



OHIO AUDITOR OF STATE
KEITH FABER



**CUYAHOGA COUNTY BOARD OF HEALTH
CUYAHOGA COUNTY**

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**CUYAHOGA COUNTY BOARD OF HEALTH
CUYAHOGA COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Cuyahoga County Board of Health
Cuyahoga County
5550 Venture Drive
Parma, Ohio 44130

To the Board Members:

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 Cuyahoga County Board of Health, Cuyahoga County, Ohio (the Board), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Board'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 Board, as of December 31, 2023, and the respective changes in cash-basis financial position thereof and the respective budgetary comparisons for the General, HIV/STI Care and Prevention, COVID-19 Response, Injury Prevention and Creating Healthy Communities 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 Board, 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 2C 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 2C, 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 Board'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 Board'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 Board'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 Board'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 June 4, 2025, on our consideration of the Board'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 Board'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 Board's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

June 4, 2025

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Cuyahoga County Board of Health
Cuyahoga County
Statement of Net Position - Cash Basis
December 31, 2023

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$10,371,283</u></u>
 Net Position	
Restricted for:	
Other Purposes	3,921,680
Unrestricted	<u>6,449,603</u>
 <i>Total Net Position</i>	<u><u>\$10,371,283</u></u>

See accompanying notes to the basic financial statements

Cuyahoga County Board of Health
Cuyahoga County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2023

		Program Receipts		Net Receipts (Disbursements) and Change in Net Position
	Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Administration	\$3,923,957	\$0	\$0	(\$3,923,957)
Environmental Public Health	12,713,164	4,912,330	9,816,323	2,015,489
Nursing and Clinical Services	5,819,429	779,269	4,224,584	(815,576)
Population Health	9,696,901	7,000	8,939,533	(750,368)
Epidemiology, Surveillance and Informatics	5,902,398	0	6,121,498	219,100
Capital Outlay	38,640	0	0	(38,640)
Principal Retirement	251,000	0	0	(251,000)
Interest and Fiscal Charges	218,511	0	0	(218,511)
Total Governmental Activities	\$38,564,000	\$5,698,599	\$29,101,938	(\$3,763,463)
		General Receipts		
		Property Taxes Levied for General Health Purposes		5,888,473
		Grants and Entitlements not Restricted to Specific Programs		1,132,425
		Other		893,817
		Total General Receipts and Transfers		7,914,715
		Change in Net Position		4,151,252
		<i>Net Position, Beginning of Year</i>		6,220,031
		<i>Net Position, End of Year</i>		\$10,371,283

See accompanying notes to the basic financial statements

Cuyahoga County Board of Health
Cuyahoga County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2023

	<u>General</u>	<u>COVID-19 Response</u>	<u>Creating Healthy Communities</u>	<u>HIV/STI Care and Prevention</u>	<u>Injury Prevention</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets							
Equity in Pooled Cash and Cash Equivalents	<u>\$8,671,592</u>	<u>\$1,732,679</u>	<u>(\$1,436,133)</u>	<u>\$216,483</u>	<u>(\$174,205)</u>	<u>\$1,360,867</u>	<u>\$10,371,283</u>
Fund Balances							
Restricted	\$0	\$1,732,679	\$0	\$216,483	\$0	\$1,972,518	\$3,921,680
Unassigned (Deficit)	<u>8,671,592</u>	<u>0</u>	<u>(1,436,133)</u>	<u>0</u>	<u>(174,205)</u>	<u>(611,651)</u>	<u>6,449,603</u>
Total Fund Balances	<u>\$8,671,592</u>	<u>\$1,732,679</u>	<u>(\$1,436,133)</u>	<u>\$216,483</u>	<u>(\$174,205)</u>	<u>\$1,360,867</u>	<u>\$10,371,283</u>

See accompanying notes to the basic financial statements.

Cuyahoga County Board of Health
Cuyahoga County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	COVID-19 Response	Creating Healthy Communities	HIV/STI Care and Prevention	Injury Prevention	Other Governmental Funds	Total Governmental Funds
Receipts							
Property Taxes	\$5,888,473	\$0	\$0	\$0	\$0	\$0	\$5,888,473
Intergovernmental	1,132,424	4,519,702	2,528,126	8,804,463	6,934,439	6,156,732	30,075,886
Fines, Licenses and Permits	3,390,658	0	0	0	0	0	3,390,658
Charges for Services	2,097,030	0	7,000	0	0	203,911	2,307,941
Gifts and Contributions	158,477	0	0	0	0	0	158,477
Other	304,971	0	123,000	0	0	465,846	893,817
<i>Total Receipts</i>	<u>12,972,033</u>	<u>4,519,702</u>	<u>2,658,126</u>	<u>8,804,463</u>	<u>6,934,439</u>	<u>6,826,489</u>	<u>42,715,252</u>
Disbursements							
Administration	3,594,559	0	0	0	0	329,398	3,923,957
Environmental Public Health	5,244,423	0	0	0	5,357,475	2,111,266	12,713,164
Nursing and Clinical Services	1,621,836	0	0	2,964,410	0	1,233,183	5,819,429
Population Health	427,872		2,237,166	6,336,026	226,844	468,993	9,696,901
Epidemiology, Surveillance and Informatics	640,264	3,325,425	465,817	0	0	1,470,892	5,902,398
Capital Outlay	38,640	0	0	0	0	0	38,640
Principal Retirement	251,000	0	0	0	0	0	251,000
Interest and Fiscal Charges	218,511	0	0	0	0	0	218,511
<i>Total Disbursements</i>	<u>12,037,105</u>	<u>3,325,425</u>	<u>2,702,983</u>	<u>9,300,436</u>	<u>5,584,319</u>	<u>5,613,732</u>	<u>38,564,000</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>934,928</u>	<u>1,194,277</u>	<u>(44,857)</u>	<u>(495,973)</u>	<u>1,350,120</u>	<u>1,212,757</u>	<u>4,151,252</u>
Other Financing Sources (Uses)							
Transfers In	0	0	48,687	0	0	97,627	146,314
Transfers Out	(146,314)	0	0	0	0	0	(146,314)
<i>Total Other Financing Sources (Uses)</i>	<u>(146,314)</u>	<u>0</u>	<u>48,687</u>	<u>0</u>	<u>0</u>	<u>97,627</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>788,614</u>	<u>1,194,277</u>	<u>3,830</u>	<u>(495,973)</u>	<u>1,350,120</u>	<u>1,310,384</u>	<u>4,151,252</u>
<i>Fund Balance (Deficit), Beginning of Year</i>	<u>7,882,978</u>	<u>538,402</u>	<u>(1,439,963)</u>	<u>712,456</u>	<u>(1,524,325)</u>	<u>50,483</u>	<u>6,220,031</u>
<i>Fund Balance (Deficit), End of Year</i>	<u>\$8,671,592</u>	<u>\$1,732,679</u>	<u>(\$1,436,133)</u>	<u>\$216,483</u>	<u>(\$174,205)</u>	<u>\$1,360,867</u>	<u>\$10,371,283</u>

