



OHIO AUDITOR OF STATE
KEITH FABER



**MEDINA COUNTY COMBINED GENERAL HEALTH DISTRICT
MEDINA COUNTY
DECEMBER 31, 2021**

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INDEPENDENT AUDITOR'S REPORT

Medina County Combined General Health District
Medina County
4800 Ledgewood Drive
Medina, Ohio 44256

To the Board of Health:

Report on the Audit of the Financial Statements

Opinions

We have audited the cash-basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Medina County Combined General Health District, Medina County, Ohio (the District), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the District, as of December 31, 2021, and the respective changes in cash-basis financial position thereof and the budgetary comparison for the General 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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Accounting Basis

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

Emphasis of Matter

As discussed in Note 13 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The District also restated the December 31, 2020 fund balances of the General Fund and Other Governmental Funds and the December 31, 2020 budgetary-basis fund balance of the General Fund for reclassifications of grants funds. These restatements are discussed in Note 12 to the financial statements. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

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

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2022, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

September 19, 2022

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Medina County Combined General Health District
Medina County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

The discussion and analysis of the Medina County Combined General Health District's (the Health District) financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2021, within the limitations of the Health District's cash basis of accounting. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Health District's financial performance.

Financial Highlights

Key financial highlights for the year 2021 are as follows:

- Net position increased \$2,181,497 or 31 percent from 2020.
- Total 2021 cash receipts increased by \$1,135,759 over 2020. Program cash receipts for operating grants, contributions, and interest increased \$729,558.
- Total 2021 disbursements increased \$231,200 compared to 2020.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Health District's cash basis of accounting.

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Health District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions on a cash basis of accounting.

The Statement of Net Position – Cash Basis, and Statement of Activities – Cash Basis provide information about the activities of the whole Health District, presenting both an aggregate view of the Health District's finances, and a longer-term view of those finances. Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Health District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements, and provide expanded explanation and detail regarding the information reported in the statements.

Medina County Combined General Health District
Medina County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Health District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Health District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Health District as a Whole

The Statement of Net Position – Cash Basis and the Statement of Activities – Cash Basis reflect how the Health District did financially during 2021, within the limitations of the cash basis of accounting. The Statement of Net Position – Cash Basis presents the cash balances of the governmental activities of the Health District at year end. The Statement of Activities – Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services, and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the Health District's general receipts.

These statements report the Health District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Health District's financial health. Over time, increases or decreases in the Health District's cash position is one indicator of whether the Health District's financial health is improving or deteriorating. When evaluating the Health District's financial condition, you should also consider other non-financial factors as well, such as the Health District's property tax base, the condition of the Health District's capital assets, the reliance on non-local financial resources for operations and the need for continued growth.

The Statement of Net Position – Cash Basis, and the Statement of Activities – Cash Basis present governmental activities, which include all the Health District's services. The Health District has no business-type activities.

Reporting the Health District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the Health District's major funds – not the Health District as a whole. The Health District establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. All of the operating funds of the Health District are governmental.

Medina County Combined General Health District
Medina County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

Governmental Funds - The Health District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed short-term view of the Health District's governmental operations and the health services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Health District's health programs.

The Health District's most significant governmental fund is presented on the financial statements in a separate column. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Health District's major governmental fund is the General Fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

The Health District as a Whole

Table 1 provides a summary of the Health District's net position for 2021 compared to 2020 on a cash basis:

	Table 1		
	Net Position		
	Governmental Activities		
	2021	2020	Change
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 9,157,743	\$ 6,976,246	\$ 2,181,497
Net Position			
Restricted for:			
Other Purposes	2,030,763	1,537,737	493,026
Unrestricted	7,126,980	5,438,509	1,688,471
<i>Total Net Position</i>	\$ 9,157,743	\$ 6,976,246	\$ 2,181,497

Net position increased primarily due to COVID related grants received during the year and not fully spent in 2021.

