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2021 property tax receipts were based are as follows:

	Tax Year 2021/ Collection Year 2022
Real property:	
Agriculture	\$ 282,635,010
Residential	1,305,907,880
Commercial/Industrial/Mineral	249,074,250
Public utility personal property:	
Real estate	411,840
Personal	153,211,250
Total assessed valuation	\$ 1,991,240,230

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Health District. The County Auditor periodically remits to the Health District its portion of the taxes collected.

NOTE 6 - RISK MANAGEMENT

The Health District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2022, the Health District contracted with the Public Entities Pool of Ohio for various types of insurance as follows:

Type of Coverage	Coverage	Deductible
<u>Public Entities Pool of Ohio</u>		
Blanket Property and Contents, Replacement	\$ 654,500	\$ 500
General Liability	7,000,000	1,000
Automotive Liability	7,000,000	1,000
Wrongful Acts	7,000,000	1,000
Employment Practice Liability	7,000,000	1,000
Computer - Hardware and Software	301,000	500
Public Employee and Dishonesty	10,000	-
Money and Securities	25,000	-

Settled claims have not exceeded this commercial coverage in any of the past three years and there was no significant reduction in coverage from the prior year.

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

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 6 - RISK MANAGEMENT - (Continued)

The Health District manages employee health benefits on a fully-insured basis. The employee health benefit plan provided basic health coverage through Medical Mutual of Ohio in 2022, which reviews and pays the medical claims. The Health District provided dental insurance through Delta Dental directly in 2022, which reviews and pays the dental claims. For 2022, monthly premiums were as follows:

Coverage	Monthly Premium		
	Medical	Dental	Life
Employee plus spouse and more than two children	\$ 2,072.65		
Employee plus spouse and two children	1,750.20		
Employee plus spouse and one child	1,519.82		
Employee plus spouse	1,289.44		
Employee plus more than two children	1,430.43		
Employee plus two children	1,107.98		
Employee plus one child	877.60		
Single coverage	647.22		
Employee plus two or more dependents		\$ 129.02	
Employee plus one dependent		66.95	
Single coverage		34.33	
All			\$ 4.80

Medical Mutual of Ohio charged the Health District a medical administration fee of \$25.00 per month to administer the respective medical plans.

NOTE 7 - DEFINED BENEFIT PENSION PLANS

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description – Health District employees, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a 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.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 - DEFINED BENEFIT PENSION PLANS - (Continued)

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. 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 Annual 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%.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 - DEFINED BENEFIT PENSION PLANS - (Continued)

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. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the 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. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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
2022 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2022 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 Health District's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$303,022 for 2022.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 8 - DEFINED BENEFIT OPEB PLANS

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. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

The health care 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 separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

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 with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. 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' Annual Comprehensive Financial Report 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.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 8 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Funding Policy - The Ohio Revised Code provides the statutory authority 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 2022, 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. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 was 4.00%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District did not make any contributions to fund OPEB for 2022.

NOTE 9 - INTERFUND TRANSFERS

During 2022, the following transfers were made:

<u>Transfers from General Fund to:</u>	
Public Health Nursing Fund	<u>\$ 550,000</u>

Transfers represent the allocation of unrestricted receipts collected in the general fund to finance current operations accounted for in other funds in accordance with budgetary authorizations. The transfers above were made to provide additional resources for current public health nursing operations.

NOTE 10 - LEASE AGREEMENT WITH UNION COUNTY

In February 2019, the Health District entered into a 10-year lease agreement with Union County for 14,866 square feet of office space. Under the lease agreement, the County provided \$500,000 in note proceeds which the Health District will repay over the term of the lease. The Health District is to pay quarterly lease payments of \$37,165 which includes a base rent payment of \$22,081 and debt service payments of \$15,084. During 2022, the Health District made lease payments related to this agreement of \$148,660. At December 31, 2022, the balance outstanding on the debt associated with the lease was \$357,731.

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 10 - LEASE AGREEMENT WITH UNION COUNTY - (Continued)

The future minimum lease payments as of December 31, 2022 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Base Rent</u>	<u>Total Payment</u>
2023	\$ 47,411	\$ 12,924	\$ 88,325	\$ 148,660
2024	49,238	11,096	88,325	148,659
2025	51,136	9,198	88,325	148,659
2026	53,107	7,227	88,325	148,659
2027	55,154	5,180	88,325	148,659
2028 - 2029	<u>101,685</u>	<u>3,901</u>	<u>154,570</u>	<u>260,156</u>
Total minimum lease payments	<u>\$ 357,731</u>	<u>\$ 49,526</u>	<u>\$ 596,195</u>	<u>\$ 1,003,452</u>

NOTE 11 - CONTINGENT LIABILITIES

Amounts grantor agencies pay to the Health District are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs.