See accompanying notes to the basic financial statements.

Cuyahoga County Board of Health
Cuyahoga County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property Taxes	\$5,494,892	\$6,028,019	\$5,888,473	(\$139,546)
Intergovernmental	1,946,402	2,148,846	1,132,424	(1,016,422)
Fines, Licenses and Permits	2,879,326	3,227,461	3,390,658	163,197
Charges for Services	1,078,905	1,104,880	2,097,030	992,150
Gifts and Contributions	0	0	158,477	158,477
Other	500	500	304,971	304,471
<i>Total Receipts</i>	<u>11,400,025</u>	<u>12,509,706</u>	<u>12,972,033</u>	<u>462,327</u>
Disbursements				
Administration	3,070,500	4,083,325	3,594,559	488,766
Environmental Public Health	5,644,107	5,577,250	5,244,423	332,827
Nursing and Clinical Services	1,945,754	2,252,715	1,621,836	630,879
Population Health	966,708	462,469	427,872	34,597
Epidemiology, Surveillance and Informatics	937,251	878,401	640,264	238,137
Capital Outlay	17,000	36,500	38,640	(2,140)
Principal Retirement	243,000	251,000	251,000	0
Interest and Fiscal Charges	228,919	218,512	218,511	1
<i>Total Disbursements</i>	<u>13,053,239</u>	<u>13,760,172</u>	<u>12,037,105</u>	<u>1,723,067</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(1,653,214)</u>	<u>(1,250,466)</u>	<u>934,928</u>	<u>2,185,394</u>
Other Financing Sources (Uses)				
Transfers Out	(111,670)	(155,224)	(146,314)	8,910
<i>Total Other Financing Sources (Uses)</i>	<u>(111,670)</u>	<u>(155,224)</u>	<u>(146,314)</u>	<u>8,910</u>
<i>Net Change in Fund Balances</i>	<u>(1,764,884)</u>	<u>(1,405,690)</u>	<u>788,614</u>	<u>2,194,304</u>
<i>Fund Balance, Beginning of Year</i>	<u>7,882,978</u>	<u>7,882,978</u>	<u>7,882,978</u>	<u>0</u>
<i>Fund Balance, End of Year</i>	<u><u>\$6,118,094</u></u>	<u><u>\$6,477,288</u></u>	<u><u>\$8,671,592</u></u>	<u><u>\$2,194,304</u></u>

See accompanying notes to the basic financial statements

Cuyahoga County Board of Health
Cuyahoga County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
HIV/STI Care & Prevention Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Intergovernmental	\$14,036,085	\$12,871,433	\$8,804,463	(\$4,066,970)
<i>Total Receipts</i>	<u>14,036,085</u>	<u>12,871,433</u>	<u>8,804,463</u>	<u>(4,066,970)</u>
Disbursements				
Nursing and Clinical Services	4,832,299	4,497,996	2,964,410	1,533,586
Population Health	<u>7,960,451</u>	<u>7,215,915</u>	<u>6,336,026</u>	<u>879,889</u>
<i>Total Disbursements</i>	<u>12,792,750</u>	<u>11,713,911</u>	<u>9,300,436</u>	<u>2,413,475</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,243,335</u>	<u>1,157,522</u>	<u>(495,973)</u>	<u>(1,653,495)</u>
<i>Net Change in Fund Balances</i>	1,243,335	1,157,522	(495,973)	(1,653,495)
<i>Fund Balance (Deficit), Beginning of Year</i>	<u>712,456</u>	<u>712,456</u>	<u>712,456</u>	<u>0</u>
<i>Fund Balance (Deficit), End of Year</i>	<u>\$1,955,791</u>	<u>\$1,869,978</u>	<u>\$216,483</u>	<u>(\$1,653,495)</u>

