



CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

COMBINED ALLEN COUNTY GENERAL HEALTH DISTRICT ALLEN COUNTY, OHIO

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024



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Board of Health
Combined Allen County General Health District
219 E. Market Street
PO Box 1503
Lima, Ohio 45801

We have reviewed the *Independent Auditors' Report* of the Combined Allen County General Health District, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2024 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

July 15, 2025

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INDEPENDENT AUDITORS' REPORT

Combined Allen County General Health District
Board of Health
219 E. Market Street
PO Box 1503
Lima, Ohio 45801

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 Combined Allen County General Health District (the "Health District"), as of and for the year ended December 31, 2024, and related notes to the financial statements, which collectively comprise the Health District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Health District, as of December 31, 2024, and the respective changes in cash-basis financial position and the respective budgetary comparison for the General Fund and Women, Infants and Children Fund 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Health District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Accounting Basis

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to 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 Health District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 Health District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Health District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Health District's basic financial statements. The Schedule of Expenditures of Federal Awards as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purposes of additional analysis and is not a required part of the basic 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 GAAS. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2025, on our consideration of the Health District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 Health District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health District's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
May 15, 2025

Combined Allen County General Health District

Statement of Net Position - Cash Basis

December 31, 2024

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 962,889</u>
<i>Total Assets</i>	<u><u>\$ 962,889</u></u>
Net Position	
Restricted for:	
Specific Health Programs (see Note 12)	577,172
Unrestricted	<u>385,717</u>
<i>Total Net Position</i>	<u><u>\$ 962,889</u></u>

See accompanying notes to the basic financial statements.

Combined Allen County General Health District

Statement of Activities - Cash Basis

For the Year Ended December 31, 2024

		<u>Program Cash Receipts</u>		<u>Net (Disbursements) Receipts and Changes in Net Position</u>
	<u>Cash Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities				
Current:				
Health:				
Public Health	\$ 5,189,101	\$ 1,435,675	\$ 2,586,145	\$ (1,167,281)
Debt Service:				
Principal Retirement	43,114	-	-	(43,114)
Interest and Fiscal Charges	<u>14,252</u>	<u>-</u>	<u>-</u>	<u>(14,252)</u>
<i>Total Governmental Activities</i>	<u><u>\$ 5,246,467</u></u>	<u><u>\$ 1,435,675</u></u>	<u><u>\$ 2,586,145</u></u>	<u>(1,224,647)</u>
General Receipts:				
Subdivision				766,761
Debt Issued				301,250
Reimbursements				<u>23,280</u>
<i>Total General Receipts</i>				<u>1,091,291</u>
Change in Net Position				(133,356)
<i>Net Position Beginning of Year</i>				<u>1,096,245</u>
<i>Net Position End of Year</i>				<u><u>\$ 962,889</u></u>

See accompanying notes to the basic financial statements.

Combined Allen County General Health District
Statement of Assets and Fund Balances- Cash Basis
Governmental Funds
December 31, 2024

	<u>General</u>	<u>Women, Infants, and Children</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 350,855	\$ 38,683	\$ 573,351	\$ 962,889
<i>Total Assets</i>	<u><u>\$ 350,855</u></u>	<u><u>\$ 38,683</u></u>	<u><u>\$ 573,351</u></u>	<u><u>\$ 962,889</u></u>
Fund Balances				
Restricted	\$ -	\$ 38,683	\$ 538,489	\$ 577,172
Committed	47,115	-	-	47,115
Assigned	158,129	-	34,862	192,991
Unassigned	<u>145,611</u>	<u>-</u>	<u>-</u>	<u>145,611</u>
<i>Total Fund Balances</i>	<u><u>\$ 350,855</u></u>	<u><u>\$ 38,683</u></u>	<u><u>\$ 573,351</u></u>	<u><u>\$ 962,889</u></u>

See accompanying notes to the basic financial statements.