Management cannot presently determine amounts grantors may disallow. However, based on prior cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

NOTE 12 - PUBLIC ENTITY RISK POOL

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

The Health District insures against injuries to employees through the Ohio Bureau of Workers' Compensation.

The Health District is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the (local entity'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 liabilities available to pay those liabilities as of December 31, 2022:

	<u>2022</u>
Cash and investments	\$ 42,310,794
Actuarial liabilities	\$ 15,724,479

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - OHIO DEPARTMENT OF HEALTH FUNDS

During the year ended December 31, 2022, the Health District received federal funding passed through the Ohio Department of Health as follows:

Federal Grantor/ Grant Title	ALN Number	Federal Expenditures
U.S. Department of Health and Human Services:		
Public Health Emergency Preparedness	93.069	\$ 156,305
Opioid	93.136	147,166
Reproductive Health and Wellness	93.217	133,196
Get Vaccinated Ohio	93.268	95,317
Epidemiology and Laboratory Capacity for Infectious	93.323	121,312
Coronavirus Response	93.354	159,238
Integrated Naloxone Access and Infrastructure	93.788	44,700
Creating Healthy Communities/Injury Prevention	93.991	246,398
Reproductive Health and Wellness	93.994	<u>18,836</u>
 Total		 <u>\$ 1,122,468</u>

NOTE 14 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2022, the Health District received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Health District. The impact on the Health District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 15 - Fund Balances

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

Fund Balances	General	Public Health Nursing Fund	Other Governmental Funds	Total
Restricted for				
Environmental Health	\$ -	\$ -	\$ 874,787	\$ 874,787
Personal Health	<u>-</u>	<u>976,531</u>	<u>362,633</u>	<u>1,339,164</u>
<i>Total Restricted</i>	<u>-</u>	<u>976,531</u>	<u>1,237,420</u>	<u>2,213,951</u>
Committed to				
Compensated Absences	<u>76,665</u>	<u>-</u>	<u>-</u>	<u>76,665</u>
<i>Total Committed</i>	<u>76,665</u>	<u>-</u>	<u>-</u>	<u>76,665</u>
Assigned to				
Administration	118,433	-	-	118,433
Subsequent year Appropriations	<u>417,784</u>	<u>-</u>	<u>-</u>	<u>417,784</u>
<i>Total Assigned</i>	<u>536,217</u>	<u>-</u>	<u>-</u>	<u>536,217</u>
Unassigned (Deficits)	<u>2,070,138</u>	<u>-</u>	<u>-</u>	<u>2,070,138</u>
<i>Total Fund Balances</i>	<u>\$ 2,683,020</u>	<u>\$ 976,531</u>	<u>\$ 1,237,420</u>	<u>\$ 4,896,971</u>