Medina County Combined General Health District
Medina County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

Table 2 reflects the change in net position in 2021, and provides a comparison to 2020 amounts:

Table 2
Changes in Net Position

	Governmental Activities		
	2021	2020	Change
Receipts			
<i>Program Receipts</i>			
Charges for Services and Sales	\$ 3,094,714	\$ 2,903,494	\$ 191,220
Operating Grants, Contributions and Interest	3,766,595	3,037,037	729,558
<i>Total Program Receipts</i>	6,861,309	5,940,531	920,778
<i>General Receipts</i>			
Property Taxes	2,975,957	2,911,089	64,868
Grants and Entitlements not Restricted to Specific Programs	440,418	428,825	11,593
Miscellaneous	240,521	102,001	138,520
<i>Total General Receipts</i>	3,656,896	3,441,915	214,981
<i>Total Receipts</i>	10,518,205	9,382,446	1,135,759
<i>Program Disbursements</i>			
Health Center	2,564,302	2,684,194	(119,892)
Environmental Health	1,491,402	1,413,516	77,886
WIC	370,541	377,714	(7,173)
Community Health	2,742,692	2,439,588	303,104
Capital Outlay	34,896	46,633	(11,737)
Administrative Services	1,132,875	1,143,863	(10,988)
<i>Total Program Disbursements</i>	8,336,708	8,105,508	231,200
<i>Change in Net Position</i>	2,181,497	1,276,938	904,559
<i>Net Position Beginning of Year</i>	6,976,246	5,699,308	1,276,938
<i>Net Position End of Year</i>	\$ 9,157,743	\$ 6,976,246	\$ 2,181,497

In 2021, program receipts accounted for 65 percent of the Health District's total receipts compared to 63 percent in 2020. These receipts consist primarily of charges for services for birth and death certificates, food service licenses, campgrounds, swimming pools and spas, septic and water system permits, dental and medical primary care services, and state and federal operating grants and donations. General receipts are those consisting mainly of property taxes levied for general health district purposes.

Medina County Combined General Health District
Medina County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

The increase in grant revenue in 2021 can be attributed to the continued Health Resources and Services Administration (HRSA) Pandemic-related grants along with other pandemic-related grants through the Ohio Department of Health. COVID related expenses contributed to the increase in community health expenses.

During 2021, public health nursing expenses were consolidated with community health which has been reflected in 2020 in Table 2 and Table 3.

Governmental Activities

If you look at the Statement of Activities – Cash Basis, you will see that the first column lists the major services provided by the Health District. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for the Health Center which includes medical primary care and dental services, Administrative Services which includes Vital Statistics, Environmental Health, Community Health, and WIC, which account for the majority of all governmental disbursements. Capital Outlay accounts for the remaining governmental disbursements.

The next two columns of the Statement titled Program Cash Receipts identify amounts paid by people who are directly charged for the service, and grants received by the Health District, that must be used to provide a specific service. The net cost column compares the program receipts to the cost of the service. This “Net Cost” amount represents the cost of the service which ends up being paid from money provided by local taxpayers and state subsidies. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost for both the current and prior years is presented in Table 3.

Table 3
Governmental Activities

	Total Costs of Services		Net Costs of Services	
	2021	2020	2021	2020
<i>Program Disbursements</i>				
Health Center	\$ 2,564,302	\$ 2,684,194	\$ 156,459	\$ 262,173
Environmental Health	1,491,402	1,413,516	61,420	67,551
WIC	370,541	377,714	(3,781)	(14,463)
Community Health	2,742,692	2,439,588	612,452	1,115,546
Capital Outlay	34,896	46,633	34,896	46,633
Administrative Services	1,132,875	1,143,863	613,953	687,537
<i>Total</i>	<u>\$ 8,336,708</u>	<u>\$ 8,105,508</u>	<u>\$ 1,475,399</u>	<u>\$ 2,164,977</u>

The Health District continually strives to reduce dependence upon property taxes and local subsidies by actively pursuing Federal and State grants, donations, and charging rates for services that are closely related to costs. The Health District costs were partially supported through property taxes. The Health District continues to update the charges for all its services and review billing practices and procedures to improve reimbursements due to the Health District from Medicare, Medicaid, private insurance, and fees.

