



OHIO AUDITOR OF STATE
KEITH FABER



**LORAIN COUNTY GENERAL HEALTH DISTRICT
LORAIN COUNTY**

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**LORAIN COUNTY GENERAL HEALTH DISTRICT
LORAIN COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Lorain County General Health District
Lorain County
9880 South Murray Ridge Road
Elyria, Ohio 44035

To the District Members:

Report on the Audit of the Financial Statements

Opinions

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lorain County General Health District, Lorain County, Ohio (the District), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2023, and the respective changes in cash-basis financial position and where applicable cash flows thereof and the respective budgetary comparison for the General Fund, and the Women, Infants, and Children Fund (WIC) for the year then ended in accordance with the cash-basis of accounting described in Note 2D.

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 2D 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.

Efficient • Effective • Transparent

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 2D, 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 Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances – Non-Major Governmental Funds presents additional analysis and is not a required part of the 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, these schedules are 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 October 24, 2024, 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

October 24, 2024

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LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023

(UNAUDITED)

The management's discussion and analysis of the Lorain County General Health District, dba Lorain County Public Health (District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2023, within the limitations of the District's cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Highlights

Key highlights for 2023 are as follows:

Net position of governmental activities increased \$ 136,685 or 2.1 percent during 2023.

The largest source of District revenue was from operating grants, entitlements and contributions. These receipts represented 54.4 percent of total revenue. Charges for services and property and other local taxes provided the next largest sources of revenue, representing 22.1 and 22.7 percent of total revenue, respectively.

Using the Basic Financial Statements

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

Report Components

The Statement of Net Position – Cash Basis and the Statement of Activities – Cash Basis provide information about the cash activities of the District as a whole. Fund financial statements provide a greater level of detail. Funds segregate money based on legal regulations or for specific purposes. These statements present financial information by fund, presenting major funds in separate columns. The notes to the basic financial statements are an integral part of the District-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. These financial statements follow the basis of accounting the Auditor of State prescribes or permits. The District has elected to present its financial statements on the cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the District's cash basis of accounting, receipts are recognized when received, rather than when earned, and disbursements when paid, rather than when a liability is incurred.

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.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023

(UNAUDITED)

Reporting the Health District as a Whole

The Statement of Net Position – Cash Basis and The Statement of Activities – Cash Basis reflect how the District did financially during 2023. The Statement of Net Position – Cash Basis presents the cash balances of the governmental activities of the District at year-end. The Statement of Activities – Cash Basis compares cash disbursements with program receipts for each Governmental program activity. Program receipts include charges paid by the recipient for 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 cash disbursements with program receipts identifies how each Governmental function draws from the District's general receipts.

These statements report the 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 District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, one should also consider other non-financial factors as well, such as the District's property tax base, the condition of the District's capital assets, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

Reporting the District's Most Significant Funds

Fund financial statements provide detailed information about the District's major funds, not the District as a whole. The District establishes separate funds to manage its many activities and to help demonstrate that money that is restricted in its use is spent for the intended purpose.

All of the District's activities are reported as governmental activities. Governmental fund financial statements provide a detailed view of the District's governmental operations and the basic services it provides. Governmental fund information helps determine the availability of financial resources to support the District's programs. The District's major Governmental funds have separate columns on the financial statements. The District's major Governmental funds are the General Fund and Women, Infants and Children (WIC) Fund. The programs reported in Governmental funds are those reported in the Governmental activities section of the entity-wide statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

The District as a Whole

Table 1 provides a summary of the District's net position for 2023 compared to 2022 on a cash basis:

TABLE 1
Net Position

	Governmental Activities	
	2023	2022
Assets		
Equity in pooled cash	\$ 6,749,392	\$ 6,612,707
Total assets	<u>6,749,392</u>	<u>6,612,707</u>
Net position		
Restricted	1,712,679	1,640,892
Unrestricted	5,036,713	4,971,815
Total net position	<u>\$ 6,749,392</u>	<u>\$ 6,612,707</u>