See accompanying notes to the basic financial statements

Cuyahoga County Board of Health
Cuyahoga County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
COVID-19 Response Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Intergovernmental	\$12,211,982	\$13,281,747	\$4,519,702	(\$8,762,045)
<i>Total Receipts</i>	<u>12,211,982</u>	<u>13,281,747</u>	<u>4,519,702</u>	<u>(8,762,045)</u>
Disbursements				
Epidemiology, Surveillance and Informatics	12,812,077	13,881,842	3,325,425	10,556,417
<i>Total Disbursements</i>	<u>12,812,077</u>	<u>13,881,842</u>	<u>3,325,425</u>	<u>10,556,417</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(600,095)</u>	<u>(600,095)</u>	<u>1,194,277</u>	<u>1,794,372</u>
<i>Net Change in Fund Balances</i>	(600,095)	(600,095)	1,194,277	1,794,372
<i>Fund Balance (Deficit), Beginning of Year</i>	<u>538,402</u>	<u>538,402</u>	<u>538,402</u>	<u>0</u>
<i>Fund Balance (Deficit), End of Year</i>	<u>(\$61,693)</u>	<u>(\$61,693)</u>	<u>\$1,732,679</u>	<u>\$1,794,372</u>

See accompanying notes to the basic financial statements

Cuyahoga County Board of Health
Cuyahoga County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Injury Prevention Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Intergovernmental	\$10,405,844	\$10,257,443	\$6,934,439	(\$3,323,004)
<i>Total Receipts</i>	<u>10,405,844</u>	<u>10,257,443</u>	<u>6,934,439</u>	<u>(3,323,004)</u>
Disbursements				
Environmental Public Health	8,693,372	8,549,672	5,357,475	3,192,197
Population Health	<u>225,533</u>	<u>220,833</u>	<u>226,844</u>	<u>(6,011)</u>
<i>Total Disbursements</i>	<u>8,918,905</u>	<u>8,770,505</u>	<u>5,584,319</u>	<u>3,186,186</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,486,939</u>	<u>1,486,938</u>	<u>1,350,120</u>	<u>(136,818)</u>
<i>Net Change in Fund Balances</i>	1,486,939	1,486,938	1,350,120	(136,818)
<i>Fund Balance (Deficit), Beginning of Year</i>	<u>(1,524,325)</u>	<u>(1,524,325)</u>	<u>(1,524,325)</u>	<u>0</u>
<i>Fund Balance (Deficit), End of Year</i>	<u>(\$37,386)</u>	<u>(\$37,387)</u>	<u>(\$174,205)</u>	<u>(\$136,818)</u>

See accompanying notes to the basic financial statements

Cuyahoga County Board of Health
Cuyahoga County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Creating Healthy Communities
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Intergovernmental	\$5,565,705	\$5,765,951	\$2,528,126	(\$3,237,825)
Charges for Services	0	0	7,000	7,000
Other	140,000	140,000	123,000	(\$17,000)
<i>Total Receipts</i>	<u>5,705,705</u>	<u>5,905,951</u>	<u>2,658,126</u>	<u>(3,247,825)</u>
Disbursements				
Population Health	3,244,581	3,388,798	2,237,166	1,151,632
Environmental Public Health	6,612	6,612	0	6,612
Epidemiology, Surveillance and Informatics	1,232,980	1,282,922	465,817	817,105
<i>Total Disbursements</i>	<u>4,484,173</u>	<u>4,678,332</u>	<u>2,702,983</u>	<u>1,975,349</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,221,532</u>	<u>1,227,619</u>	<u>(44,857)</u>	<u>(1,272,476)</u>
Other Financing Sources (Uses)				
Transfers In	0	0	48,687	48,687
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>48,687</u>	<u>48,687</u>
<i>Net Change in Fund Balances</i>	<u>1,221,532</u>	<u>1,227,619</u>	<u>3,830</u>	<u>(1,223,789)</u>
<i>Fund Balance (Deficit), Beginning of Year</i>	<u>(1,439,963)</u>	<u>(1,439,963)</u>	<u>(1,439,963)</u>	<u>0</u>
<i>Fund Balance (Deficit), End of Year</i>	<u>(\$218,431)</u>	<u>(\$212,344)</u>	<u>(\$1,436,133)</u>	<u>(\$1,223,789)</u>

See accompanying notes to the basic financial statements

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Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 1 – Description of the Board and Reporting Entity

The Cuyahoga County Board of Health, Cuyahoga County, Ohio (the Board) 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 Board administers and enforces, within its jurisdiction, all public health and sanitation laws of the State of Ohio. The Board provides public health services for the prevention or restriction of disease. In addition to the required programs, the Board adopts regulations and provides programs to enable residents of the Board to live in a healthy and environmentally safe community. The Board is comprised of 36 cities, 19 villages and two townships within Cuyahoga County representing over 892,000 residents. The five-member Board is appointed by the District Advisory Council which consists of the President of the Board of County Council, the chief executive of each municipal corporation not constituting a city health district and the chairman of the board of trustees of each township. The Board appoints a Health Commissioner and can hire and fix compensation of employees. The Board is dependent upon the County to provide facilities and legal counsel and act as custodian for its funds. The budget is approved by the Board which is responsible for fiscal management through its authority to enter into contracts and prepare financial reports. The Board is not part of the reporting entity of the County of Cuyahoga.

Component units are legally separate organizations for which the Board is financially accountable. The Board is financially accountable for an organization if the Board members appoints a voting majority of the organization's governing board and (1) the Board is able to significantly influence the programs or services performed or provided by the organization; or (2) the Board is legally entitled to or can otherwise access the organization's resources; the Board is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Board is obligated for the debt of the organization. The Board is also financially accountable for any organizations for which the Board approves the budget, the issuance of debt or the levying of taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Board, are accessible to the Board and are significant in amount to the Board. The Board has no component units.

The Board participates in the Public Entities Pool of Ohio (PEP), a public entity risk pool. This organization is presented in Note 8 to the basic financial statements.

