



OHIO AUDITOR OF STATE
KEITH FABER



**BUTLER COUNTY DISTRICT BOARD OF HEALTH
BUTLER COUNTY
DECEMBER 31, 2024**

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INDEPENDENT AUDITOR'S REPORT

Butler County District Board of Health
Butler County
301 South Third Street
Hamilton, Ohio 45011

To the Members of the Board:

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 Butler County District Board of Health, Butler County, Ohio (the District), as of and for the year ended December 31, 2024, 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, 2024, and the respective changes in cash-basis financial position thereof and the respective budgetary comparisons for the General, Food Service, and Sewage Permit Fee Funds for the year then ended in accordance with the cash-basis of accounting described in Note 2.

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.

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 for the purpose of forming opinions on the financial statements 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.

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 in the audit of 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
May 7, 2025

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Butler County District Board of Health

Statement of Net Position - Cash Basis

December 31, 2024

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	<u>\$2,325,955</u>
Net Position:	
Restricted:	
Food Service	\$374,665
Recreational	1,049
Swimming Pool	76,417
Sewage Permit	236,280
Unrestricted	<u>1,637,544</u>
<i>Total Net Position</i>	<u>\$2,325,955</u>

See accompanying notes to the basic financial statements

Butler County District Board of Health
Statement of Activities - Cash Basis
For the Year Ended December 31, 2024

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Position
	Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Health:				
Public Health	\$1,962,932	\$0	\$1,921,784	(\$41,148)
Environmental Health	737,612	336,157	255,796	(145,659)
Food Service	710,774	629,299	3,593	(77,882)
Plumbing	402,375	656,553	0	254,178
Nursing	625,524	60,427	164,421	(400,676)
Vital Statistics	423,345	399,098	0	(24,247)
<i>Total Governmental Activities</i>	<u>\$4,862,562</u>	<u>\$2,081,534</u>	<u>\$2,345,594</u>	<u>(435,434)</u>
General Receipts:				
Grants and Entitlements not Restricted to Specific Programs				309,820
Miscellaneous				8,932
<i>Total General Revenues</i>				<u>318,752</u>
<i>Change in Net Position</i>				(116,682)
<i>Net Position at Beginning of Year</i>				<u>2,442,637</u>
<i>Net Position at End of Year</i>				<u><u>\$2,325,955</u></u>

See accompanying notes to the basic financial statements

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Butler County District Board of Health
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2024

	<u>General Fund</u>	<u>Food Service Fund</u>	<u>Sewage Permit Fee Fund</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	<u>\$1,637,544</u>	<u>\$374,665</u>	<u>\$236,280</u>
Fund Balances:			
Restricted	\$0	\$374,665	\$236,280
Assigned	32,591	0	0
Unassigned	<u>1,604,953</u>	<u>0</u>	<u>0</u>
<i>Total Fund Balances</i>	<u>\$1,637,544</u>	<u>\$374,665</u>	<u>\$236,280</u>

See accompanying notes to the basic financial statements

Nonmajor Governmental Funds	Total Governmental Funds
<u>\$77,466</u>	<u>\$2,325,955</u>
\$77,466	\$688,411
0	32,591
0	1,604,953
<u>\$77,466</u>	<u>\$2,325,955</u>