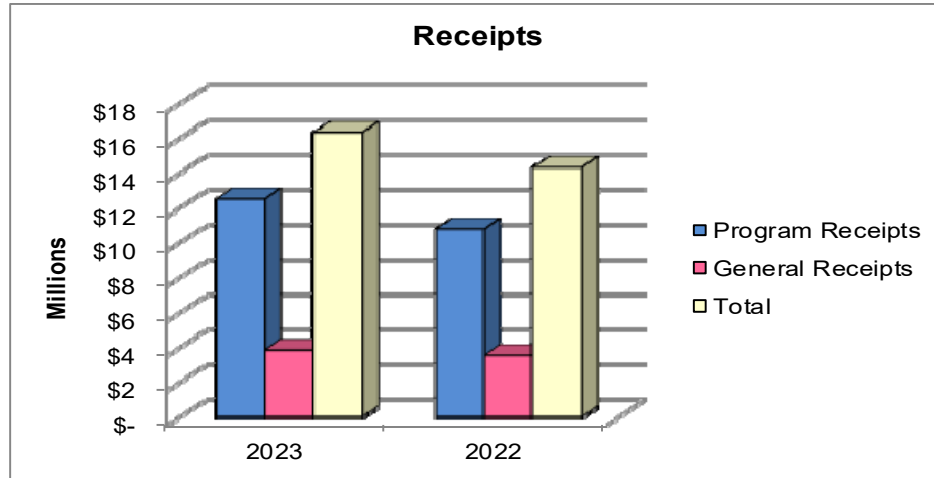
As mentioned previously, the net position of Governmental activities increased \$ 136,685 during 2023. The increase was primarily associated with the General Fund, which increased by \$ 270,792.

Table 2 reflects the changes in net position in 2023 compared to 2022 on a cash basis.

Table 2
Change in Net Position

	Governmental Activities	
	2023	2022
Receipts		
Program receipts		
Charges for services and sales	\$ 3,600,491	\$ 3,404,727
Operating grants, entitlements and contributions	8,886,487	7,365,413
Total program receipts	<u>12,486,978</u>	<u>10,770,140</u>
General receipts		
Property and other local taxes	3,703,851	3,458,499
Grants and entitlements	63,670	58,569
Miscellaneous	69,148	15,387
Total general receipts	<u>3,836,669</u>	<u>3,532,455</u>
Total receipts	<u>16,323,647</u>	<u>14,302,595</u>
Disbursements		
Public health services	<u>16,186,962</u>	<u>13,041,244</u>
Excess of disbursements over receipts	136,685	1,261,351
Net position, beginning of year	<u>6,612,707</u>	<u>5,351,356</u>
Net position, end of year	<u>\$ 6,749,392</u>	<u>\$ 6,612,707</u>

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)



Program receipts in 2023 represent 76.5 percent of total receipts as compared to 75.3 percent in 2022. These receipts are primarily comprised of fees received for home health services, immunizations, inspections, food service licenses and restricted intergovernmental receipts.

General receipts represent 23.5 percent of the District's total receipts, and of this amount, 24.7 percent are local taxes.

Governmental Activities

If one looks at the Statement of Activities – Cash Basis, the first column lists the major service provided by the District. The next column identifies the costs of providing that service. The major program disbursements for governmental activities are for public health services. The next two columns of the Statement entitled Program Receipts identify amounts collected through fees and grants received by the District that have a restricted use. The Net (Disbursement) column compares the program receipts to the cost of the service. This “net cost” amount represents the cost of the services that expend general receipts, the source of which to a significant extent is the local taxpayer. A comparison between the total cost of services and the net cost is presented below.

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
Public health services	\$ 16,186,962	\$ 13,041,244	\$ 3,699,984	\$ 2,271,104

Property taxes and other general receipts support 23.7 percent of the governmental activities.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

The District's Funds

Total Governmental funds had receipts of \$ 16,323,647 and disbursements of \$ 15,988,208. The General Fund balance increased by \$ 270,792 in 2023, as compared to an increase of \$ 587,446 in 2022. WIC Fund balance had an increase of \$ 4,392 in 2023 as compared to a decrease of \$ 33,397 in 2022.

Budget Highlights

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

The Board of Health amends the General Fund budget as necessary to reflect incremental revenues and corresponding expenditures. The Health Commissioner approves all adjustments to categories within the Board approved appropriations.

Excluding other sources, General Fund final budgeted receipts were \$ 329,330 higher than originally budgeted. Actual receipts were lower than final budget receipts by \$ 81,684. Excluding other uses, General Fund final disbursements budget was \$ 643,190 higher than the originally budgeted amount, while actual disbursements were \$ 633,375 less than final appropriations.

Excluding other sources, WIC Fund final budgeted receipts were equal to the original budgeted. Actual receipts were less than final budget receipts by \$ 293,299. Excluding other uses, WIC Fund final disbursements budget were equal to the original budgeted amount, while actual disbursements were \$ 36,388 less than final appropriations.