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

	General	Women, Infants, and Children	(Formerly major) COVID-19: Congregate Living	(Formerly major) Building Improvement Fund	Other Governmental Funds	Total Governmental Funds
Receipts						
Subdivision Fees	\$ 766,761	\$ -			\$ -	\$ 766,761
Fees, Licenses and Permits	865,846	-			569,829	1,435,675
Intergovernmental	367,291	554,498			1,664,356	2,586,145
<i>Total Receipts</i>	<u>1,999,898</u>	<u>554,498</u>			<u>2,234,185</u>	<u>4,788,581</u>
Disbursements						
Current:						
Salary	1,158,177	309,492			1,105,831	2,573,500
Benefits	398,138	114,469			410,490	923,097
Materials & Supplies	380,809	8,430			77,075	466,314
Services & Charges	281,019	108,384			480,632	870,035
State Remittances	155,819	-			121,745	277,564
Equipment	51,300	-			27,291	78,591
Debt Service:						
Principal Retirement	43,114	-			-	43,114
Interest and Fiscal Charges	14,252	-			-	14,252
<i>Total Disbursements</i>	<u>2,482,628</u>	<u>540,775</u>			<u>2,223,064</u>	<u>5,246,467</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(482,730)</u>	<u>13,723</u>			<u>11,121</u>	<u>(457,886)</u>
Other Financing Sources (Uses)						
Reimbursement from County	23,280	-			-	23,280
Proceeds of Debt	301,250	-			-	301,250
Advances In	260,000	65,000			230,460	555,460
Advances Out	(295,460)	(55,000)			(205,000)	(555,460)
<i>Total Other Financing Sources (Uses)</i>	<u>289,070</u>	<u>10,000</u>			<u>25,460</u>	<u>324,530</u>
<i>Net Change in Fund Balances</i>	<u>(193,660)</u>	<u>23,723</u>			<u>36,581</u>	<u>(133,356)</u>
<i>Fund Balances Beginning of Year, As Previously Reported</i>	544,515	14,960	72,094	142,863	321,813	1,096,245
<i>Adjustment - change in major funds</i>	<u>-</u>	<u>-</u>	<u>(72,094)</u>	<u>(142,863)</u>	<u>214,957</u>	<u>-</u>
<i>Fund Balances Beginning of Year, As Adjusted</i>	<u>544,515</u>	<u>14,960</u>			<u>536,770</u>	<u>1,096,245</u>
<i>Fund Balances End of Year</i>	<u>\$ 350,855</u>	<u>\$ 38,683</u>			<u>\$ 573,351</u>	<u>\$ 962,889</u>

See accompanying notes to the basic financial statements.

Combined Allen County General Health District
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Subdivision Fees	\$ 728,420	\$ 728,420	\$ 766,761	\$ 38,341
Fines, Licenses and Permits	967,700	983,868	865,846	(118,022)
Intergovernmental	310,841	402,212	367,291	(34,921)
<i>Total Receipts</i>	<u>2,006,961</u>	<u>2,114,500</u>	<u>1,999,898</u>	<u>(114,602)</u>
Disbursements				
Current:				
Salary	1,240,777	1,147,629	1,133,015	14,614
Benefits	458,918	424,466	419,061	5,405
Materials & Supplies	324,500	483,450	380,809	102,641
Services & Charges	309,400	323,400	281,019	42,381
State Remittances	189,000	161,000	155,819	5,181
Equipment	52,000	56,500	51,300	5,200
Debt Service:				
Principal Retirement	57,366	43,216	43,114	102
Interest and Fiscal Charges	-	14,300	14,252	48
<i>Total Disbursements</i>	<u>2,631,961</u>	<u>2,653,961</u>	<u>2,478,389</u>	<u>175,572</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(625,000)</u>	<u>(539,461)</u>	<u>(478,491)</u>	<u>60,970</u>
Other Financing Sources (Uses)				
Reimbursement from County	-	-	23,280	23,280
Proceeds of Debt	-	301,250	301,250	-
Transfers In	66,000	66,000	-	(66,000)
Advances In	316,460	316,460	260,000	(56,460)
Advances Out	(250,460)	(295,460)	(295,460)	-
<i>Total Other Financing Sources (Uses)</i>	<u>132,000</u>	<u>388,250</u>	<u>289,070</u>	<u>(99,180)</u>
<i>Net Change in Fund Balances</i>	<u>(493,000)</u>	<u>(151,211)</u>	<u>(189,421)</u>	<u>(38,210)</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>493,160</u>	<u>493,160</u>	<u>493,160</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 160</u>	<u>\$ 341,949</u>	<u>\$ 303,739</u>	<u>\$ (38,210)</u>

See accompanying notes to the basic financial statements.

