



bhm cpa group, inc.

CERTIFIED PUBLIC ACCOUNTANTS

MARION PUBLIC HEALTH
MARION COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024

OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215
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800-282-0370

The Board
Marion Public Health
181 S. Main Street
Marion, Ohio 43302

We have reviewed the *Independent Auditor's Report* of Marion Public Health, Marion County, prepared by BHM CPA Group, Inc., 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. Marion Public Health is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

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

August 18, 2025

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Marion Public Health
Marion County
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INDEPENDENT AUDITOR'S REPORT

Marion Public Health
Marion County
181 S. Main Street
Marion, Ohio 43302

To the Board:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Marion Public Health, Marion County, Ohio (the District), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the year ended December 31, 2024, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the year ended December 31, 2024, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of December 31, 2024, or the changes in financial position thereof for the year then ended.

Basis for Opinions

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by the District on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

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.

The schedule is the responsibility of management and derives from and relates directly to the underlying accounting and other records used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the 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 20, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 20, 2025

Marion Public Health
Marion County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2024

	General	Special Revenue	Combined Totals
Cash Receipts			
Charges for Services	\$ 204,173	\$ 247,105	\$ 451,278
Fines, Licenses and Permits	101,265	264,078	365,343
Intergovernmental			
Apportionments	283,727	-	283,727
State Subsidy	36,763	-	36,763
Grants	-	936,728	936,728
Other	362,799	70,093	432,892
Miscellaneous	29,777	67,428	97,205
<i>Total Cash Receipts</i>	<u>1,018,504</u>	<u>1,585,432</u>	<u>2,603,936</u>
Cash Disbursements			
Current:			
Health:			
Salaries & Benefits	473,901	1,437,946	1,911,847
Supplies	21,790	28,109	49,899
Equipment	19,649	3,191	22,840
Contract Services	181,916	172,290	354,206
Travel & Expenses	3,208	40,824	44,032
Advertising & Printing	171	4,336	4,507
Maintenance	-	14,085	14,085
Improvements	-	39,283	39,283
Other Expenses	5,173	4,611	9,784
Vaccine	-	75,116	75,116
Remittance-State	79,124	13,156	92,280
State of Ohio Permit Fee	-	4,526	4,526
Utilities	36,627	15,231	51,858
ARRA HSTS Improvement Assist	-	111,566	111,566
Debt Service:			
Principal Retirement	-	34,485	34,485
Interest and Fiscal Charges	<u>-</u>	<u>16,759</u>	<u>16,759</u>
<i>Total Cash Disbursements</i>	<u>821,559</u>	<u>2,015,514</u>	<u>2,837,073</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>196,945</u>	<u>(430,082)</u>	<u>(233,137)</u>
Other Financing Receipts (Disbursements)			
Transfers In	-	210,000	210,000
Transfers Out	(210,000)	-	(210,000)
Advances In	236,738	211,738	448,476
Advances Out	<u>(211,738)</u>	<u>(236,738)</u>	<u>(448,476)</u>
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(185,000)</u>	<u>185,000</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	<u>11,945</u>	<u>(245,082)</u>	<u>(233,137)</u>
<i>Fund Cash Balances, January 1, as restated (Note 15)</i>	<u>253,589</u>	<u>1,027,347</u>	<u>1,280,936</u>
<i>Fund Cash Balances, December 31</i>	<u>\$265,534</u>	<u>\$782,265</u>	<u>\$1,047,799</u>

See accompanying notes to the basic financial statements

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Marion Public Health, Marion County, (the District) as a body corporate and politic. A seven-member Board governs the District. The District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, and issues health-related licenses and permits.

On January 1, 2010, the District Board of Health, Marion County, and the City of Marion Health Department merged, creating a new entity known as Marion Public Health.

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

Public Entity Risk Pool

The District participates in the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio Local governments. Note 10 to the financial statements provides additional information for this entity.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types organized on a fund type basis.

Fund Accounting

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

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

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Funds:

Women, Infants, and Children (WIC) Fund This Federal grant fund accounts for the Special Supplemental Nutrition Program.

Public Health Nursing Fund This fund receives income from various clinics and an interagency agreement with Children with Medical Handicaps Program. This revenue is used for the staff and for supplies to provide services.

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

The Ohio Revised Code requires the District to budget each fund annually

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2024 budgetary activity appears in Note 3.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Nonspendable The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the District and the nonspendable portion of the corpus in permanent funds.