Capital Assets and Debt Administration

Capital Assets

The District currently tracks its capital assets. However, since the financial statements are presented on a cash basis, capital assets are not reflected on the District's financial statements. Instead, the acquisitions of property, plant and equipment are recorded as disbursements when paid.

Debt

The District has no debt obligations.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023

(UNAUDITED)

Current Issues

Misinformation and the rise of disparities in health due to race are two main issues looming over the County.

First, misinformation on not only public health information but information on any subject. Social media has perfected a medium of allowing the protection of information that is harmful to every demographic. For example, there was a group of people using social media to sell a liquid that was part gasoline, alcohol, and herbs as a cure for COVID-19. This group was preying on residents with English as a second language. Once we found out, we immediately worked with major news outlets and community groups to dispel the claim and to urge people not to purchase or consume the product. Misinformation to our public has even become more convoluted with the improvements over AI or artificial intelligence.

Second, the rise of disparities in health continues, nearly every disease, with race playing the major factor in health outcomes. Our last community health assessment made it clear that our black men, women and babies suffer more in chronic diseases like diabetes or heart disease, cancer, and rising quickly on the list, suicide. Infant mortality (IM) with our black children is over double that of any other race with premature birth being the leading cause of IM.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. If you have any questions about this report or need additional information, contact the Health Commissioner at Lorain County General Health District, 9880 S. Murray Ridge Road, Elyria, Ohio 44035, or by telephone at 440-284-3219.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
STATEMENT OF NET POSITION – CASH BASIS
DECEMBER 31, 2023

	Governmental Activities
Assets	
Equity in pooled cash	\$ 6,749,392
Total assets	<u>6,749,392</u>
Net position	
Restricted	1,712,679
Unrestricted	5,036,713
Total net position	<u>\$ 6,749,392</u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
STATEMENT OF ACTIVITIES – CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

		Program Cash Receipts		Net
	Cash	Charges	Operating	(Disbursements)
	Disbursements	for Services	Grants and	Receipts and
		and Sales	Contributions	Changes in
				Net Position
Governmental activities				
Public health services	\$ 16,186,962	\$ 3,600,491	\$ 8,886,487	(3,699,984)
General receipts				
Property taxes levied for:				
General purposes				3,703,851
Grants and entitlements not restricted to specific purposes				63,670
Miscellaneous				69,148
Total general receipts				<u>3,836,669</u>
Change in net position				136,685
Net position at beginning of year				<u>6,612,707</u>
Net position at end of year				<u>\$ 6,749,392</u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH

STATEMENT OF CASH BASIS ASSETS AND
FUND BALANCES – GOVERNMENTAL FUNDS

DECEMBER 31, 2023

	General Fund	WIC Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in pooled cash	\$ 4,405,457	\$ 204,435	\$ 1,470,117	\$ 6,080,009
Total assets	<u>4,405,457</u>	<u>204,435</u>	<u>1,470,117</u>	<u>6,080,009</u>
Fund balances				
Restricted	38,127	204,435	1,470,117	1,712,679
Committed	28,021	-	-	28,021
Assigned	277,392	-	-	277,392
Unassigned	4,061,917	-	-	4,061,917
Total fund balances	<u>\$ 4,405,457</u>	<u>\$ 204,435</u>	<u>\$ 1,470,117</u>	<u>\$ 6,080,009</u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES

DECEMBER 31, 2023

Total governmental fund balances	\$ 6,080,009
Amounts reported for governmental activities in the statement of net position are different because:	
Governmental activities net position includes the internal service fund's cash and cash equivalents.	
The proprietary fund's statements include these assets.	<u>669,383</u>
Net position of governmental activities	<u><u>\$ 6,749,392</u></u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN
CASH BASIS FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General Fund	WIC Fund	Other Governmental Funds	Total Governmental Funds
Receipts				
Taxes	\$ 3,703,851	\$ -	\$ -	\$ 3,703,851
Intergovernmental				
Federal	-	1,186,701	4,512,054	5,698,755
State	1,789,863	-	543,395	2,333,258
Local grants	626,423	-	-	626,423
Special assessments	5,761	-	-	5,761
Charges for services				
Home health services	361,590	-	-	361,590
Immunizations	345,099	-	-	345,099
Inspection fees	258,820	-	-	258,820
Contractual services	1,081,607	-	-	1,081,607
Licenses	64,347	-	536,848	601,195
Miscellaneous				
Other receipts	78,207	-	98,952	177,159
Other fees	593,259	-	-	593,259
Refunds	504,509	-	32,361	536,870
Total receipts	<u>9,413,336</u>	<u>1,186,701</u>	<u>5,723,610</u>	<u>16,323,647</u>
Disbursements				
Salaries and benefits	6,874,845	1,001,459	2,863,261	10,739,565
Travel	56,089	675	44,415	101,179
Office supplies	169,248	70,756	27,155	267,159
Medical supplies	473,731	8,250	8,796	490,777
Equipment	62,755	9,066	53,822	125,643
Contracts - repair/service	492,934	7,094	2,402,804	2,902,832
Distribution to state	323,472	-	162,810	486,282
Other expenditures	539,050	68,429	267,292	874,771
Total disbursements	<u>8,992,124</u>	<u>1,165,729</u>	<u>5,830,355</u>	<u>15,988,208</u>
Excess receipts over/(under) disbursements	<u>421,212</u>	<u>20,972</u>	<u>(106,745)</u>	<u>335,439</u>
Other financing sources (uses)				
Transfers in	16,580	-	-	16,580
Transfers out	-	(16,580)	-	(16,580)
Advances in	1,421,000	250,000	1,338,000	3,009,000
Advances out	(1,588,000)	(250,000)	(1,171,000)	(3,009,000)
Total other financing sources (uses)	<u>(150,420)</u>	<u>(16,580)</u>	<u>167,000</u>	<u>-</u>
Net change in fund balances	270,792	4,392	60,255	335,439
Cash balance, beginning	<u>4,134,665</u>	<u>200,043</u>	<u>1,409,862</u>	<u>5,744,570</u>
Cash balance, ending	<u>\$ 4,405,457</u>	<u>\$ 204,435</u>	<u>\$ 1,470,117</u>	<u>\$ 6,080,009</u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH

RECONCILIATION OF THE STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
BASIS FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES – CASH BASIS

FOR THE YEAR ENDED DECEMBER 31, 2023

Net change in fund balances - total governmental funds	\$ 335,439
Amounts reported for governmental activities in the statement of activities are different because:	
Internal service funds charge insurance costs to other funds. The entity-wide statements eliminate governmental fund expenditures and related internal service fund charges. Governmental activities report allocated net internal service fund receipts (disbursements).	<u>(198,754)</u>
Change in net position of governmental activities	<u>\$ 136,685</u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL (BUDGET BASIS) – GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Receipts				
Taxes	\$ 3,408,263	\$ 3,693,263	\$ 3,703,851	\$ 10,588
Intergovernmental				
State	1,647,226	1,778,726	1,789,863	11,137
Local grants	453,000	744,250	626,423	(117,827)
Special assessments	5,700	5,700	5,761	61
Charges for services				
Home health services	520,000	420,000	361,590	(58,410)
Immunizations	473,000	373,000	345,099	(27,901)
Inspection fees	361,050	232,630	258,820	26,190
Contractual services	1,095,880	1,095,880	1,081,607	(14,273)
Licenses	55,500	55,500	64,347	8,847
Miscellaneous				
Other receipts	42,600	42,600	78,207	35,607
Other fees	670,000	620,000	593,259	(26,741)
Refunds	433,471	433,471	504,509	71,038
Total receipts	9,165,690	9,495,020	9,413,336	(81,684)
Disbursements				
Salaries and benefits	6,838,070	7,009,786	6,865,404	144,382
Travel	53,400	70,650	56,089	14,561
Office supplies	228,730	252,110	195,276	56,834
Medical supplies	433,832	580,212	477,127	103,085
Equipment	82,397	98,297	62,755	35,542
Contracts - repair/service	447,149	663,103	552,116	110,987
Distribution to state	486,168	486,168	452,615	33,553
Other expenditures	680,514	733,124	598,693	134,431
Total disbursements	9,250,260	9,893,450	9,260,075	633,375
Excess receipts over/(under) disbursements	(84,570)	(398,430)	153,261	551,691
Other financing sources (uses)				
Advances in	1,700,000	2,075,000	1,421,000	(654,000)
Advances out	(1,700,000)	(2,340,000)	(1,588,000)	752,000
Total other financing sources (uses)	-	(265,000)	(167,000)	98,000
Net change in fund balances	(84,570)	(663,430)	(13,739)	649,691
Prior year encumbrances	219,010	219,010	219,010	-
Cash balance, beginning	3,884,665	3,884,665	3,884,665	-
Cash balance, ending	\$ 4,019,105	\$ 3,440,245	\$ 4,089,936	\$ 649,691