Medina County Combined General Health District
Medina County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

The Health District's Funds

As noted earlier, the Health District uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

The focus of the Health District's governmental funds is to provide information on receipts, disbursements, and balances of spendable resources. Such information is useful in assessing the Health District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Health District's net resources available for spending at the end of the year.

At the end of 2021, the Health District's governmental funds reported total ending fund balance of \$9,157,743. Of this amount, \$2,030,763 is restricted, \$1,803,228 is committed, \$839,430 is assigned, and \$4,484,322 is unassigned.

The General Fund is the chief operating fund of the Health District. At the end of 2021, total fund balance in the General Fund was \$7,345,974. As a measure of the general fund's liquidity, it may be useful to compare total general fund balance to total general fund disbursements.

The fund balance increased \$1,472,110 in 2021. As discussed in current related financial activities, personnel that were previously paid out of general fund have been charged to pandemic-related grant funds which contributed this increase.

General Fund Budgeting Highlights

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

During the course of 2021, the Health District amended its budget, and the budgetary statement reflects both the original and final amounts.

For the general fund, final budget basis receipts were \$3,387,586 more than actual receipts of \$5,742,685 mainly in receipts for charges for services. There was no significant difference in original and final budget basis receipts.

Final disbursement appropriations of \$7,149,239 were \$2,551,867 higher than the actual disbursements due to fully appropriating available resources. Original disbursement appropriations were \$9,231,011, or \$2,081,772 higher than final disbursement appropriations with health center and community health disbursements originally estimated higher.

There were no significant differences in other financing sources and uses.

Medina County Combined General Health District
Medina County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

Current Related Financial Activities

The Environmental Health Special Funds, although still impacted by the Pandemic, were less so in 2021 compared to 2020. The Sewage Program Fund (0101) increased 5% or \$22,721, the Food Program Fund (0112) increased 4% or \$18,431, the Campground Fund (0115) increased 6% or \$675, and the Pool Fund (0117) increased 22% or \$11,010. The Solid Waste Fund (0107) declined 16% or \$3,852 and the Water Fund (0114) declined 4% or \$2,810. When revenues are compared to the pre-pandemic year (2019), the Sewage Fund is still less by 1% less or \$2,619, Solid Waste Fund by 25% or \$6,330, and the Water Fund by 18% or \$14,350.

The impact of revenue reductions in some Environmental Health Special Funds in 2021 on 2022 finances will be minimal. Carryovers as a result of Board of Health cash transfers in previous years coupled with the continuing temporary reassignment of some environmental health staff to Pandemic response activities as time permits will allowed personnel expenses to be charged to various Pandemic-related grants.

A large number of staff were working on Pandemic-related activities that were chargeable to various Pandemic-related grants thus reducing the draw on the General and Environmental Health Special Funds. It is expected that as the economy recovers from the Pandemic and staff return to their regular assignments on a more permanent basis, Pandemic grant funding will be curtailed, the temporary increase in General Fund fund balance will diminish, and the Health District will once again rely on other revenues and levy funding to operate.

In November 2021, in the midst of the Pandemic, the Health District placed a 0.70 mill tax levy renewal with a 0.15 mill increase to offset future projected operational funding deficiencies. The levy failed by seven votes with low voter turnout. This levy is critical in providing the necessary funding for public health services to the County and will once again be placed on the ballot in 2022.

Contacting the Health District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and providers with a general overview of the Health District's finances and to reflect the Health District's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to David H. McElhatten, Director of Administrative Services, 330-662-0454.