Combined Allen County General Health District
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Women, Infants, and Children Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Intergovernmental	\$ 635,108	\$ 635,108	\$ 554,498	\$ (80,610)
<i>Total Receipts</i>	<u>635,108</u>	<u>635,108</u>	<u>554,498</u>	<u>(80,610)</u>
Disbursements				
Current:				
Salary	515,108	501,608	309,492	192,116
Benefits	139,079	135,434	114,469	20,965
Materials & Supplies	21,000	21,000	8,430	12,570
Services & Charges	99,000	112,500	108,384	102,383
<i>Total Disbursements</i>	<u>774,187</u>	<u>770,542</u>	<u>540,775</u>	<u>229,767</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(139,079)</u>	<u>(135,434)</u>	<u>13,723</u>	<u>149,157</u>
Other Financing Sources (Uses)				
Advances In	65,000	65,000	65,000	-
Advances Out	(65,000)	(65,000)	(55,000)	10,000
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
<i>Net Change in Fund Balances</i>	<u>(139,079)</u>	<u>(135,434)</u>	<u>23,723</u>	<u>159,157</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	<u>14,960</u>	<u>14,960</u>	<u>14,960</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u><u>\$ (124,119)</u></u>	<u><u>\$ (120,474)</u></u>	<u><u>\$ 38,683</u></u>	<u><u>\$ 159,157</u></u>

See accompanying notes to the basic financial statements.

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The Combined Allen County General Health District (the Health District), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A seven-member Board of Health appointed by the District Advisory Council governs the Health District. The Board appoints a health commissioner and all employees of the Health District.

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

Primary Government

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

Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations

The Health District participates in a public entity risk pool. Note 7 to the financial statements provide additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

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

Basis of Presentation

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

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

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

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

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

Fund Accounting

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

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

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

Women, Infants, and Children Special Revenue Fund This fund accounts for and reports federal grant monies restricted to the Women, Infants, and Children program. This grant is awarded annually by the Ohio Department of Health and all funds are federal funds.

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

For 2024, the Health District's COVID-19: Congregate Living and Building Improvement Funds were adjusted from major to non-major due to no longer meeting the qualitative threshold for a major fund. These changes are separately displayed in the financial statements.

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting

The Health District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Health District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

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

Budgetary Process

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

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

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

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

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources in effect when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Board of Health. The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budget reflect the first appropriation resolution that covered the entire year, including amounts automatically carried forward from prior years. The amount reported as the final budgeted amounts represents the final appropriations passed by the Board of Health during the year.

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Cash and Investments

The County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County. The Allen County Treasurer is Krista Bohn, 301 N Mail St., Suite 203, Lima, OH 45801, phone 419-223-8515, email kbohn@allencountyohio.com.

Inventory and Prepaid Items

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

Capital Assets

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

Interfund Receivables/Payables

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

Accumulated Leave

For 2024, GASB Statement No. 101, *Compensated Absences*, was effective. GASB 101 defines a compensated absence as leave for which employees may receive cash payments when the leave is used for time off or receive cash payments for unused leave upon termination of employment. These payments could occur during employment or upon termination of employment. Compensated absences generally do not have a set payment schedule. The Health District does not offer noncash settlements. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Health District's cash basis of accounting.

This GASB pronouncement had no effect on beginning net position/fund balance as unpaid leave is not reflected as a liability under the Health District's cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Long-Term Obligations

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

Leases and SBITAs

The Health District is the lessee (as defined by GASB 87) in various leases related to a building and other equipment under noncancelable leases. Lease payable is not reflected under the Health District's cash basis of accounting. Lease disbursements are recognized when they are paid.

The Health District has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to cloud-based storage, and various other software. Subscription liabilities are not reflected under the Health District's cash basis of accounting. Subscription disbursements are recognized when they are paid.

Net Position

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for congregate living, improving nutrition among women, infants and children, water pollution control, operation and maintenance of household sewage treatment systems, safe sleep for infant, and naloxone access and infrastructure. The Health District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Fund Balance

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

The classifications are as follows:

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

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

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the Health District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Health or a Health District official delegated that authority by resolution, or by State Statute.

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

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

Internal Activity

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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. Advances represent a temporary advance of resources from one fund to another with the expectation of subsequent repayment and are reported in the same manner as transfers within the financial statement.

New Accounting Pronouncements

For 2024, GASB Statement No. 100, Accounting Changes and Error Corrections was effective. The financial statement presentation was modified to reflect a change in reporting entity. See the Accumulated Leave section of Note 2 for discussion of the implementation of GASB Statement No. 101, Compensated Absences.