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

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Board's accounting policies.

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

A. Basis of Presentation

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

Government-Wide Financial Statements

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

The statement of net position presents the cash balances of the governmental activities of the Board at year end. The statement of activities compares disbursements with program receipts for each of the Board'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 Board is responsible. 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, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Board's general receipts.

Fund Financial Statements

During the year, the Board segregates transactions related to certain Board functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Board 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. Non-major funds are aggregated and presented in a single column.

B. Fund Accounting

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

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Governmental Funds

Governmental funds are financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions. Monies are assigned to the various governmental funds according to the purposes for which they may or must be used. The following are the Board'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 Board for any purpose provided it is expended or transferred according to the general laws of Ohio.

HIV/STI Care and Prevention Fund - This fund receives federal and state grant funding to provide HIV- related services to those living with HIV who do not have sufficient health care coverage or financial resources for coping with HIV disease. Program goals include reducing new HIV infections, increasing access to care and improving health outcomes for people living with HIV, and reducing HIV-related health disparities and health inequities. Program services include core medical as well as support services.

COVID-19 Response Fund – This fund accounts for and reports federal grant and non-grant monies restricted to COVID-19 response activities for the purpose of case investigation, contact tracing, infection prevention and control and other related activities to stop the spread of COVID-19 in the community.

Injury Prevention Fund – This fund accounts for and reports federal, state and/or local grant and non-grant monies restricted to injury prevention programming. The injury prevention programming focuses on two primary areas for the purpose of reducing opioid overdose deaths and reducing child fatality incidents in children from birth to eighteen years old.

Creating Healthy Communities – This fund accounts for and reports federal, state and/or local grant and non-grant monies restricted to creating healthy communities programming that focus on improving community health and reducing racial and ethnic disparities in chronic diseases and obesity through environmental, system, and policy change strategies focused on nutrition, physical activity, farm to school and early care and education.

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

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

C. Basis of Accounting

The Board's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Board'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 Board 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 liabilities and the related expenses) are not recorded in these financial statements.

D. Budgetary Process

All board 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 may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control set by statute. The legal level of control has been established at the object/summary level for all funds. The County Budget Commission must also approve the annual appropriation measure. Grant funds are appropriated one time and the appropriations carryover from year to year until the grant is closed. For the general fund, unencumbered appropriations lapse at year-end.

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

ORC Section 3709.28 establishes budgetary requirements for the Board, which are similar to ORC Chapter 5705 budgetary requirements. On or about the first Monday of April the Board must adopt an itemized appropriation measure. The appropriation measure, together with an itemized estimate of revenues to be collected during the next fiscal year, shall be certified to the County Budget Commission. Subject to estimated resources, the Board 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 submitted to the County Budget Commission when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the changes to the grant awards in effect at the time final appropriations were passed by the Board.

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

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

E. Cash and Investments

As required by Ohio Revised Code, the County Treasurer is custodian for the Board's cash. The Board's assets, are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. Individual fund integrity is maintained through the Board's records. Deposits and investments disclosures for the County as a whole may be obtained from the County. Questions related to cash and investments should be directed to the Office of the Cuyahoga County Treasurer, 2079 East 9th Street, Cleveland, Ohio 44115 or (216) 443-7400.

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.

G. Inventory and Prepaid Items

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

H. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets 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 Board's cash basis of accounting.

J. Employer Contributions to Cost-Sharing Pension Plans

The Board recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 9 and 10, the employer contributions include portions for pension benefits and for other post-employment benefits (OPEB).

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

K. Long- Term Obligations

The Board's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid.

L. 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 government-wide statement of net position reports \$3,921,680 of restricted net position, none of which is restricted by enabling legislation. Net position restricted for other purposes include resources restricted for special Board programs. The Board's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position are available.

M. Fund Balance

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

Non-spendable- The non-spendable 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. The Board did not have any non-spendable fund balances.

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

Cuyahoga County Board of Health
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Assigned- Amounts in the assigned fund balance classification are intended to be used by the Board 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 or a Board official delegated that authority by resolution, or by State Statute. The Board did not have any assigned fund balances.

Unassigned- Unassigned fund balance is the residual classification for the general fund and include amounts not contained in the other classifications (restricted, committed, and or assigned). In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Board applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amount 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.

The Board fund balance is classified as restricted or unassigned based primarily on the extent to which the Board is bound to observe constraints imposed upon the use of the resources in the governmental funds.

N. Internal Activity

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. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Note 3 – Change in Accounting Principle

For fiscal year 2023, the Board has implemented GASB Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”, GASB Statement No. 96, “Subscription Based Information Technology Arrangements”, and certain paragraphs of GASB Statement No 99, “Omnibus 2022”.

GASB Statement No 94 will improve financial reporting by establishing the definitions of Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of financial statements by requiring the reporting of assets and liabilities related to PPPs and disclose important information about PPP transactions. The require disclosures will allow users to understand the scale and important aspects of PPPs and evaluate future obligations and assets resulting from PPPs. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the District.

GASB Statement No. 96 will improve financial reporting by establishing definitions for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. This will enhance the relevance and reliability of financial statement by requiring the reporting of subscription assets and subscription liabilities for SBITA and to disclose essential information about the arrangement. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the District.

Cuyahoga County Board of Health
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 3- Change in Accounting Principle (Continued)

GASB Statement No. 99 will provide clarification of provisions in Statement No. 87, Lease, Statement No 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangement, and Statement No.96 Subscription-Based Information Technology. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the District.

Note 4- 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 – Budget Basis presented for the General fund, COVID-19 Response, Creating Healthy Communities, HIV/STI Care and Prevention and Injury Prevention special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget.