Medina County Combined General Health District
Medina County, Ohio
Statement of Net Position - Cash Basis
December 31, 2021

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 9,157,743</u>
Net Position	
Restricted for:	
Other Purposes	\$ 2,030,763
Unrestricted	<u>7,126,980</u>
<i>Total Net Position</i>	<u>\$ 9,157,743</u>

See accompanying notes to the basic financial statements.

Medina County Combined General Health District
Medina County, Ohio
Statement of Activities - Cash Basis
For the Year Ended December 31, 2021

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities				
Health Center	\$ 2,564,302	\$ 1,049,904	\$ 1,357,939	\$ (156,459)
Environmental Health	1,491,402	1,406,442	23,540	(61,420)
WIC	370,541	-	374,322	3,781
Community Health	2,742,692	119,446	2,010,794	(612,452)
Capital Outlay	34,896	-	-	(34,896)
Administrative Services	1,132,875	518,922	-	(613,953)
<i>Totals</i>	<u>\$ 8,336,708</u>	<u>\$ 3,094,714</u>	<u>\$ 3,766,595</u>	<u>(1,475,399)</u>

General Receipts

Property Taxes Levied for:	
General Health District Purposes	2,975,957
Grants and Entitlements not Restricted to Specific Programs	440,418
Miscellaneous	240,521
<i>Total General Receipts</i>	<u>3,656,896</u>
<i>Change in Net Position</i>	2,181,497
<i>Net Position Beginning of Year</i>	<u>6,976,246</u>
<i>Net Position End of Year</i>	<u>\$ 9,157,743</u>

See accompanying notes to the basic financial statements.

Medina County Combined General Health District
Medina County, Ohio
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 2021

	General Fund	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 7,345,974	\$ 1,811,769	\$ 9,157,743
	<u> </u>	<u> </u>	<u> </u>
Fund Balances			
Restricted	\$ -	\$ 2,030,763	\$ 2,030,763
Committed	1,803,228	-	1,803,228
Assigned	839,430	-	839,430
Unassigned	4,703,316	(218,994)	4,484,322
	<u> </u>	<u> </u>	<u> </u>
<i>Total Fund Balances</i>	<u>\$ 7,345,974</u>	<u>\$ 1,811,769</u>	<u>\$ 9,157,743</u>

See accompanying notes to the basic financial statements.

Medina County Combined General Health District
Medina County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balances - Cash Basis - Governmental Funds
For the Year Ended December 31, 2021

	General Fund	Other Governmental Funds	Total Governmental Funds
Receipts			
Property and Other Local Taxes	\$ 2,975,957	\$ -	\$ 2,975,957
Intergovernmental	466,089	3,740,904	4,206,993
Charges for Services	2,026,122	1,034,618	3,060,740
Gifts and Contributions	20	-	20
Rent	33,974	-	33,974
Miscellaneous	240,521	-	240,521
<i>Total Receipts</i>	<u>5,742,683</u>	<u>4,775,522</u>	<u>10,518,205</u>
Disbursements			
Current			
Health:			
Health Center	1,271,312	1,292,990	2,564,302
Environmental Health	718,693	772,709	1,491,402
WIC	-	370,541	370,541
Community Health	1,185,541	1,557,151	2,742,692
Administrative Services	1,132,875	-	1,132,875
Capital Outlay	34,896	-	34,896
<i>Total Disbursements</i>	<u>4,343,317</u>	<u>3,993,391</u>	<u>8,336,708</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,399,366</u>	<u>782,131</u>	<u>2,181,497</u>
Other Financing Sources (Uses)			
Advances In	72,744	-	72,744
Advances Out	-	(72,744)	(72,744)
<i>Total Other Financing Sources (Uses)</i>	<u>72,744</u>	<u>(72,744)</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	1,472,110	709,387	2,181,497
<i>Fund Balances Beginning of Year, Restated</i>	<u>5,873,864</u>	<u>1,102,382</u>	<u>6,976,246</u>
<i>Fund Balances End of Year</i>	<u>\$ 7,345,974</u>	<u>\$ 1,811,769</u>	<u>\$ 9,157,743</u>

See accompanying notes to the basic financial statements.