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

FEDERAL GRANTOR Pass Through Grantor Program/Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Provided Through to Subrecipient	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION				
<i>Passed Through Ohio Department of Transportation</i>				
Enhanced Mobility of Seniors and Individuals with Disabilities Specialized Transportation Program	20.513	FLEX-0363-038-201	\$ -	\$ 29,066
	20.513	OCPX-0364-058-221	-	1,252
			-	30,318
<i>Passed Through Ohio Department of Public Safety</i>				
State and Community Highway Safety	20.600	SC-2023-Union County Health Distr-00036	-	4,743
Total U.S. Department of Transportation			-	35,061
U.S. DEPARTMENT OF THE TREASURY				
<i>Passed Through Ohio Department of Health</i>				
Coronavirus Relief Fund	21.019	08010012CO0121	-	8,190
Total U.S. Department of Treasury			-	8,190
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through National Association of County and City Health Officials</i>				
Medical Reserve Corps Small Grant Program	93.008	MRC22-0490	-	10,000
<i>Passed Through Ohio Department of Health</i>				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)	93.069	08010012PH1322	56,533	98,697
	93.069	08010012PH1423	8,288	57,608
			64,821	156,305
<i>Passed Through Association of Food & Drug Officials</i>				
Food and Drug Administration Research	93.103	G-MP-2105-09362	-	6,520
	93.103	G-SP-1910-08077	-	3,000
	93.103	G-MP-2108-09717	-	5,325
	93.103	G-SP-2010-08986	-	2,000
			-	16,845
<i>Passed Through National Environmental Health Association</i>				
Food and Drug Administration Research	93.103	G-BDEV-202111-01480	-	4,999
	93.103	G-OATR-202111-01635	-	4,136
	93.103	G-OAME-202111-01483	-	4,280
			-	13,415
Total Food and Drug Administration Research	93.103		-	30,260
<i>Passed Through Ohio Department of Health</i>				
Injury Prevention and Control Research and State and Community Based Programs	93.136	08010014DR0221	-	106,750
	93.136	08010014DR0322	-	40,416
			-	147,166
Family Planning Services	93.217	08010011RH1122	-	37,911
	93.217	08010011RH1223	-	95,285
			-	133,196
Immunization Cooperative Agreements	93.268	08010012GV0322	17,672	22,605
	93.268	08010012CN0122	2,851	72,712
			20,523	95,317
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	08010012WF0122	60,310	159,238
Opioid STR (Naloxone)	93.788	08010014IN0423	12,500	44,700
Preventative Health and Human Services Block Grant Creating Healthy Communities	93.991	08010014CC0721	-	9,251
	93.991	08010014CC0822	-	88,197
Injury Prevention	93.991	08010014IF0422	-	135,900
	93.991	08010014IF0523	-	13,050
			-	246,398
Maternal and Child Health Services Block Grant	93.994	08010011RH1122	-	18,836
Total U.S. Department of Health and Human Services			158,154	1,041,416
CENTER FOR DISEASE AND CONTROL AND PREVENTION				
<i>Passed Through Ohio Department of Health</i>				
Epidemiology and Laboratory Capacity for Covid-19 Detection and Mitigation in Confinement Facilities	93.323	08010012CF0123	-	65
Covid-19 Enhanced Operations	93.323	08010012EO0121	7,942	104,104
	93.323	08010012EO0222	-	17,143
Total Center for Disease and Control and Prevention			7,942	121,312
Federal Emergency Management Agency				
<i>Passed Through Ohio EMA</i>				
Covid-19 Public Assistance	97.036	FEMA-4507-DR-159-0FA39-00	-	268,221
Total Federal Emergency Management Agency			-	268,221
Total			\$ 166,096	\$ 1,474,200

The accompanying notes are an integral part of this schedule.

**UNION COUNTY HEALTH DISTRICT
UNION COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of UNION COUNTY HEALTH DISTRICT (the District) under programs of the federal government for the year ended December 31, 2022. 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 to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - SUBRECIPIENTS

The District passes certain federal awards received from the Ohio Department of Health to other governments or not-for-profit agencies (subrecipients). As Note B describes, the District reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the District has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE E - 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.



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

Union County General Health District
Union County
940 London Avenue, Suite 1100
Marysville, Ohio 43040

To the Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Union County General Health District, Union County, (the District) as of and for the year ended December 31, 2022, and the related notes to the financial statements and have issued our report thereon dated August 31, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

August 31, 2023



**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**

Union County General Health District
Union County
940 London Avenue, Suite 1100
Marysville, Ohio 43040

To the Board of Health:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Union County General Health District’s (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Union County General Health District’s major federal programs for the year ended December 31, 2022. Union County General Health District’s major federal programs are identified in the *Summary of Auditor’s Results* section of the accompanying schedule of audit findings.

In our opinion, Union County General Health District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

Union County General Health District
Union County
Independent Auditor's Report on Compliance with Requirements
Applicable to Each Major Federal Program and on Internal Control Over Compliance
Required by the Uniform Guidance
Page 2

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



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

August 31, 2023

**UNION COUNTY GENERAL HEALTH DISTRICT
UNION COUNTY**

**SCHEDULE OF AUDIT FINDINGS
2 CFR § 200.515
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Adverse – GAAP Basis Unmodified – Regulatory Basis
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Family Planning Services AL #93.217, Preventative Health and Human Services Block Grant AL #93.991, Disaster Grants Public Assistance AL #97.036,
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR § 200.520?	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



UNION COUNTY GENERAL HEALTH DISTRICT

UNION 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 11/21/2023

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