Note 5 – Accountability

Fund balances at December 31, 2023, included the following individual fund deficits:

Major Funds:

Creating Healthy Communities	\$1,436,133
Injury Prevention	174,205

Non-Major Funds:

Bathing Beaches	9,632
Breast & Cervical Cancer	74,886
Dental Sealant	11,307
Family Planning Services	24,467
Newborn Home Visiting	122,445
Public Health Infrastructure	191,274
Teen Pregnancy Prevention	100,335
Tobacco Reduction	77,305

The fund deficits in the above funds resulted from interfund liabilities due to timing issues with the reimbursement of expenses for various grants. The general fund is liable for the deficits in these funds and will provide advances when cash is required, not when the liability occurs.

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 6 – Deposits and Investments

As required by Ohio Revised Code, the Cuyahoga County Treasurer is custodian for the Board's deposits. The Board's cash pool, used by all funds, is deposited with the Cuyahoga County Treasurer. The cash pool is commingled with Cuyahoga County's cash and investment pool and is not identifiable as to demand deposits or investments. All collections are remitted to the Cuyahoga County Treasurer for deposit and all disbursements are made by warrants prepared by the Cuyahoga County Office of the Fiscal Officer drawn on deposits held in the name of Cuyahoga County. Deposits and deposit risk and investments and investment risk are presented in the December 31, 2023 Cuyahoga County Annual Comprehensive Financial Report. The fund balances are expressed in cash equivalents. Cash equivalents are available for immediate expenditure or liquid investments which are immediately marketable, have negligible credit risk, and mature within three months. The carrying amount of cash on deposit with the Cuyahoga County Treasurer at December 31, 2023 was valued at the Treasurer's carrying reported amount.

Note 7 – Property Taxes

The cities, villages and townships that receive services from the Board, contribute to the operations of the Board. The County Office of the Fiscal Officer assesses each subdivision their share of the operating cost, which is calculated by the Board and received through property tax collections. When the County Office of the Fiscal Officer disburses property tax to the subdivision, the appropriate deduction is made on the subdivision settlement and transmitted to the Board.

Note 8 – Risk Management

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

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

The Board 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 Board 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

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Notes 8 – Risk Management (continued)

Financial Position

The pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2023:

	<u>2023</u>
Cash and Investments	\$43,996,442
Actuarial Liabilities	<u>(19,743,401)</u>
	<u><u>\$24,253,041</u></u>

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each of membership. The Board contributed \$53,199 to PEP in 2023.

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing (via certified mail) 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

<u>Year</u>	<u>Contributions to PEP</u>
2020	\$51,680
2021	50,698
2022	55,354
2023	53,199

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 9- Defined Benefit Pension Plan

Plan Description - The Board employees 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 cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Board employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS 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
Formula:	Formula:	Formula:
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 2.5% 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.

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.

Cuyahoga County Board of Health
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 9- Defined Benefit Pension Plan (continued)

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 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 of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a 3 percent COLA. 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 percent.

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

When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

	State and Local
2023 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2023 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0 %
Total Employer	14.0 %
Employee	10.0 %

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

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 9- Defined Benefit Pension Plan (continued)

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Board's contractually required contribution was \$1,496,240 for year 2023.

Note 10- Postemployment Benefits

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 postemployment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional pension, Combined and Member-Directed plans. Medicare-enrolled 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 selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

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 traditional pension plan and combined plan 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:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 10- Postemployment Benefits (continued)

Retirees who don't 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. 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.

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.

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.

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

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

Funding Policy – The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, State and Local employers contributed at a rate of 14.00 percent of earnable salary and Public Safety and Law Enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 10- Postemployment Benefits (continued)

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2% allocation to health care for the 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 2023 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Note 11 – Operating Lease

The Board entered into an operating lease with Quadient Leasing (formerly known as MailFinance, Inc.) in July 2019, for the purpose of leasing a mailing system for 60 months. This is a non-cancelable lease that is paid annually. The Board paid total rental cost of \$4,325 in 2023.

Note 12 – Interfund Transfers

Interfund transfers for the year ended December 31, 2023, consisted of the following:

<u>Transfers To</u>	<u>Transfers from General Fund</u>
<i>Major Governmental Fund:</i>	
Creating Healthy Communities	<u>\$48,687</u>
<i>Major Governmental Fund Subtotal</i>	48,688
 <i>Non-major Governmental Funds:</i>	
Public Health Infrastructure	79,302
Healthy Homes/Lead Prevention Program	<u>18,325</u>
<i>Non-major Governmental Fund Subtotal</i>	97,627
 <i>Governmental Funds Transfers Total</i>	<u><u>\$146,314</u></u>

The transfers from the general fund to the special revenue funds for \$146,314 were made to support programs and projects in those funds.