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 3 – Budgetary Basis of Accounting and Compliance

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and the Women, Infants, and Children fund are prepared on the budgetary basis to provide meaningful comparison of the actual results with the budget. The severance reserve fund is included in the general fund (cash basis), but has a separate legally adopted budget (budget basis).

The \$4,239 difference in the results of operations reported for the General Fund on the budget basis to cash basis reported on the Statement of Receipts, Disbursements, and Changes in Fund Balances for all governmental funds resulted from the Severance Reserve Fund being legally budgeted as a separate fund but combined with the General Fund for reporting purposes.

Contrary to Ohio law, appropriation authority exceeded estimated resources in the Women, Infants, and Children fund by \$120,474 for the year ended December 31, 2024.

Note 4 – Deposits and Investments

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

Note 5 – Intergovernmental Funding

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

Note 6 – Advances and Transfers

As of December 31, 2024, the following funds had advances from the General Fund outstanding:

	Advances Owed	Advances Due
Major Funds		
General Fund	\$290,460	
Women, Infants and Children Fund		\$65,000
Other Governmental Funds		
Get Vaccinated Fund		\$10,000
Cribs for Kids Fund		\$15,000
Public Health Workforce Fund		\$20,460
Creating Healthy Communities Fund		\$15,000
Reproductive Health and Wellness Fund		\$15,000
Integrated Naloxone Fund		\$15,000
Public Health Emergency Preparedness Fund		\$35,000
STI Prevention Fund		\$35,000
HIV Prevention Fund		\$15,000
COVID-19 Enhanced Operations Fund		\$35,000
Youth Suicide Prevention Fund		\$15,000
<i>Total Governmental Activities</i>	<u>\$290,460</u>	<u>\$290,460</u>

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 6 – Advances and Transfers (Continued)

The prior year amount of advances outstanding was \$255,000 with the General Fund making \$295,460 of additional advances during the current year and receiving repayment of \$260,000 of advances from other governmental funds during the year.

There were no transfers during 2024.

Note 7 – Risk Management

The Health District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2024, the Health District contracted with several companies for various types of insurance as follows:

Type of Coverage	Coverage	Deductible
Grange Insurance Company		
Blanket Property and Contents, Replacement	\$1,010,000	\$1,000
Building Coverage	\$1,909,000	\$1,000
Spoilage Coverage	\$100,000	\$500
Building Earthquake	\$1,909,000	10%
Contents Earthquake	\$945,000	10%
Furniture and Fixtures	\$20,000	\$1,000
Employee Theft	\$10,000	\$250
Other Theft	\$10,000	\$250
Outside Premises	\$10,000	\$250
Automobile Liability	\$1,000,000	\$500

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

During 2024, the Health District offered health insurance to employees working on average 30 hours or more during the look back period, October 1, 2022 to September 30, 2023. Health insurance offered by the Health District is through the Allen County Commissioners, contracting with County Employee Benefit Consortium of Ohio (CEBCO). The Health District pays 88% of monthly premiums for employees working 37.50 hours per week and, 78% of the monthly premiums for employees that average 30 or more hours per week, but under 37.50 hours.

The Health District insures against injuries to employees through the Ohio Bureau of Worker's Compensation. This coverage is obtained through the Allen County Commissioners.

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 7 – Risk Management (Continued)

Risk Pool Membership

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

- Casualty
- Legal Defense and Claim Payment
- Cyber Breach
- Pollution liability
- Active Assailant
- Law enforcement liability
- Automobile liability
- Property
- Public Officials Wrongful Acts
- Equipment Breakdown
- Telecommunications Fraud
- Sewer Back-up

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2023: (most recent available information)

Cash and investments	\$43,996,442
Actuarial liabilities	\$19,743,401

Note 8 – Defined Benefit Pension Plans

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – Health District employees, other than board of health members, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a cost-sharing, multiple-employer defined benefit plan with defined contribution features. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members (e.g., Health District employees) may have elected the member-directed plan or the combined plan, the majority of 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 and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 8 – Defined Benefit Pension Plans (Continued)

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members 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 as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

Traditional plan state and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement.

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. 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.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions. For fiscal year 2024, member contribution rates were 10% of salary and employer contribution rates were 14%. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. For 2024, the Health District's contractually required contribution was \$370,283.