Medina County Combined General Health District
Medina County, Ohio
Statement of Receipts, Disbursements and Changes in
Cash Basis Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 3,269,100	\$ 3,401,200	\$ 2,975,957	\$ (425,243)
Intergovernmental	862,303	875,106	466,090	(409,016)
Charges for Services	4,359,059	4,338,718	2,026,123	(2,312,595)
Gifts and Contributions	37	38	20	(18)
Rent	62,834	63,767	33,974	(29,793)
Miscellaneous	444,838	451,442	240,521	(210,921)
<i>Total Receipts</i>	<u>8,998,171</u>	<u>9,130,271</u>	<u>5,742,685</u>	<u>(3,387,586)</u>
Disbursements				
Current:				
Health:				
Health Center	3,341,946	2,148,155	1,432,475	715,680
Environmental Health	809,715	807,860	729,083	78,777
Community Health	2,869,748	2,004,828	1,200,930	803,898
Capital Outlay	258,150	258,150	34,896	223,254
Administrative Services	1,951,452	1,930,246	1,199,988	730,258
<i>Total Disbursements</i>	<u>9,231,011</u>	<u>7,149,239</u>	<u>4,597,372</u>	<u>2,551,867</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(232,840)</u>	<u>1,981,032</u>	<u>1,145,313</u>	<u>(835,719)</u>
Other Financing Sources (Uses)				
Advances In	72,744	72,744	72,744	-
Transfers Out	(10,000)	(10,000)	-	10,000
<i>Total Other Financing Sources (Uses)</i>	<u>62,744</u>	<u>62,744</u>	<u>72,744</u>	<u>10,000</u>
<i>Net Change in Fund Balance</i>	(170,096)	2,043,776	1,218,057	(825,719)
<i>Fund Balance Beginning of Year, Restated (See Note 12)</i>	5,667,676	5,667,676	5,667,676	-
<i>Prior Year Encumbrances Appropriated</i>	206,187	206,187	206,187	-
<i>Fund Balance End of Year</i>	<u>\$ 5,703,767</u>	<u>\$ 7,917,639</u>	<u>\$ 7,091,920</u>	<u>\$ (825,719)</u>

See accompanying notes to the basic financial statements.

Medina County Combined General Health District

Medina County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

NOTE 1 – REPORTING ENTITY

A seven-member appointed Board of Health governs the Health District. Two members are appointed by the District Advisory Council on behalf of the Townships, one member is appointed by the District Advisory Council as a medical representative, one member is appointed by the Licensing Council that represents vendors who are inspected or certified by the Health District, and one member each is appointed by the Cities of Brunswick, Medina, and Wadsworth. 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.

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 certification of birth and death records, communicable disease investigations, immunization clinics, environmental health inspections, reproductive health consultation, primary medical care including limited laboratory testing, preventative and restorative dental care, women-infant-children nutritional education, the issuance of health-related licenses and permits, health education, and public health emergency response planning.

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 Note 2, 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. These statements usually distinguish between those activities of the Health District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Health District has no business-type activities.

Medina County Combined General Health District
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

The Statement of Net Position presents the cash and cash equivalent balances 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. Fiduciary funds are reported by type. The Health District has no fiduciary funds.

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. Funds are used to segregate resources that are restricted as to use. All the funds of the Health District are presented as governmental funds.

Governmental Funds

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

The General Fund accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Health District for any purpose provided it is expended or transferred according to the general laws of Ohio.

The other governmental funds of the Health District account for grants and other resources to which the Health District is bound to observe constraints imposed on the use of resources.

Medina County Combined General Health District
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Basis of Accounting

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

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

Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the 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 cash 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, personal services and other, 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 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 statement 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 statement reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Board of Health.

Medina County Combined General Health District
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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.

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. Deposit and investment disclosures for the County as a whole may be obtained from the Medina County Treasurer, John Burke, 144 North Broadway, Medina, Ohio.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

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

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.