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL (BUDGET BASIS) – WIC FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	WIC FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Receipts				
Intergovernmental				
Federal	\$ 1,480,000	\$ 1,480,000	\$ 1,186,701	\$ (293,299)
Total receipts	<u>1,480,000</u>	<u>1,480,000</u>	<u>1,186,701</u>	<u>(293,299)</u>
Disbursements				
Salaries and benefits	1,106,060	1,082,622	1,010,900	71,722
Travel	4,940	4,940	675	4,265
Office supplies	8,443	22,467	73,571	(51,104)
Medical supplies	2,580	6,448	9,750	(3,302)
Equipment	3,150	2,520	9,066	(6,546)
Contracts - repair/service	11,157	4,854	7,094	(2,240)
Other expenditures	81,228	93,707	70,114	23,593
Total disbursements	<u>1,217,558</u>	<u>1,217,558</u>	<u>1,181,170</u>	<u>36,388</u>
Excess receipts over/(under) disbursements	<u>262,442</u>	<u>262,442</u>	<u>5,531</u>	<u>(256,911)</u>
Other financing sources (uses)				
Transfers in	-	-	16,580	16,580
Transfers out	(15,000)	(16,580)	(16,580)	-
Advances in	-	-	250,000	250,000
Advances out	(250,000)	(250,000)	(250,000)	-
Total other financing sources (uses)	<u>(265,000)</u>	<u>(266,580)</u>	<u>-</u>	<u>266,580</u>
Net change in fund balances	(2,558)	(4,138)	5,531	9,669
Prior year encumbrances	2,558	2,558	2,558	-
Cash balance, beginning	<u>228,473</u>	<u>228,473</u>	<u>228,473</u>	<u>-</u>
Cash balance, ending	<u>\$ 228,473</u>	<u>\$ 226,893</u>	<u>\$ 236,562</u>	<u>\$ 9,669</u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
STATEMENT OF FUND NET POSITION –
CASH BASIS - INTERNAL SERVICE FUND

DECEMBER 31, 2023

	Internal Service Fund
Assets	
Equity in pooled cash	\$ 669,383
Total assets	<u>669,383</u>
Net position	
Unrestricted	669,383
Total fund balances	<u>\$ 669,383</u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
IN FUND NET POSITION - CASH BASIS – INTERNAL SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

Operating receipts	
Charges for services	\$ 1,902,606
Total operating receipts	<u>1,902,606</u>
Operating disbursements	
Claims	1,693,575
Purchased services	351,745
Other	56,040
Total operating disbursements	<u>2,101,360</u>
Operating (loss)	<u>(198,754)</u>
Change in net position	(198,754)
Net position beginning of year	<u>868,137</u>
Net position end of year	<u><u>\$ 669,383</u></u>

The notes to the financial statements are an integral part of this statement.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH

STATEMENT OF CASH FLOWS -
CASH BASIS – INTERNAL SERVICE FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

Cash flows from operating activities:	
Cash received from transactions with other funds	\$ 1,902,606
Cash payments for claims	(1,693,575)
Cash payments for purchased services	(351,745)
Cash payments - other	(56,040)
Net cash (used in) operating activities	<u>(198,754)</u>
 Net (decrease) in cash and cash equivalents	 (198,754)
 Cash and cash equivalents beginning of year	 <u>868,137</u>
 Cash and cash equivalents end of year	 <u>\$ 669,383</u>
 Reconciliation of operating loss to net cash (used in) operating activities:	
 Operating (loss)	 <u>\$ (198,754)</u>
 Net cash (used in) operating activities	 <u>\$ (198,754)</u>

The notes to the financial statements are an integral part of this statement.

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LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - DESCRIPTION OF THE GENERAL HEALTH DISTRICT AND REPORTING ENTITY

The constitution and laws of the State of Ohio establish the rights and privileges of the Lorain County General Health District, dba Lorain County Public Health, (the District) as a body corporate and politic. A ten member Board, including a Health Commissioner govern the District which provides health services to the community including education and prevention of disease.

REPORTING ENTITY

A reporting entity is comprised of the primary government, component units and other organizations ensuring that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. They comprise the District's legal entity which provides services associated with immunization, vital statistics, health related licenses and permits, disease prevention and control, public health nursing, water and solid waste programs and emergency preparedness programs.

The Lorain County Commissioners are the taxing authority for the District. The Lorain County Auditor and the Lorain County Treasurer are responsible for fiscal control of the resources of the District.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

These financial statements follow the basis of accounting the Auditor of State prescribes or permits.