Social Security

Three members of the Health District Board of Health contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participant.

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

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 9 – Postemployment Benefits

Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program.

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

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

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Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 9 – Postemployment Benefits (Continued)

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

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

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

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

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

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

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

Group A 30 years of qualified health care service credit;

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

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

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

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

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

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

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

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 9 – Postemployment Benefits (Continued)

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

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

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

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

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

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

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

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

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 9 – Postemployment Benefits (Continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's made no contractually required contribution for the year 2024.

Note 10 – Debt

Loans Payable

The Health District's long-term loan activity for the year ended December 31, 2024, was as follows:

Debt Type		Principal Outstanding 1/1/2024	Principal Issued During Year	Principal Retired During Year	Principal Outstanding 12/31/2024	Due Within One Year
Building Mortgage	4.25%	\$ 347,988	\$ -	\$ 43,114	\$ 304,874	\$ 45,121
Promissory Note - County	2.00%	-	301,250	-	301,250	301,250
Total		\$ 347,988	\$ 301,250	\$ 43,114	\$ 606,124	\$ 346,371

The Health District secured a mortgage loan from the Union Bank Company in the amount of \$800,000, bearing a variable interest rate of 4.67%, subject to change every 5 years, to complete the purchase and renovation of its office building. Effective 2/18/2021 the interest rate decreased from 4.67% to 4.25%. The interest rate is subject to change again on 2/18/2026. The Health District principal and interest payments are due monthly with final payment due January 18, 2031. The loan is collateralized by the property located at 219 E. Market Street, Lima, Ohio.

During 2024, the Health District obtained a loan from Allen County, Ohio (the Health District's fiscal agent) in the amount of \$301,250 for the purpose of paying certain operating expenses of the Health District. The promissory note is due on or before April 15, 2025 and bears an interest rate of 2%, which is forgivable at the County's discretion. The following is a summary of the Health District's future annual debt service requirements:

Year	Principal	Interest
2025	\$ 346,371	\$ 12,245
2026	47,104	10,262
2027	49,174	8,192
2028	51,317	6,049
2029	53,508	3,858
2030-2031	58,650	1,345
	\$ 606,124	\$ 41,951

Combined Allen County General Health District

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2024*

Note 10 – Debt (Continued)

Lease Obligations

In November 2019, the Health District entered into a lease agreement for office space designated for use by the Women, Infants, and Children (WIC) Division. The Health District signed a Letter of Intent with C & C Property Management (formerly known as 2200 Allentown Rd, LLC) in November 2019 for office space to house the WIC Division located at 2200 Allentown Rd., Lima, OH. The initial term of the lease was May 1, 2020 through September 30, 2020 at the monthly rate of \$4,050, with the option to renew for six years. The monthly rate from October 1, 2022 to September 2024 was \$4,200. The monthly rate from October 1, 2024 through September 30, 2026 is \$4,350. Effective August 21, 2023, the property was sold by AMERCO Real Estate Company; no changes were made to lease term or monthly rate.

Office Equipment

In September 2022, the Health District entered into a five-year equipment lease with US Bank. This lease covers four Konica Minolta bizhubs/copiers. The Health District leases the equipment under non-cancellable leases. The final lease payment for the new lease is 2027, with a total lease cost of \$55,800. The Health District entered into two lease agreements with Quadient (formerly known as Mail Finance) for postage meter equipment. Postage Meter 1 is a five-year lease which commenced July 2024 and will end June 2029. Postage Meter 2 is a five-year lease which commenced January 2019 and ended in March 2024. A new lease was entered in March 2024 and ends March 2029. The Health District leases the equipment under non-cancellable leases. The Quadient leases are for a total cost of \$10,647 and \$6,237 respectively.

Future lease payments for the above leases are as follows:

	US Bank	Postage Meter 1	Postage Meter 2
<u>Year</u>	<u>Amount Due</u>	<u>Amount Due</u>	<u>Amount Due</u>
2025	\$ 11,160	\$ 2,028	\$ 1,188
2026	11,160	2,028	1,188
2027	11,160	2,028	1,188
2028	-	2,028	1,188
2029	-	2,028	1,089
	<u>\$ 33,480</u>	<u>\$ 10,140</u>	<u>\$ 5,841</u>

Note 11 – Contingent Liabilities

Amounts grantor agencies pay to the Health District are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, the Health District believes any refunds would be immaterial to its financial position.