Restricted Fund balance is *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 Board can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2024, follows:

Fund Type	2024 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General	\$1,000,000	\$1,018,504	\$18,504
Special Revenue	2,324,480	1,795,432	(529,048)
Total	<u>\$3,324,480</u>	<u>\$2,813,936</u>	<u>(\$510,544)</u>

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

2024 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	\$1,315,778	\$1,195,954	\$119,824
Special Revenue	2,698,989	2,272,721	426,268
Total	\$4,014,767	\$3,468,675	\$546,092

Note 4 – Deposits and Investments

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

Note 5 – Debt

Debt outstanding at December 31, 2024, was as follows:

	Principal	Interest Rate
2013 Promissory Note	\$253,849	4.14%
2018 Promissory Note	\$84,404	5.52%
Total	\$338,253	

The District has a promissory note through First Citizens National Bank. The note was obtained in 2013 in the amount of \$517,300 and will be repaid in annual installments of \$37,911, including interest over 20 years, with final maturity in 2032. The District's property is pledged as collateral.

On August 15, 2018, the District obtained a promissory note through First Citizens National Bank in the amount of \$140,000. The Note will be repaid in annual installments of \$13,333, including interest, over 14 years, with final maturity in 2032. The District's property is pledged as collateral.

Amortization of the above debt, including interest is scheduled as follows:

Year Ending December 31:	First Citizens Loan
2025	\$51,244
2026	51,244
2027	51,244
2028	51,244
2029	51,244
2030-2032	153,732
Total	\$409,952

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 6 – Intergovernmental Funding and Property Taxes

Intergovernmental Funding

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

Note 7 – Interfund Balances

Outstanding advances at December 31, 2024, consisted of \$75,000 advanced to WIC, \$10,000 advanced to Integrated Naloxone, \$25,000 advanced to Public Health Emergency Preparedness, \$25,000 advanced to Preventative Block and Health Services Block Grant, \$60,000 advanced to Enhanced Operations, \$15,000 advanced to Get Vaccinated Ohio, and \$1,738 advanced to Medical Reserve Corps funds to provide working capital for operations and projects.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The District's elected officials and employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the District contributed an amount equaling 14 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2024.

Note 9 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. 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. For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 10 – Risk Management

Risk Pool Membership

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

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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

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

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

During 2024, the District made no payments for casualty claims that exceeded the limits of the casualty policy and no payments for property claims that exceeded the limits of the property policy.

During 2024, the District made no significant changes to coverage from prior year.

Note 11 – Contingent Liabilities

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

Note 12 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	164,395	257,207	421,602
Total	<u>\$164,395</u>	<u>\$257,207</u>	<u>\$421,602</u>

The fund balance of special revenue funds is either restricted or committed. In the general fund, outstanding encumbrances are considered assigned.

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 13 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency ended in April 2023. During 2024, the District received COVID-19 funding. The District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Note 14 – Identification of Grants Received Through the Ohio Department of Health

Federal Entity: US Department of Agriculture

Pass-Through Entity: Ohio Department of Health

Federal Grant: Special Supplemental Nutrition Program for Women, Infants, and Children

Federal ALN #: 10.557

Project Number: 05110011WA1625

2024 Receipt Amount: \$52,373

Federal Entity: US Department of Agriculture

Pass-Through Entity: Ohio Department of Health

Federal Grant: Special Supplemental Nutrition Program for Women, Infants, and Children

Federal ALN #: 10.557

Project Number: 05110011WA1524

2024 Receipt Amount: \$341,772

Federal Entity: US Department of Health and Human Services

Pass-Through Entity: Ohio Department of Health

Federal Grant: Preventive Block and Health Services Block Grant

Federal ALN #: 93.991

Project Number: 05110014CC1625

2024 Receipt Amount: \$9,518

Federal Entity: US Department of Health and Human Services

Pass-Through Entity: Ohio Department of Health

Federal Grant: Preventive Block and Health Services Block Grant

Federal ALN #: 93.991

Project Number: 05110014CC1524

2024 Receipt Amount: \$79,830

Federal Entity: US Department of Health and Human Services

Pass-Through Entity: Ohio Department of Health

Federal Grant: Public Health Emergency Preparedness

Federal ALN #: 93.069

Project Number: 05110012PH0125

2024 Receipt Amount: \$24,565

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Federal Entity: US Department of Health and Human Services

Pass-Through Entity: Ohio Department of Health

Federal Grant: Public Health Emergency Preparedness

Federal ALN #: 93.069

Project Number: 05110012PH1524

2024 Receipt Amount: \$52,107

Federal Entity: US Department of Health and Human Services

Pass-Through Entity: Ohio Department of Health

Federal Grant: Opioid STR

Federal ALN #: 93.788

Project Number: 05110014IH0224

2024 Receipt Amount: \$121,000

Federal Entity: US Department of Health and Human Services

Pass-Through Entity: Ohio Department of Health

Federal Grant: Activities to Support State, Tribal, Local, and Territorial Health Department Response to Public Health or Healthcare Crisis