The 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 District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" receipts and disbursements. The statements distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District has no business-type activities.

The Statement of Net Position – Cash Basis presents the cash balances of the governmental activities of the District at year-end. The Statement of Activities – Cash Basis presents a comparison between direct disbursements and program receipts for each program or function of the District's governmental activities. Direct disbursements are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program receipts include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Receipts which are not classified as program receipts are presented as general receipts of the District, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program is self-financing or draws from the general receipts of the District.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION (continued)

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the 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.

B. FUND ACCOUNTING

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

Governmental Funds

Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. The following are the District's major governmental funds:

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

Women, Infants and Children (WIC) Fund – this fund receives federal grant funds which are used to provide services through the Special Supplemental Nutrition Program.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

C. MEASUREMENT FOCUS

The 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 District's cash basis of accounting, receipts are recognized when received in cash, rather than when earned, and disbursements when paid, rather than when a liability is incurred.

D. BASIS OF ACCOUNTING

These financial statements are presented in accordance with the cash basis of accounting. As a result of the use of 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 these 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.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. CASH

As required by Ohio Revised Code, the Lorain County Treasurer is custodian for the District's cash. The District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. Financial information can be obtained from the Lorain County Treasurer, located at 226 Middle Avenue, Elyria, Ohio 44035.

F. CAPITAL ASSETS

Acquisitions of property, plant and equipment are recorded as disbursements when paid. Acquisitions of property are not reflected as an asset under the basis of accounting the District uses.

G. COMPENSATED ABSENCES

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The cash basis of accounting does not recognize unpaid leave as a liability.

H. LONG-TERM OBLIGATIONS

The District did not have any bonds or other long-term debt obligations.

I. INTERFUND RECEIVABLES/PAYABLES

The statements report exchange transactions between funds as receipts in the seller funds and as disbursements in the purchasing funds. Non-exchange flows of cash from one fund to another are reported as interfund transfers. Governmental funds report interfund transfers as other financing sources/uses.

J. NET POSITION

These statements report restricted net position when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use. The Statement of Net Position reports \$ 1,712,679 as restricted net position, none of which is restricted by enabling legislation.

The District first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. FUND BALANCE

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

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

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

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

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. BUDGETARY PROCESS

The Ohio Revised Code requires that all funds be budgeted and appropriated. The major documents prepared are the appropriations resolution and certificate of estimated resources, which use the budgetary basis of accounting. The budgetary basis reports expenditures when a commitment is made (i.e., when an encumbrance is approved). The certificate of estimated resources establishes a limit on the amounts the Board of Health may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The Board of Health uses the fund/function level as its legal level of control for all funds.

ORC Section 5705.28(C) (1) requires the District to file an estimate of contemplated revenue and expenses with the municipalities and townships within the District by about June 1 (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 District, which are similar to ORC Chapter 5705 budgetary requirements. On or about the first Monday of April, the District must adopt an itemized appropriation measure. The appropriation measure, together with an itemized estimate of revenues to be collected during the next fiscal year, shall be certified to the county budget commission. Subject to estimated resources, the 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 District amends the certificate of estimated resources during the year if the District receives additional or new sources of funds. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources in effect at the time final appropriations were passed by the District.

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

Budget versus actual statements for major funds are presented as part of the basic financial statements.

The following adjustment is necessary to reconcile the cash basis statement to the budget basis statement:

	Net Change in Fund Balance	
	General Fund	WIC Fund
Budget basis	\$ (13,739)	\$ 5,531
Adjustment for encumbrances	277,392	6,000
Funds budgeted elsewhere	7,139	
Funds presented elsewhere		(7,139)
Cash basis, as reported	<u>\$ 270,792</u>	<u>\$ 4,392</u>