Butler County District Board of Health
Statement of Cash Basis Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	<u>General Fund</u>	<u>Food Service Fund</u>	<u>Sewage Permit Fee Fund</u>
Receipts:			
Charges for Services	\$459,525	\$0	\$0
Licenses and Permits	682,467	629,299	251,677
Intergovernmental	2,400,673	3,593	251,148
Other	6,706	1,592	513
<i>Total Receipts</i>	<u>3,549,371</u>	<u>634,484</u>	<u>503,338</u>
Disbursements:			
Current:			
Health:			
Public Health	1,962,932	0	0
Environmental Health	271,393	0	407,883
Food Service	0	710,774	0
Plumbing	402,375	0	0
Nursing	625,524	0	0
Vital Statistics	423,345	0	0
<i>Total Disbursements</i>	<u>3,685,569</u>	<u>710,774</u>	<u>407,883</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(136,198)</u>	<u>(76,290)</u>	<u>95,455</u>
Other Financing Sources (Uses):			
Advances In	100,000	0	100,000
Advances Out	(100,000)	0	(100,000)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(136,198)	(76,290)	95,455
<i>Fund Balances at Beginning of Year</i>	<u>1,773,742</u>	<u>450,955</u>	<u>140,825</u>
<i>Fund Balances at End of Year</i>	<u><u>\$1,637,544</u></u>	<u><u>\$374,665</u></u>	<u><u>\$236,280</u></u>

See accompanying notes to the basic financial statements

Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$459,525
58,566	1,622,009
0	2,655,414
121	8,932
58,687	4,745,880
0	1,962,932
58,336	737,612
0	710,774
0	402,375
0	625,524
0	423,345
58,336	4,862,562
351	(116,682)
0	200,000
0	(200,000)
0	0
351	(116,682)
77,115	2,442,637
\$77,466	\$2,325,955

Butler County District Board of Health
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Receipts:				
Charges for Services	\$585,000	\$460,000	\$459,525	(\$475)
Licenses and Permits	600,000	580,000	682,467	102,467
Intergovernmental	1,930,509	2,474,869	2,400,673	(74,196)
Contributions and Donations	1,000	1,000	0	(1,000)
Other	231	231	6,706	6,475
<i>Total Receipts</i>	<u>3,116,740</u>	<u>3,516,100</u>	<u>3,549,371</u>	<u>33,271</u>
Disbursements:				
Current:				
Health:				
Public Health	1,702,278	2,162,926	1,983,308	179,618
Environmental Health	233,181	296,870	273,174	23,696
Food Service	3,675	3,675	0	3,675
Plumbing	343,948	438,374	403,982	34,392
Nursing	532,858	679,652	632,744	46,908
Vital Statistics	361,681	461,029	424,952	36,077
<i>Total Disbursements</i>	<u>3,177,621</u>	<u>4,042,526</u>	<u>3,718,160</u>	<u>324,366</u>
Excess of Revenues Under Disbursements	<u>(60,881)</u>	<u>(526,426)</u>	<u>(168,789)</u>	<u>357,637</u>
Other Financing Sources (Uses):				
Advances In	0	0	100,000	100,000
Advances Out	<u>0</u>	<u>0</u>	<u>(100,000)</u>	<u>(100,000)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(60,881)</u>	<u>(526,426)</u>	<u>(168,789)</u>	<u>357,637</u>
<i>Fund Balance at Beginning of Year</i>	<u>1,712,861</u>	<u>1,712,861</u>	<u>1,712,861</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>60,881</u>	<u>60,881</u>	<u>60,881</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$1,712,861</u>	<u>\$1,247,316</u>	<u>\$1,604,953</u>	<u>\$357,637</u>

See accompanying notes to the basic financial statements

Butler County District Board of Health
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Food Service Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Receipts:				
Licenses and Permits	\$620,000	\$650,000	\$629,299	(\$20,701)
Intergovernmental	0	0	3,593	3,593
Other	0	0	1,592	1,592
<i>Total Receipts</i>	620,000	650,000	634,484	(15,516)
Disbursements:				
Current:				
Health:				
Food Service	671,849	740,419	719,363	21,056
<i>Net Change in Fund Balance</i>	(51,849)	(90,419)	(84,879)	5,540
<i>Fund Balance at Beginning of Year</i>	450,406	450,406	450,406	0
<i>Prior Year Encumbrances Appropriated</i>	549	549	549	0
<i>Fund Balance at End of Year</i>	<u>\$399,106</u>	<u>\$360,536</u>	<u>\$366,076</u>	<u>\$5,540</u>