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 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Medina County Combined General Health District

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Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

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 the 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 capital outlay expenditure are reported at inception. Lease payments are reported when paid.

Net Position

Net position is reported as restricted when there are limitations imposed either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes primarily include amounts restricted for state and federal grants.

The Health District's policy is to first apply restricted resources when an expenditure 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. The Health District did not have any nonspendable fund balances.

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

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board 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.

Medina County Combined General Health District

Medina County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

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.

Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular cash disbursements to the funds that initially paid for them are not presented in the financial statements.

Implementation of New Accounting Principles

For the year ended December 31, 2021, the Health District has (to the extent it applies to the cash basis of accounting) implemented Governmental Accounting Standards Board (GASB) Statement No. 93, *Replacement of Interbank Offered Rates* and GASB Statement No. 98, *The Annual Comprehensive Financial Report*.

GASB Statement No. 93 addresses accounting and financial reporting effects that result from the replacement of interbank offered rates (IBORs) with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. The implementation of certain provisions (all except for paragraphs 13 and 14, which are effective for fiscal years beginning after June 15, 2021), of GASB Statement No. 93 did not have an effect on the financial statements of the Health District.

GASB Statement No. 98 establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The implementation of GASB Statement No. 98 did not have an effect on the financial statements of the Health District.

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statements of Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis) The encumbrances outstanding at year end (budgetary basis) amounted to \$254,055 for the general fund.

Medina County Combined General Health District
Medina County, Ohio

Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 4 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the Health District. Property tax revenue received during 2021 for real and public utility property taxes represents collections of 2020 taxes.

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

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

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes which became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all Health District operations for the year ended December 31, 2021, was \$0.97 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2021 property tax receipts were based are as follows:

Real Property	\$ 5,763,489,380
Public Utility Property	<u>449,795,850</u>
Total Assessed Values	<u><u>\$ 6,213,285,230</u></u>

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

NOTE 5 - RISK MANAGEMENT

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

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

The Health District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims loss control, risk management, and reinsurance services for PEP. PEP is a member of American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Medina County Combined General Health District
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2020 (most recent available):

	<u>2020</u>
Cash and Investments	\$ 40,318,971
Actuarial Liabilities	<u>(14,111,510)</u>
	<u>\$ 26,207,461</u>

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership. The Health District contributed \$32,673 to PEP in 2021.

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

NOTE 6 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability (Asset)

Pensions and OPEB are components of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions and OPEB are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period.

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Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

The net pension liability and the net OPEB liability (asset) represent the Health District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the Health District's obligation for this liability to annually required payments. The Health District cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the Health District does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide health care to eligible benefit recipients.

The net pension/OPEB liability (asset) are not reported on the face of the financial statements, but rather are disclosed in the notes because of the use of the cash basis framework.

The remainder of this note includes the pension disclosures. See Note 7 for the OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Health District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. While members (e.g. Health District employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

**Medina County Combined General Health District
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*Notes to the Basic Financial Statements
For the Year Ended December 31, 2021*

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a benefit recipient has received benefits for 12 months, current law provides for an annual cost-of-living adjustment (COLA). This COLA is calculated on the original base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA is 3 percent. For those retiring on or after 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 (CPI), capped at 3 percent.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

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Notes to the Basic Financial Statements
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	State and Local
2021 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2021 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
 Employee	 10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District’s contractually required contribution was \$556,614 for 2021.

Social Security

Some Health District employees 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, 2021.

NOTE 7 - DEFINED BENEFIT OPEB PLANS

Ohio Public Employees Retirement System

OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-

Medina County Combined General Health District

Medina County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2021

insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

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

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

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

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

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Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$0 for 2021.

NOTE 8 – 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, management believes any refunds would be immaterial.

NOTE 9 – LEASES

The Health District leases equipment and building space. The Health District disbursed \$28,337 to pay lease costs for the year ended December 31, 2021.