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 3 – FUND BALANCES

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

Fund balances	General Fund	WIC Fund	Nonmajor Governmental Funds	Total
Restricted for:				
WIC Retirement	\$ 38,127	\$ -	\$ -	\$ 38,127
WIC	-	204,435	-	204,435
Covid-19	-	-	59,067	59,067
Food Service	-	-	265,624	265,624
Construction, Demolition and Debris	-	-	84,316	84,316
Smoke Free Ohio	-	-	34,822	34,822
Workforce Development	-	-	55,424	55,424
Opiate Prevention	-	-	78,598	78,598
Public Health Emergency Preparedness	-	-	40,199	40,199
Title X	-	-	127,506	127,506
Maternal and Child Health Grants	-	-	33,396	33,396
Water Quality	-	-	30,244	30,244
Traffic Safety	-	-	21,456	21,456
Creating Healthy Communities	-	-	42,616	42,616
Safe Streets & Roads	-	-	50,000	50,000
Active Transportation	-	-	59,396	59,396
Ohio Health Equity	-	-	72,606	72,606
ODM-MCO	-	-	187,822	187,822
CDC Accelerator	-	-	32,000	32,000
Perinatal Behavior	-	-	69,038	69,038
Integrated Harm Reduction	-	-	43,498	43,498
Temporary Assistance Needy Families	-	-	48,107	48,107
Other	-	-	34,382	34,382
Total restricted	38,127	204,435	1,470,117	1,712,679
Committed for:				
Sewer replacement	28,021	-	-	28,021
Total committed	28,021	-	-	28,021
Assigned for:				
Encumbrances	277,392	-	-	277,392
Total assigned	277,392	-	-	277,392
Unassigned	4,061,917	-	-	4,061,917
Total fund balances	\$ 4,405,457	\$ 204,435	\$ 1,470,117	\$ 6,080,009

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 4 - CASH BALANCES

The District's cash pool, used by all funds, is deposited with the Lorain County Treasurer. The cash pool is commingled with Lorain County's cash and investment pool and is not identifiable as to demand deposits or investments. The carrying amount of cash on deposit with the Lorain County Treasurer at December 31, 2023 was \$ 6,749,392.

NOTE 5 - PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Health. The Ohio Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State of Ohio, and are reflected in the accompanying financial statements as intergovernmental receipts. Tax payments are due to Lorain County by December 31. If the property owner elects to make semi-annual payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the District.

The full tax rate for all District operations for the year ended December 31, 2023, was \$ 0.50 per \$1,000 of assessed value. The assessed values of real and personal property upon which 2023 property tax receipts were based are as follows:

Real property	\$ 8,274,481,590
Public utility property	568,356,720
	<u>\$ 8,842,838,310</u>

Lorain County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

NOTE 6 - RISK MANAGEMENT

A. PROPERTY AND LIABILITY

The District has obtained commercial insurance for comprehensive property and general liability, vehicles, and errors and omissions. Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in coverage from prior years.

B. EMPLOYEE MEDICAL BENEFITS

The District provides dental and vision insurance through commercial insurance coverage.

The District provides employee health and prescription benefits through a self-insurance program administered by Medical Mutual. The District limits its liability for medical claims by maintaining a specific/family stop-loss and aggregate stop loss thresholds of \$ 75,000 and aggregate stop loss at 125 percent, respectively.

The Internal Service Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on an actuarially determined cost per employee.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 7 - CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, management believes such refunds, if any, would not be significant.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

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

Plan Description - District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. 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.

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

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (continued)

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and service requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and service requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and service requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 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
Public Safety	Public Safety	Public Safety
Age and service requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and service requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and service requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and service requirements: Age 52 with 15 years of service credit	Age and service requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and service requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.2% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.2% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.2% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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 amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a COLA on the defined benefit portion of their pension benefit. 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, the COLA is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (continued)

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

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

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

	State and Local	Public Safety	Law Enforcement
2023 Statutory maximum contribution rates			
Employer	14.0%	18.1%	18.1%
Employee *	10.0%	**	***
2023 Actual contribution rates			
Employer			
Pension ****	14.0%	18.1%	18.1%
Post-employment health care benefits ****	0.0%	0.0%	0.0%
Total employer	<u>14.0%</u>	<u>18.1%</u>	<u>18.1%</u>
Employee	<u>10.0%</u>	<u>12.0%</u>	<u>13.0%</u>

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

** This rate is determined by OPERS' Board and has no maximum rate established by ORC.

*** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

These pension and employer health rate care rates are for the traditional and combined plans. The

**** employer contribution for the member-directed plan is 4 percent for health care with the remainder going to pension.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 9 - POSTEMPLOYMENT BENEFITS

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was \$ 931,539 for year 2023.