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 13 – Fund Balances

Fund balance is classified as non-spendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Board 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 Fund	COVID-19 Response	HIV/STI Care and Prevention	Injury Prevention
Restricted for:				
Board of Health Hospitalization	\$0	\$0	\$0	\$0
Child & Family Health Services	0	0	0	0
Covid-19 Response	0	1,732,679	0	0
Healthy Homes/Lead Prevention	0	0	0	0
HIV/STI Care & Prevention	0	0	216,483	0
Lead Case Mgmt/Blood Testing	0	0	0	0
Options Regional Referral	0	0	0	0
Preventive Health Block Grant	0	0	0	0
Silver Oak Landfill	0	0	0	0
Starting Point	0	0	0	0
Watershed Program	0	0	0	0
Total Restricted	0	1,732,679	216,483	0
Unassigned (Deficit)	8,671,592	0	0	(174,205)
Total Fund Balances	\$8,671,592	\$1,732,679	\$216,483	(\$174,205)

Fund Balances- Continued	Creating Healthy Communities	Other Governmental Funds	Total Governmental Funds
Restricted for:			
Board of Health Hospitalization	\$0	\$278,977	\$278,977
Child & Family Health Services	0	133,514	133,514
Covid-19 Response	0	0	1,732,679
Healthy Homes/Lead Prevention	0	892,676	892,676
HIV/STI Care & Prevention	0	0	216,483
Lead Case Mgmt/Blood Testing	0	21,711	21,711
Options Regional Referral	0	2,329	2,329
Preventive Health Block Grant	0	45,434	45,434
Silver Oak Landfill	0	397,794	397,794
Starting Point	0	108,340	108,340
Watershed Program	0	91,743	91,743
Total Restricted	0	1,972,518	3,921,680
Unassigned (Deficit)	(1,436,133)	(611,651)	6,449,603
Total Fund Balances	(\$1,436,133)	\$1,360,867	\$10,371,283

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 14 – Lease Purchase Agreement

On March 9, 2018, the Board entered into a lease purchase agreement in the amount of \$4,800,000, with a financial institution to assist in financing to pay costs of constructing, renovating, furnishing and equipping improvements to its building facilities (located at 5550 Venture Drive, Parma, Ohio 44130). In 2023, the Board paid \$195,000 and \$168,087 in principal and interest, respectively.

On December 27, 2018, the Board entered into an additional lease purchase agreement, in the amount of \$1,350,000, with a financial institution to assist in financing to pay costs of constructing, renovating, furnishing and equipping improvements to its building facilities (located at 5550 Venture Drive, Parma, Ohio 44130). In 2023, the Board paid \$56,000 and \$50,424 in principal and interest, respectively for the lease purchase agreement entered on December 27, 2018.

The Board's long-term loan activity for the year ended December 31, 2023, was as follows:

Governmental Activities	Interest Rate	Outstanding 12/31/2022	Issued	Retired	Outstanding 12/31/2023	Due Within One Year
Loans Payable						
Building Facilities Issue (March 9, 2018)	4.25%	\$3,955,000	\$0	\$195,000	\$3,760,000	\$205,000
Building Facilities Issue (December 27, 2018)	4.40%	1,146,000	0	56,000	1,090,000	58,000
Total Governmental Activities		\$5,101,000	\$0	\$251,000	\$4,850,000	\$263,000

The following is a summary of the Board's future annual debt service requirements for the lease purchase agreements stated above.

Year	Loans	
	Principal	Interest
2024	\$263,000	\$207,760
2025	276,000	196,495
2026	283,000	184,674
2027	296,000	172,552
2028	309,000	159,873
2029-2033	1,748,000	589,553
2034-2037	1,675,000	183,143
Total	\$4,850,000	\$1,694,050

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Basic Financial Statements
For the Year Ended December 31, 2023

Note 15 – COVID-19

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

During 2023, the Board did not receive any CARES Act funding. The Board has continued to receive funding from various funding sources to support ongoing COVID-19 response activities.