Future lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 28,714
2023	29,133
2024	12,132
2025	3,548
2026	3,548
Thereafter	<u>590</u>
Total	<u>\$ 77,665</u>

Medina County Combined General Health District
Medina County, Ohio

Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 10 – 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 as follows:

	General	Other Governmental Funds	Total
Restricted for:			
Health Center	\$ -	\$ 102,226	\$ 102,226
Environmental Health	-	1,665,482	1,665,482
Community Health	-	263,055	263,055
Total Restricted	-	2,030,763	2,030,763
Committed to:			
Health Benefits	202,696	-	202,696
Retirement	1,090,813	-	1,090,813
Capital Outlay	509,719	-	509,719
Total Committed	1,803,228	-	1,803,228
Assigned for:			
Encumbrances:			
Health Center	161,165	-	161,165
Environmental Health	10,391	-	10,391
Community Health	15,389	-	15,389
Administrative Services	67,113	-	67,113
Subsequent Year Appropriations	585,372	-	585,372
Total Assigned	839,430	-	839,430
Unassigned	4,703,316	(218,994) *	4,484,322
Total Fund Balance	\$ 7,345,974	\$ 1,811,769	\$ 9,157,743

* Unassigned fund balance included the following individual fund deficits:

Medina County Combined General Health District
Medina County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

	Deficit Fund Balance
NonMajor Governmental Funds:	
Get Vaccinated Ohio Grant	\$ 2,825
FQHC Grant	73,496
Safe Communities	3,728
WIC	64,460
Tobacco Use & Prevention	988
HIV Prevention	770
COVID Enhanced Operations	22,575
HRSA Grant	50,152
	\$ 218,994

NOTE 11 – INTERFUND

During 2021, the WIC and Safe Communities Fund returned advances to the General Fund for \$60,246 and \$12,498, respectively.

NOTE 12 –RESTATEMENT OF FUND BALANCE

In 2021, the Health District reclassified grant funds previously reported within general fund to special revenue funds. In addition, the Sewage Program Fund did not meet the criteria for major fund reporting during 2021, therefore, the fund was reclassified as Other Governmental Funds. The following is the effect on beginning fund balance:

	General Fund	Sewage Program Fund	Other Governmental Funds	General Fund - Budget Basis
Fund Balance, December 31, 2020	\$ 5,528,560	\$ 727,596	\$ 720,090	\$ 5,199,245
Grant Funds Reclassified to Special Revenue	345,304	-	(345,304)	468,431
Major Fund Reclassification: Sewage Program Fund	-	(727,596)	727,596	-
Restated Fund Balance, December 31, 2020	\$ 5,873,864	\$ -	\$ 1,102,382	\$ 5,667,676

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 continues. During 2021, the Health District received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Health District. The impact on the Health District’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Medina County Combined General Health District
Medina County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 14 – SUBSEQUENT EVENT

The Health District's tax levy renewal of 0.70 mills (in combination with a 0.15 mill increase) did not pass in November 2021. The Health District will place it on the ballot in 2022.