See accompanying notes to the basic financial statements

Butler County District Board of Health
Statement of Receipts, Disbursements and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Sewage Permit Fee Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Receipts:				
Licenses and Permits	\$256,050	\$225,000	\$251,677	\$26,677
Intergovernmental	250,000	270,000	251,148	(18,852)
Other	0	0	513	513
<i>Total Receipts</i>	506,050	495,000	503,338	8,338
Disbursements:				
Current:				
Health:				
Environmental Health	555,450	542,150	482,073	60,077
Excess of Revenues Over (Under) Disbursements	(49,400)	(47,150)	21,265	68,415
Other Financing Sources (Uses):				
Advances In	0	0	100,000	100,000
Advances Out	0	0	(100,000)	(100,000)
<i>Total Other Financing Sources (Uses)</i>	0	0	0	0
<i>Net Change in Fund Balance</i>	(49,400)	(47,150)	21,265	68,415
<i>Fund Balance at Beginning of Year</i>	91,425	91,425	91,425	0
<i>Prior Year Encumbrances Appropriated</i>	49,400	49,400	49,400	0
<i>Fund Balance at End of Year</i>	<u>\$91,425</u>	<u>\$93,675</u>	<u>\$162,090</u>	<u>\$68,415</u>

See accompanying notes to the basic financial statements

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The Butler County District Board of Health, Butler County, Ohio (the “District”) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by an eight-member Board. Five members of the Board are appointed to serve three-year terms by the District Advisory Council which consists of the chief executive of each municipal corporation not constituting a city health district and the chairman of the board of township trustees of each township in the general District or their alternates selected by their respective governing bodies and the President of the Butler County Commissioners or their designated alternate. The other three members are appointed by the Cities of Oxford (1), Fairfield (1), and Trenton (1) as per contract.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the District are not misleading. The District has no component units.

Primary Government

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

Public Entity Risk Pool

The District participates in the Public Entities Pool of Ohio (PEP), a public entity risk pool. This organization is presented in Note 5 to the basic financial statements.

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

Note 2 – Summary of Significant Accounting Policies

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

Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the 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 District has no business-type activities.

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

The statement of net position presents the cash balance of the governmental activities of the District at year end. The statement of activities compares disbursements and program receipts for each program or function of the 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 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, and receipts of interest earned on grants that are required to be used to support a particular program. Receipts which are not classified as program receipts are presented as general receipts of the 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 District.

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

- **General Fund** – The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio. It includes receipts and disbursements related to vital statistics, nursing services, state subsidy, and taxation fees.
- **Food Service Fund** – This fund accounts for and reports license fees restricted to the licensing and inspection of restaurants, retail food establishments and vending machines. License fees are established by cost methodology.
- **Sewage Permit Fee Fund** – This fund accounts for and reports license and permit fees along with intergovernmental receipts restricted to the inspection of and permits for sewage systems in Butler County.

The other governmental funds of the District account for and report only other resources, whose use is restricted, committed or assigned to a particular purpose.

Basis of Accounting

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

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations resolution, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the District may appropriate. The appropriations resolution is the District's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established by the District at the fund, department, and object level for all funds.

ORC Section 5705.28(C)(1) requires the District to file an estimate of contemplated revenue and expenses with the municipalities and townships within the District by about June 1 (45 days prior to July 15). The County Auditor cannot allocate property taxes from the municipalities and townships within the District if the filing has not been made.

ORC Section 3709.28 establishes budgetary requirements for the District, which are similar to ORC Chapter 5705 budgetary requirements. On or about the first Monday of April, the District must adopt an itemized appropriation measure. The appropriation measure, together with an itemized estimate of revenues to be collected during the next fiscal year, shall be certified to the county budget commission. Subject to estimated resources, the District 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 District.

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 amounts reported as the final budgeted amounts represents the final appropriations passed by the District during the year.