CUYAHOGA COUNTY BOARD OF HEALTH
CUYAHOGA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL AL NUMBER	PASS-THROUGH/ ENTITY NUMBER	PASSED THROUGH TO SUBRECIPIENTS	EXPENDITURES
U.S. Department of Health and Human Services				
<i>Direct</i>				
Injury Prevention and Control Research and State and Community Based Programs				
19/20 Overdose Data To Action (OD2A) Initiative	93.136	1 NU17CE925005-01-00	\$327,072	\$327,072
20/21 Overdose Data To Action (OD2A) Initiative	93.136	5 NU17CE925005-02-00	545,999	633,659
21/22 Overdose Data To Action (OD2A) Initiative	93.136	5 NU17CE925005-03-00	150,728	623,558
22/23 Overdose Data To Action (OD2A) Initiative	93.136	6 NU17CE925005-03-03	3,379,190	3,649,131
23/24 Overdose Data To Action (OD2A) Initiative	93.136	1 NH28CE003558-01-00	22,764	124,055
Total Injury Prevention and Control Research and State and Community Based Programs			4,425,753	5,357,475
Ending the HIV Epidemic: A Plan for America				
22/23 Ending the HIV Epidemic A Plan for America	93.686	5 UT8HA33929 03 00	349,155	416,114
23/24 Ending the HIV Epidemic A Plan for America	93.686	5 UT8HA33929-04-00	613,808	816,327
Total Ending the HIV Epidemic: A Plan for America			962,963	1,232,441
Racial and Ethnic Approaches to Community Health				
19/20 Racial and Ethnic Approaches to Community Health	93.738	NU58DP006586-02-00	0	29,094
20/21 Racial and Ethnic Approaches to Community Health	93.738	NU58DP006586-03-00	45,000	54,619
21/22 Racial and Ethnic Approaches to Community Health	93.738	NU58DP006586-04-00	0	78,986
22/23 Racial and Ethnic Approaches to Community Health	93.738	NU58DP006586-05-00	486,183	614,217
COVID-19 2021 Racial and Ethnic Approaches to Community Health Supplemental	93.738	6 NU58DP006586-03-01	0	11,918
COVID-19 22/23 Racial and Ethnic Approaches to Community Health Supplemental	93.738	5 NU58DP006586-05-00	41,456	407,027
Total Racial and Ethnic Approaches to Community Health			572,639	1,195,861
HIV Emergency Relief Project Grants				
22/23 HIV Emergency Relief Project Grants	93.914	2 H89HA23812-11-00	1,926,334	2,047,566
23/24 HIV Emergency Relief Project Grants	93.914	5 H89HA23812-12-00	2,579,721	3,056,018
Total HIV Emergency Relief Project Grants			4,506,055	5,103,584
<i>Passed Through the State Department of Health:</i>				
Public Health Emergency Preparedness				
21/22 Public Health Emergency Preparedness	93.069	01810012PH1322	77,699	83,478
22/23 Public Health Emergency Preparedness	93.069	01810012PH1423	117,869	731,415
23/24 Public Health Emergency Preparedness	93.069	01810012PH1524	39,800	370,337
Total Public Health Emergency Preparedness			235,368	1,185,230
Immunization Cooperative Agreements				
COVID-19 22/23 COVID-19 Vaccination	93.268	01810012CN0122	65,000	614,741
Total Immunization Cooperative Agreements			65,000	614,741
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				
COVID-19 22/23 Enhanced Operations	93.323	01810012EO0222	0	2,299,466
COVID-19 23/24 Enhanced Operations	93.323	01810012EO0323	0	398,077
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)			0	2,697,543
Public Health Crisis Response				
21/23 Public Health Workforce	93.354	01810012WF0122	0	402,738
Total Public Health Crisis Response			0	402,738
Activities to Support State, Tribal, Local and Territorial (STLT) Health				
Dept Response to Public Health or Healthcare Crises				
22/23 Ohio Health Improvement Zones Pilot Project	93.391	01810012OI0123	155,477	269,659
Total (STLT) Health Dept Response to Public Health or Healthcare Crises			155,477	269,659
State Physical Activity and Nutrition				
2022 Breastfeeding in Workplace	93.439	6NU58DP006505-04-01	0	2,745
Total State Physical Activity and Nutrition			0	2,745
HIV Prevention Activities Health Department Based				
2022 HIV Prevention	93.940	01810012HP0322	78,165	137,286
2023 HIV Prevention	93.940	01810012HP0423	281,548	729,631
22/23 Implementing Enhanced HIV P & S for Health Departments	93.940	01810012EE0222	514,804	881,261
23/24 Implementing Enhanced HIV P & S for Health Departments	93.940	01810012EE0323	75,163	183,224
Total HIV Prevention Activities Health Department Based			949,680	1,931,402
CDC Collaboration with Academia to Strengthen Public Health				
23/27 Public Health Workforce	93.967	01810012WF0223	0	107
Total CDC Collaboration with Academia to Strengthen Public Health			0	107
Sexually Transmitted Diseases (STD) Prevention and Control Grants				
2022 STI Prevention	93.977	01810012ST0322	0	111,461
23/24 STI Prevention	93.977	01810012ST0423	0	597,710
Total Sexually Transmitted Diseases (STD) Prevention and Control Grants			0	709,171

CUYAHOGA COUNTY BOARD OF HEALTH
CUYAHOGA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL AL NUMBER	PASS-THROUGH/ ENTITY NUMBER	PASSED THROUGH TO SUBRECIPIENTS	EXPENDITURES
<i>Passed Through the State Department of Health</i>				
Preventive Health and Health Services Block Grants				
2022 Creating Healthy Communities	93.991	01810014CC1322	19,220	42,128
2023 Creating Healthy Communities	93.991	01810014CC1423	9,000	70,742
Total Preventive Health and Health Services Block Grants			<u>28,220</u>	<u>112,870</u>
Maternal and Child Health Services Block Grants				
19/20 Maternal & Child Health Program	93.994	01810011MP0420	0	(2,430)
21/22 Maternal & Child Health Program	93.994	01810011MP0622	25,515	26,354
22/23 Maternal & Child Health Program	94.994	01810011MP0723	41,580	80,892
20/21 Ohio Equity Institute	93.994	01810011OE0321	0	(38,276)
23/24 Ohio Equity Institute	93.994	01810011OE0523	108,856	261,237
20/21 Cribs for Kids and Safe Sleep	93.994	01810011CK0321	0	(1,395)
22/23 Cribs for Kids and Safe Sleep	93.994	01810011CK0523	0	43,394
2022 Dental Sealant	93.994	01810011DS0222	0	(753)
2023 Dental Sealant	93.994	01810011DS0323	0	80,258
22/23 Reproductive Health and Wellness	93.994	N/A	0	21,269
Total Maternal and Child Health Services Block Grants			<u>175,951</u>	<u>470,550</u>
<i>Passed Through the State Department of Administrative Services</i>				
Personal Responsibility Education Program				
20/21 Personal Responsibility Education Program	93.092	CSP904320	0	(37,826)
21/22 Personal Responsibility Education Program	93.092	CSP904320	0	(11,922)
22/24 Personal Responsibility Education Program	93.092	CSP904320	0	249,460
Total Personal Responsibility Education Program			<u>0</u>	<u>199,712</u>
<i>Passed Through the Cleveland Department of Public Health</i>				
Family Planning Services				
21/22 Reproductive Health and Wellness	93.217	N/A	0	5
22/23 Reproductive Health and Wellness	93.217	N/A	0	185,041
Total Family Planning Services			<u>0</u>	<u>185,046</u>
Total U.S. Department of Health and Human Services			12,077,106	21,670,875
U.S. Department of Agriculture				
<i>Direct</i>				
Regional Food System Partnerships				
22/25 Farm to School: Planning Partnerships and Projects to Increase Local Food Spending	10.177	AM22RFSP0H1055-00	0	126,930
Total Regional Food System Partnerships			<u>0</u>	<u>126,930</u>
<i>Passed Through Green Umbrella Regional Sustainability Alliance</i>				
Farm to School Grant Program				
21/23 Farm to School	10.575	CN-F2S-IMPL-21-OH-2	0	3,830
Total Farm to School Grant Program			<u>0</u>	<u>3,830</u>
Specialty Crop Block Grant Program				
20/22 Specialty Crop - Green Umbrella	10.170	N/A	0	2,916
Total Specialty Crop Block Grant Program			<u>0</u>	<u>2,916</u>
<i>Passed Through the Ohio Department of Agriculture</i>				
Specialty Crop Block Grant Program				
21/23 Specialty Crop	10.170	N/A	0	23,177
Total Specialty Crop Block Grant Program			<u>0</u>	<u>23,177</u>
Total U.S. Department of Agriculture			0	156,853
U.S. Department of Housing and Urban Development				
<i>Direct</i>				
Lead-Based Paint Hazard Control in Privately-Owned Housing				
18/21 Lead-Based Paint Hazard Control In Housing	14.900	N/A	(20,449)	(63,570)
20/23 Lead Hazard Reduction	14.900	OHLHD0410-19	306,258	1,432,296
Total Lead-Based Paint Hazard Control in Privately-Owned Housing			<u>285,809</u>	<u>1,368,726</u>