**MEDINA COUNTY COMBINED GENERAL HEALTH DISTRICT
MEDINA COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>Passed through Ohio Department of Health</i>			
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	05210011WA1421	\$306,081
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children		05210011WA1522	<u>64,461</u>
Total U.S. Department of Agriculture			<u>370,542</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Direct Program</i>			
COVID-19 Health Center Program	93.224	H8DCS36693	223,484
COVID-19 Health Center Program		H8CCS34870	3,414
COVID-19 Health Center Program		H8ECS38008	104,349
ARPA Health Center Program		H8FCS41114	166,015
Health Center Program		H80CS33658	497,928
Total Health Center Program		H80CS33658	<u>265,992</u>
			1,261,182
<i>Passed through Ohio Department of Health</i>			
Family Planning Services	93.217	05210011RH0521	36,844
Total Family Planning Services		05210011RH0622	<u>112,363</u>
			149,207
Immunization Cooperative Agreements	93.268	05210012GV0321	15,350
COVID-19 Immunization Cooperative Agreements		05210012GV0422	11,827
Total Immunization Cooperative Agreements		05210012VE0121	<u>150,046</u>
			177,223
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	05210012EO0121	360,077
Total COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases		05210012CT0121	<u>116,134</u>
			476,211
COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response	93.354	05210012WF0122	12,310
Public Health Emergency Preparedness	93.069	05210012PH1221	130,139
Total Public Health Emergency Preparedness		05210012PH1322	<u>102,679</u>
			232,818
Opioid STR	93.788	05210014IN0122	36,250
Total Opioid STR		05210014IN0223	<u>4,750</u>
			41,000
Maternal and Child Health Services Block Grant to the States	93.994	05210011RH0521	9,586
Total Maternal and Child Health Services Block Grant to the States		05210011MP0421	<u>36,370</u>
			45,956
Total U.S. Department of Health and Human Services			<u>2,395,907</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Passed through Ohio Department of Public Safety</i>			
State and Community Highway Safety	20.600	SC-2021-52-00-00-00006-00	21,674
Total State and Community Highway Safety		SC-2022-52-00-00-00038-00	<u>5,153</u>
			26,827
Total U.S. Department of Transportation			<u>26,827</u>
<u>U.S. DEPARTMENT OF TREASURY</u>			
<i>Passed through Ohio Department of Health</i>			
COVID 19 Coronavirus Relief Fund	21.019	05210012CO0121	664,422
Total COVID 19 Coronavirus Relief Fund		05210012CT0120	<u>46,802</u>
			711,224
Total U.S. Department of Treasury			<u>711,224</u>
<u>CENTERS FOR DISEASE CONTROL AND PREVENTION</u>			
<i>Passed through Ohio Department of Health</i>			
Injury Prevention and Control Research and State and Community Based Programs - Drug Overdose Prevention	93.136	05210014DR0221	52,750
Total Injury Prevention and Control Research and State and Community Based Programs		05210014DR0322	<u>11,500</u>
			64,250
Total Center for Disease Control and Prevention			<u>64,250</u>
Total			<u><u>\$3,568,750</u></u>

The accompanying note to this schedule is an integral part of this schedule.

**MEDINA COUNTY COMBINED GENERAL HEALTH DISTRICT
MEDINA COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE A – BASIS OF PRESENTATION

The accompanying Federal Awards Expenditures Schedule (the Schedule) includes the federal award activity of the Medina County Combined General Health District, Medina County, Ohio (the District) under programs of the federal government for the year ended December 31, 2021. 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 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**

Medina County Combined General Health District
Medina County
4800 Ledgewood Drive
Medina, Ohio 44256

To the Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the cash-basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Medina County Combined General Health District, Medina County, Ohio (the District) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated September 19, 2022, noted the District uses a special purpose framework other than generally accepted accounting principles. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the District and the District restated the December 31, 2020 fund balances of the General Fund and Other Governmental Funds as well as the December 31, 2020 budgetary-basis fund balance of the General Fund for reclassifications of grants funds.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material

weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio

September 19, 2022

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Medina County Combined General Health District
Medina County
4800 Ledgeswood Drive
Medina, Ohio 44256

To the Board of Health:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Medina County Combined General Health District's (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Medina County Combined General Health District's major federal programs for the year ended December 31, 2021. The Medina County Combined General Health District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the Medina County Combined General Health District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

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

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

Efficient • Effective • Transparent

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.

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

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

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



Keith Faber
Auditor of State
Columbus, Ohio

September 19, 2022

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**MEDINA COUNTY COMBINED GENERAL HEALTH DISTRICT
MEDINA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major 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):	<ul style="list-style-type: none"> • Health Center Program, AL 93.224 • Coronavirus Relief Fund, AL 21.019
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE KEITH FABER



MEDINA COUNTY COMBINED GENERAL HEALTH DISTRICT

MEDINA 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 9/27/2022

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

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