Combined Allen County General Health District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2024

Note 12 – Fund Balances

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

Fund Balances	General Fund	Women, Infants, and Children Fund	Other Governmental Funds	Total
Restricted for				
Women, Infants and Children	\$ -	\$ 38,683	\$ -	\$ 38,683
Get Vaccinated	-	-	19,489	19,489
Cribs for Kids	-	-	13,388	13,388
Moms & Babies First	-	-	10	10
Food Service	-	-	58,315	58,315
Public Health Workforce	-	-	64,642	64,642
Campgrounds	-	-	18,719	18,719
Community Water	-	-	49,659	49,659
Creating Healthy Communities	-	-	31,001	31,001
Reproductive Health and Wellness	-	-	14,592	14,592
Pools	-	-	20,507	20,507
Naloxone	-	-	28,833	28,833
Public Health Emergency Preparedness	-	-	13,322	13,322
STI Prevention Program	-	-	28,475	28,475
Water Pollution Control Loan Fund	-	-	5,756	5,756
Sewage Program	-	-	91,634	91,634
HIV Prevention	-	-	20,891	20,891
COVID-19 Enhanced Operations	-	-	24,456	24,456
Youth Suicide Prevention	-	-	23,451	23,451
Covid - Bridge Vaccination	-	-	11,349	11,349
<i>Total Restricted</i>	-	38,683	538,489	577,172
Committed to				
Sick & Vacation Leave Payout	47,115	-	-	47,115
<i>Total Committed</i>	47,115	-	-	47,115
Assigned to				
Future Capital Improvements	-	-	34,862	34,862
Subsequent Year Budget	158,129	-	-	158,129
<i>Total Assigned</i>	158,129	-	34,862	192,991
Unassigned	145,611	-	-	145,611
<i>Total Fund Balances</i>	\$ 350,855	\$ 38,683	\$ 573,351	\$ 962,889

**Combined Allen County General Health District
Allen County**

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

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Health			
WIC Special Supplemental Nutrition Program for Women, Infants, and Children			
WIC Administration	10.557	WA-17-24	\$ 443,018
		WA-18-25	97,758
Total AL # 10.557			540,776
Total U.S. Department of Agriculture			540,776
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Ohio Department of Health			
Injury Prevention and Control Research and State and Community Based Programs			
Youth Suicide Prevention	93.136	YS-01-24	38,900
		YS-01-25	7,799
Total AL # 93.136			46,699
Immunization Cooperative Agreements			
COVID-19 Bridge Vaccination	93.268	CB-01-24	1,911
Get Vaccinated Ohio - Public Health Initiative	93.268	GV-06-24	29,897
		GV-07-25	32,172
Total AL # 93.268			63,980
Family Planning Services			
Reproductive Health and Wellness	93.217	RH-13-24	61,911
		RH-14-25	106,347
Total AL # 93.217			168,258
Maternal and Child Health Services Block Grant to the States			
Reproductive Health and Wellness	93.994	RH-13-24	18,558
		RH-14-25	15,845
Cribs for Kids and Safe Sleep	93.994	CK-06-24	35,420
		CK-06-24-01	4,491
Total AL # 93.994			74,314
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response			
Public Health Workforce	93.354	WF-02-23	5,000
Total AL # 93.354			5,000
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health			
Public Health Workforce	93.967	WF-02-23	169,628
Total AL # 93.967			169,628

**Combined Allen County General Health District
Allen County**

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

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
Preventive Health and Health Services Block Grant Creating Healthy Communities	93.991	CC-15-24 CC-16-25	72,948 17,640
Total AL # 93.991			90,588
Opioid STR Integrated Harm Reduction	93.788	IH-02-24	58,984
Total AL # 93.788			58,984
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) COVID-19 Enhanced Operations	93.323	EO-03-23	163,586
Total AL # 93.323			163,586
Public Health Emergency Preparedness Public Health Emergency Preparedness	93.069	PH-15-24 PH-01-25	44,116 44,809
Total AL # 93.069			88,925
Sexually Transmitted Diseases (STD) Prevention and Control Grants STI Prevention	93.977	ST-07-24	223,415
Total AL # 93.977			223,415
HIV Prevention Activities Health Department Based HIV Prevention	93.940	HP-05-23 HP-06-24	69,467 27,174
Total AL # 93.940			96,641
Total U.S. Department of Health and Human Services			1,250,018
Total Expenditures of Federal Awards			\$ 1,790,794

The accompanying notes are an integral part of this schedule.