CUYAHOGA COUNTY BOARD OF HEALTH
CUYAHOGA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL AL NUMBER	PASS-THROUGH/ ENTITY NUMBER	PASSED THROUGH TO SUBRECIPIENTS	EXPENDITURES
<i>Passed Through the City of East Cleveland</i>				
Community Development Block Grants/Entitlement Grants				
22/24 Community Development Block	14.218	N/A	0	22,200
Total Community Development Block Grants/Entitlement Grants			0	22,200
Total U.S. Department of Housing and Urban Development			285,809	1,390,926
U.S. Environmental Protection Agency				
<i>Passed Through the State Department of Health</i>				
Beach Monitoring and Notification Program Implementation				
19/22 Bathing Beaches Monitoring	66.472	CU00E52610-0	0	42,176
Total Beach Monitoring and Notification Program Implementation			0	42,176
Total U.S. Environmental Protection Agency			0	42,176
U.S. Department of the Treasury				
<i>Passed through the County of Cuyahoga</i>				
COVID-19 Coronavirus Relief Fund				
COVID-19 2020 COVID-19 Response Testing	21.019	N/A	0	13,140
Total COVID-19 Coronavirus Relief Fund			0	13,140
Total U.S. Department of the Treasury			0	13,140
TOTAL FEDERAL AWARDS EXPENDITURE			\$12,362,915	\$23,273,970

The accompanying notes are an integral part of this schedule.

Cuyahoga County Board of Health
Cuyahoga County
Notes to the Schedule of Expenditures of Federal Awards
2 CFR 200.510(b)(6)
For the Year Ended December 31, 2023

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Cuyahoga County Board of Health (the Board) under programs of the federal government for the year ended December 31, 2023. 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 Board, it is not intended to and does not present the financial position or changes in net position of the Board.

Note 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 Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

Note 3 – Indirect Cost Rate

The Board has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 – Subrecipients

The Board passes certain federal awards received from the U.S. Department of Health and Human Services, the State Department of Health, and U.S. Department of Housing and Urban Development to other governments or not-for-profits agencies (subrecipients). As Note 2 describes, the Board reports expenditures of Federal awards to subrecipients when paid in cash.

As a pass-through entity, the Board 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 5 – Matching Requirements

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

Note 6 – SEFA Negative Balances

Negative balances reported on certain federal program lines in the Schedule of Expenditures of Federal Awards (SEFA) are the result of prior and/or current year expense adjustments or corrections identified during the grant reconciliation processes and the timing when these adjustments are posted. These adjustments are to reflect proper accounting, reclassification of expenses to ensure accurate reporting in accordance with 2 CFR 200.5210(b).



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

Cuyahoga County Board of Health
Cuyahoga County
5550 Venture Drive
Parma, Ohio 44130

To the Board Members:

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 (*Government Auditing Standards*), the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cuyahoga County Board of Health, Cuyahoga County, (the Board) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements and have issued our report thereon dated June 4, 2025, wherein we noted the Board 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 Board'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 Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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 Board'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 Board'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 Board'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 Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

June 4, 2025

OHIO AUDITOR OF STATE KEITH FABER



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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

Cuyahoga County Board of Health
Cuyahoga County
5550 Venture Drive
Parma, Ohio 44130

To the Board Members:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cuyahoga County Board of Health's, Cuyahoga County, (the Board) 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 Cuyahoga County Board of Health's major federal programs for the year ended December 31, 2023. Cuyahoga County 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, Cuyahoga County 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, 2023.

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 Board 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 Board's compliance with the compliance requirements referred to above.

Efficient • Effective • Transparent

Responsibilities of Management for Compliance

The Board'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 Board'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 Board'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 Board'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 Board'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 Board'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 Board'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.

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.



Keith Faber
Auditor of State
Columbus, Ohio

June 4, 2025

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**CUYAHOGA COUNTY BOARD OF HEALTH
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2023**

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):	Injury Prevention and Control Research and State and Community Based Programs, AL #93.136 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC), AL #93.323 Lead-Based Paint Hazard Control in Privately-Owned Housing, AL #14.900
(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.

3. FINDINGS FOR FEDERAL AWARDS

None.

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OHIO AUDITOR OF STATE KEITH FABER



CUYAHOGA COUNTY BOARD OF HEALTH

CUYAHOGA 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 6/24/2025

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

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