Cash and Investments

As required by Ohio Revised Code, the Butler County Treasurer is the custodian for the District's cash and investments. The County's cash and investment pool holds the District's cash and investments, which are reported at the County Treasurer's carrying amount on the basic financial statements as cash and cash equivalents. Deposits and investments disclosures for the County as a whole may be obtained from: Michael McNamara, Butler County Treasurer, Government Services Center, 315 High Street, 10th Floor, Hamilton, Ohio 45011; Telephone: (513) 887-3181; E-mail: mcnamaramp@butlercountyohio.org.

Inventory and Prepaid Items

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

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Capital Assets

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

Interfund Receivables/Payables

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

Accumulated Leave

For 2024, GASB Statement No. 101, Compensated Absences, was effective. GASB 101 defines a compensated absence as leave for which employees may receive cash payments when the leave is used for time off or receive cash payments for unused leave upon termination of employment. These payments could occur during employment or upon termination of employment. Compensated absences generally do not have a set payment schedule. The District does not offer noncash settlements.

Employer Contributions to Cost Sharing Pension Plans

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

Leases

The District is the lessee (as defined by GASB 87) in a lease related to a vehicle under noncancelable lease. Lease payable is not reflected under the District's cash basis of accounting. Lease disbursements are recognized when they are paid.

Net Position

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

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

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the 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 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.

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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.

Committed

The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a 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 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.

Unassigned

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

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

New Accounting Pronouncements

For 2024, GASB Statement No. 100, *Accounting Changes and Error Corrections* was effective. This GASB pronouncement had no effect on beginning net position/fund balance as the District had no accounting changes or error corrections related to 2024. See the *Accumulated Leave* section of Note 2 for discussion of the implementation of GASB Statement No. 101, *Compensated Absences*.

Note 3 – Budgetary Basis of Accounting

The budgetary basis 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 (Budget Basis) for the General Fund, the Food Service and the Sewage Permit Fee Special Revenue Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The only difference between the budgetary basis fund balance and the cash basis fund balance is current encumbrances of \$32,591 in the General Fund, \$8,589 in the Food Service Special Revenue Fund, and \$74,190 in the Sewage Permit Fee Special Revenue Fund.

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 4 – Deposits and Investments

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

Note 5 – Risk Management

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

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

Casualty and Property Coverage

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

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

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

	<u>2023</u>
Cash and Investments	\$43,996,442
Actuarial Liabilities	\$19,743,401

Note 6 – Defined Benefit Pension Plan

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – District employees, other than Board members, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which 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. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this 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.

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. 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 Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

Traditional plan State and local 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 amount of a member's pension benefit vests at retirement.

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.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original 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 on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits

Butler County District Board of Health

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

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 and will continue to be administered by OPERS), 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.

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

	<u>State and Local</u>	
	<u>Traditional</u>	<u>Combined</u>
2024 Statutory Maximum Contribution Rates		
Employer	14.0%	14.0%
Employee *	10.0%	10.0%
2024 Actual Contributions Rates		
Employer:		
Pension **	14.0%	12.0%
Post-employment Health Care Benefits **	0.0%	2.0%
Total Employer	<u>14.0%</u>	<u>14.0%</u>
Employee	<u>10.0%</u>	<u>10.0%</u>

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll. The District's contractually required contribution was \$493,744 for the year 2024.

Social Security

The Board Members contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The District contributed an amount equal to 6.2 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2024.

Note 7 – Postemployment Benefits

Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. 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. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Age 65 or older Retirees Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees Based on the following age-and-service criteria:

Group A 30 years of total service with at least 20 years of qualified health care service credit;

Group B 31 years of total service credit with at least 20 years of qualified health care service credit;

Group C 32 years of total service cred with at least 20 years of qualified health care service credit.

Age 59 or younger Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

Group B 32 years of qualified health care service credit at any age or 31 years of qualified health care service credit and at least age 52;

Group C 32 years of qualified health care service credit and at least age 55.