Federal ALN #: 93.391

Project Number: 05110012WF0223

2024 Receipt Amount: \$5,000

Federal Entity: US Department of Health and Human Services

Pass-Through Entity: Ohio Department of Health

Federal Grant: CDC's Collaboration with Academia to Strengthen Public Health

Federal ALN #: 93.967

Project Number: 05110012WF0223

2024 Receipt Amount: \$28,353

Federal Entity: US Department of Health and Human Services

Pass-Through Entity: Ohio Department of Health

Federal Grant: Immunization Grants

Federal ALN #: 93.268

Project Number: 05110012GV0125

2024 Receipt Amount: \$9,827

Marion Public Health
Marion County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 15 – Restatement of Fund Cash Balance

The District corrected their beginning fund cash position at January 1, 2024 in the general fund and the public health nursing special revenue fund due to \$54,264 in an erroneous audit adjustment from prior years. The District had corrected this amount as of December 31, 2022 with a fund balance transfer, and an audit adjustment was posted in 2022 and in 2023, resulting in a double accounting of the adjustment. The effect of the adjustment on beginning fund cash balance is reflected in the chart below.

	<u>Error</u> <u>Correction</u>		
	12/31/2023	As Previously Reported	1/1/2024 As Restated
	Correction 1		
Governmental Funds			
General Fund	\$307,853	(\$54,264)	\$253,589
Special Revenue Funds	<u>973,083</u>	<u>54,264</u>	<u>1,027,347</u>
Total Governmental Funds	<u>\$1,280,936</u>	<u>\$0</u>	<u>\$1,280,936</u>

MARION PUBLIC HEALTH
MARION 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			
<i>Passed Through Ohio Department of Health</i>			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	05110011WA1625	83,098
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	05110011WA1524	315,026
Total Special Supplemental Nutrition Program for Women, Infants, and Children			<u>398,124</u>
Total U.S. Department of Agriculture			<u>398,124</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Ohio Department of Health</i>			
Public Health Emergency Preparedness	93.069	05110012PH0125	32,636
Public Health Emergency Preparedness	93.069	05110012PH1524	55,232
Total Public Health Emergency Preparedness			<u>87,868</u>
Epidemiology and Laboratory Capacity for Infectious Disease	93.323	05110012EO0222	11,028
Immunization Grants	93.268	05110012GV0125	5,678
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	05110012WF0223	25,718
Opioid STR	93.788	05110014IH0224	148,091
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	05110012WF0223	5,000
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	05110011OI0123	131,311
Total Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises			<u>136,311</u>
Preventive Health and Health Services Block Grant	93.991	05110014CC1625	15,560
Preventive Health and Health Services Block Grant	93.991	05110014CC1524	81,817
Total Preventive Health and Health Services Block Grant			<u>97,377</u>
Total U.S. Department of Health and Human Services			<u>512,071</u>
Total Expenditures of Federal Awards			<u>\$910,195</u>

The accompanying notes are an integral part of this schedule.

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

The District has elected not to use the 10-percent / 15-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D – MATCHING REQUIREMENTS

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



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

Marion Public Health
Marion County
181 S. Main Street
Marion, Ohio 43302

To the Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the year ended December 31, 2024 and the related notes to the financial statements of the Marion Public Health, Marion County, Ohio (the District) and have issued our report thereon dated June 20, 2025, wherein we noted the District followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

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

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

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

Marion Public Health

Marion County

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance
and other Matters Required by *Government Auditing Standards*

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Report on Compliance and Other Matters

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

Purpose of This Report

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

BHM CPA Group

BHM CPA Group, Inc.

Portsmouth, Ohio

June 20, 2025



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

Marion Public Health
Marion County
181 S. Main Street
Marion, Ohio 43302

To the Board:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Marion Public Health's, Marion County, (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Marion Public Health's major federal program for the year ended December 31, 2024. Marion Public Health's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Marion Public Health

Marion County

Independent Auditor's Report on Compliance with Requirements

Applicable to the Major Federal Program and on Internal Control Over

Compliance Required by the Uniform Guidance

Page 3

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.

BHM CPA Group

BHM CPA Group, Inc.

Portsmouth, Ohio

June 20, 2025

MARION PUBLIC HEALTH
MARION COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	AOS Regulatory Basis: Unmodified U.S. GAAP Basis: Adverse
(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 Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Special Supplemental Nutrition Program for Women, Infants, and Children ALN 10.557
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

MARION PUBLIC HEALTH
MARION COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024

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

None

3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS

None

OHIO AUDITOR OF STATE KEITH FABER



MARION PUBLIC HEALTH

MARION 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 8/28/2025

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