**COMBINED ALLEN COUNTY GENERAL HEALTH DISTRICT
ALLEN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Combined Allen County General Health District (the Health District) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Health District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Health District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - SUBRECIPIENTS

The Health District did not pass through funds to subrecipients in the year ending December 31, 2024.

NOTE E - MATCHING REQUIREMENTS

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

NOTE F – MEDICAID ADMINISTRATIVE CLAIMS

During the calendar year, the Health District received a deferred payment from the Ohio Department of Health for the Medicaid program (ALN 93.778) in the amount of \$118,693. The deferred payment was for Medicaid Administrative Claims (MAC) expenses the Health District incurred in prior reporting periods. The Ohio Department of Health receives federal funding to reimburse these expenses according to the Health District's Medicaid Eligibility Rate (MER) for certain activity codes within the MAC program. MAC receipts are not listed on the Health District's Schedule of Expenditures of Federal Awards as the underlying expenses are on a cost reimbursement basis incurred in prior reporting periods.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Combined Allen County General Health District
Board of Health
219 E. Market Street
PO Box 1503
Lima, Ohio 45801

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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Combined Allen County General Health District (the "Health District") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Health District's basic financial statements, and have issued our report thereon dated May 15, 2025, wherein we noted the Health District reported on the cash basis of accounting.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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. We identified a certain deficiency in internal control, described in the schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

Health District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Health District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Health District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Health District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
May 15, 2025

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Combined Allen County General Health District
Board of Health
219 E. Market Street
PO Box 1503
Lima, Ohio 45801

Report on Compliance for Each Major Federal Program**Opinion on Each Major Federal Program**

We have audited the Combined Allen County General Health District's (the "the Health District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Health District's major federal programs for the year ended December 31, 2024. The Health District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Health District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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 Health District's federal programs.

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

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

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 Auditors' 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 that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio

May 15, 2025

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
ALN 10.557 – Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	
ALN 93.977 – Sexually Transmitted Diseases (STD) Prevention and Control Grants	
Dollar threshold to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

2024-001: Significant Deficiency – Financial Reporting

During the course of our audit, we identified misstatements in the financial statements that were not initially identified by Health District's internal control over financial reporting. Various reclassifications were made during the audit to eliminate interfund reimbursements and to reclassify certain amounts between line-items within the Health District's financial statements presented for audit. While these reclassifications did not affect the ending cash fund balances within the financial statements, these reclassifications were made to the financial statements to ensure proper presentation.

Additionally, the Health District did not properly apply GASB 100, *Accounting Changes and Error Corrections* with respect to financial statement presentation and disclosure to reflect the movement of funds between major and nonmajor. A change in a fund's presentation as major/nonmajor is a change to or within the financial reporting entity subject to the requirements of GASB 100. The financial statements and related disclosures were adjusted to accurately report the change in major/nonmajor funds in accordance with GASB 100.

The Health District should ensure financial reporting procedures are implemented to detect errors and omissions in the financial statements prior to presenting them for audit.

Health District's Response: The Health District acknowledges the errors noted above. We will continue to improve financial reporting procedures to ensure such issues are not repeated in the future.

Section III – Federal Awards Findings and Questioned Costs

None noted.



Allen County Combined Health District

Combined Allen County General Health District
Schedule of Prior Audit Findings
Year Ended December 31, 2024

2023-001: Material Weakness – Financial Reporting

As the result of audit procedures performed, it was determined that the Health District did not appropriately present the Building Improvement Fund as a major fund in 2023.

Status: Corrected.



ALLEN COUNTY PUBLIC HEALTH

Allen County Combined Health District

Combined Allen County Health District
Corrective Action Plan
Year Ended December 31, 2024

Finding Number: 2024-001

Planned Corrective Action: The Health District concurs with the finding. Additional financial statement review will be performed and verified by upper management to ensure the financial statements presented for audit is complete and accurate.

Anticipated Completion Date: 06/01/2025

Responsible Contact Person: Melissa Rayle, Finance Director



OHIO AUDITOR OF STATE KEITH FABER



COMBINED ALLEN COUNTY GENERAL HEALTH DISTRICT

ALLEN 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 7/29/2025

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