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Retirees who do not meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

Group A	Group B	Group C
Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
<i>January 1, 2015 through</i> <i>December 31, 2021</i>	<i>January 1, 2015 through</i> <i>December 31, 2021</i>	<i>January 1, 2015 through</i> <i>December 31, 2021</i>
Age 60 with 20 years of service credit or Any Age with 30 years of service credit	Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

See the Age and Service Retirement section of the OPERS ACFR for a description of Groups A, B and C.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance for both non-Medicare and Medicare retirees.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10 percent each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20 percent per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

Butler County District Board of Health

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2024, State and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. 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 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District had no contractually required contributions during 2024.

Note 8 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the 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 as follows:

Fund Balances	General Fund	Food Service Fund	Sewage Permit Fee Fund	Nonmajor Governmental Funds	Total
Restricted For:					
Food Service	\$0	\$374,665	\$0	\$0	\$374,665
Recreational	0	0	0	1,049	1,049
Swimming Pool	0	0	0	76,417	76,417
Sewage Permit	0	0	236,280	0	236,280
<i>Total Restricted</i>	<u>0</u>	<u>374,665</u>	<u>236,280</u>	<u>77,466</u>	<u>688,411</u>
Assigned To:					
Purchases on Order	32,591	0	0	0	32,591
Unassigned	<u>1,604,953</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,604,953</u>
<i>Total Fund Balances</i>	<u>\$1,637,544</u>	<u>\$374,665</u>	<u>\$236,280</u>	<u>\$77,466</u>	<u>\$2,325,955</u>

Butler County District Board of Health
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 9 – Contingent Liabilities

Federal and State Grants

Amounts grantor agencies pay to the 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 experience, management believes any refunds would be immaterial.

Litigation

The District is not party to legal proceedings.

Note 10 – Ohio Department of Health Funds

During the year ended December 31, 2024, the District received federal funding passed through the Ohio Department of Health as follows:

<u>Grant Name</u>	<u>Funding Source(s)</u>	<u>2024 Federal Expenditures</u>
Public Health Emergency Preparedness	ALN 93.069	\$333,036
Medical Reserve Corps	ALN 93.008	118,696
Maternal Child Health Program	ALN 93.994	106,533
OPOID State Targeted Response	ALN 93.788	143,085
Immunization Cooperative Agreements	ALN 93.268	31,808
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	ALN 93.323	188,983
COVID-19 Public Health Emergency Response	ALN 93.354	28,390
Activities to Support STLT Health Department		
Response To Public Healthcare Crises	ALN 93.391	5,000
CDC's Collaboration with Academia	ALN 93.967	246,888
		<u>\$1,202,419</u>

Note 11 – 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 ended in April 2023. During 2024, the District received COVID-19 funding. The District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

The 2024 activity includes \$17,400 which was returned to the granting agency. This amount is reflected as a reduction of intergovernmental revenue in the General Fund on the accompanying financial statements.

**BUTLER COUNTY GENERAL HEALTH DISTRICT
BUTLER COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES <i>Passed Through From Ohio Department of Health</i>				
Public Health Emergency Preparedness	AL 93.069	00910012PH1524/00910012PH0125		333,036
Medical Reserve Corps Small Grant Program	AL 93.008	00910011MR0124		118,696
Maternal & Child Health Services Block Grant to the States	AL 93.994	00910011OE0523/00910011CK0624/ 00910011CK0624-01		106,533
OPIOID STR	AL 93.788	00910014IH0224		143,085
Immunization Cooperative Agreements	AL 93.268	00910012GV0324/00910012GV0425/00910012CB0124		31,808
COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	AL 93.323	00910012EO0323		188,983
COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	AL 93.354	00910012WF0122/00910012WF0223	5,742	28,390
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	AL 93.391	00910012WF0223		5,000
CDC's Collaboration with Academia to Strengthen Public Health	AL 93.967	00910012WF0223		246,888
Total U.S. Department of Health and Human Services			5,742	1,202,419
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES <i>Passed Through From National Association of County and City Health Officials (NACCHO)</i>				
Medical Reserve Corps Small Grant Program	AL 93.008	HITEP 200045-03-03		9,640
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	AL 93.421	609391		11,450
Total U.S. Department of Health and Human Services				21,090
U.S. DEPARTMENT OF JUSTICE <i>Passed through From Butler County Mental Health Addiction Recovery Board</i>				
Comprehensive OPIOID, Stimulant and Substance Abuse Site-Based Program	AL 16.838	15PBJ-23-GG-02355-COAP		76,681
Total U.S. Department of Justice				76,681
Total Expenditures of Federal Awards			\$5,742	1,300,190

The accompanying notes are an integral part of this schedule.

Notes

1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Butler County General Health District (the District) under programs of the federal government for the year ended December 31, 2024. 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, changes in net assets, or cash flows of the District.

2 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

3 Indirect Cost Rate

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

4 Matching Requirements

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to Support the Federally-funded programs.

5 Ohio Department of Health Requirements

Ohio Department of Health Grants Administration Policies and Procedures (OGAPP) Manual required the receipts of all federal awards to be reported in addition to the reporting of the federal expenditures. The following federal funds were received from the Ohio Department of Health during the Audit Period.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES <i>Passed Through From Ohio Department of Health</i>	Receipts		
Public Health Emergency Preparedness FY24/FY25	AL 93.069	00910012PH1524/00910012PH0125	194,629
MRC Strong Program FY24	AL 93.008	00910011MR0124	110,204
Ohio Equity Institute FY23	AL 93.994	00910011OE0523	121,069
Integrated Harm Reduction FY24	AL 93.788	00910014IH0224	146,000
Get Vaccinated Ohio FY24	AL 93.268	00910012GV0324	24,247
Get Vaccinated Ohio FY25	AL 93.268	00910012GV0425	15,084
COVID-19 Bridge Vaccination	AL 93.268	00910012CB0124	11,100
COVID-19 Enhanced Operations FY23	AL 93.323	00910012EO0323	189,321
Public Health Workforce FY22	AL 93.354	00910012WF0122	181,470
Public Health Workforce FY23	AL 93.391	00910012WF0223	5,000
Public Health Workforce FY23	AL 93.967	00910012WF0223	245,895
Total U.S. Department of Health and Human Services			
Total Federal Receipts from Ohio Department of Health			1,244,020

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OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215
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800-282-0370

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

Butler County District Board of Health
Butler County
301 South Third Street
Hamilton, Ohio 45011

To the Members of the Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Butler County District Board of Health, Butler County, Ohio (the District) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 7, 2025, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio
May 7, 2025



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

**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**

Butler County District Board of Health
Butler County
301 South Third Street
Hamilton, Ohio 45011

To the Members of the Board:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Butler County District Board of Health's, Butler County, (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 Butler County District Board of Health's major federal programs for the year ended December 31, 2024. Butler County District Board of Health's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Butler County District Board of Health 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, 2024.

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.

Butler County District Board of Health
Butler 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
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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.

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.

A handwritten signature in black ink, appearing to read "Keith Faber". The signature is fluid and cursive, with the first name "Keith" and last name "Faber" clearly distinguishable.

Keith Faber
Auditor of State
Columbus, Ohio
May 7, 2025

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**BUTLER COUNTY DISTRICT BOARD OF HEALTH
BUTLER COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	93.069 Public Health Emergency Preparedness (PHEP) 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted.

OHIO AUDITOR OF STATE KEITH FABER



BUTLER COUNTY DISTRICT BOARD OF HEALTH

BUTLER 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 5/22/2025

65 East State Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
www.ohioauditor.gov