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, 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-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.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

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 discontinued 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.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 9 - POSTEMPLOYMENT BENEFITS (continued)

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. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became 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 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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 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 2023, 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 covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. For the year ended December 31, 2023 OPERS did not allocate any employer contributions to post-employment health care.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 10 – CHANGE IN ACCOUNTING PRINCIPLE

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

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

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

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

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SUPPLEMENTARY INFORMATION

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH

COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
CASH BASIS FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Food Service	Solid Waste Management	Car Seat Program	Construction Demolition and Debris	Smoke Free Ohio	HIV Grant
Receipts						
Intergovernmental						
Federal	\$ -	\$ -	\$ -	\$ -	\$ 28,697	\$ 62,680
State	-	60,500	-	-	115,328	-
Charges for services						
Home health services	-	-	-	-	-	-
Immunizations	-	-	-	-	-	-
Inspection fees	-	-	-	-	-	-
Contractual services	-	-	-	-	-	-
Licenses	536,848	-	-	-	-	-
Miscellaneous						
Other receipts	1,977	-	810	95,291	-	-
Local grants	-	-	-	-	-	-
Other fees	-	-	-	-	-	-
Refunds	-	-	-	-	2,215	-
Total receipts	538,825	60,500	810	95,291	146,240	62,680
Disbursements						
Salaries and benefits	563,798	50,435	-	131,669	91,249	120,948
Travel	10,986	118	-	-	1,624	565
Office supplies	2,627	-	-	-	-	-
Medical supplies	-	-	-	-	-	-
Equipment	2,718	-	-	25,000	-	-
Contracts - repair/service	183	-	6,469	-	50,029	-
Distribution to state	41,734	57,500	-	63,576	-	-
Other expenditures	7,504	41	-	-	8,544	10,261
Total disbursements	629,550	108,094	6,469	220,245	151,446	131,774
Excess receipts over/(under) disbursements	(90,725)	(47,594)	(5,659)	(124,954)	(5,206)	(69,094)
Other financing sources (uses)						
Advances in	-	-	-	-	25,000	75,000
Advances out	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	25,000	75,000
Excess of receipts and other financing sources over/(under) disbursements and other financing sources	(90,725)	(47,594)	(5,659)	(124,954)	19,794	5,906
Cash balance, beginning	356,349	49,822	9,078	209,270	15,028	-
Cash balance, ending	\$ 265,624	\$ 2,228	\$ 3,419	\$ 84,316	\$ 34,822	\$ 5,906

<u>Workforce Development</u>	<u>Title X</u>	<u>NACCHO Opioid Prevention</u>	<u>Opiate Prevention</u>	<u>Public Health Emergency Preparedness</u>	<u>Miscellaneous Federal Grants</u>	<u>Maternal & Child Health Grant</u>	<u>Water Quality</u>	<u>Traffic Safety</u>
\$ 203,389	\$ 465,746	\$ 323,279	\$ 181,250	\$ 168,783	\$ 301,020	\$ 149,454	\$ 29,467	\$ 57,761
-	25,806	-	-	-	-	88,544	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	804	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,753	-	(418)	3,023	-	-	-	-	-
<u>205,142</u>	<u>491,552</u>	<u>322,861</u>	<u>184,273</u>	<u>168,783</u>	<u>301,824</u>	<u>237,998</u>	<u>29,467</u>	<u>57,761</u>
117,592	250	156,052	115,158	112,151	197,762	141,875	16,402	46,808
18,366	-	1,025	513	1,199	-	694	-	1,394
-	-	7,036	6,549	-	1,022	446	-	32
-	-	-	-	-	-	-	6,000	-
4,077	-	351	4,049	-	11,440	-	-	-
-	462,877	124,707	2,727	-	140	69,962	-	2,500
-	-	-	-	-	-	-	-	-
40,299	-	31,696	27,655	3,071	13,905	18,185	-	3,917
<u>180,334</u>	<u>463,127</u>	<u>320,867</u>	<u>156,651</u>	<u>116,421</u>	<u>224,269</u>	<u>231,162</u>	<u>22,402</u>	<u>54,651</u>
<u>24,808</u>	<u>28,425</u>	<u>1,994</u>	<u>27,622</u>	<u>52,362</u>	<u>77,555</u>	<u>6,836</u>	<u>7,065</u>	<u>3,110</u>
-	-	180,000	40,000	-	-	-	23,000	-
(75,000)	-	(112,000)	(95,000)	(80,000)	(110,000)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>(75,000)</u>	<u>-</u>	<u>68,000</u>	<u>(55,000)</u>	<u>(80,000)</u>	<u>(110,000)</u>	<u>-</u>	<u>23,000</u>	<u>-</u>
(50,192)	28,425	69,994	(27,378)	(27,638)	(32,445)	6,836	30,065	3,110
50,192	99,081	8,604	27,378	27,638	32,445	26,560	179	18,346
<u>\$ -</u>	<u>\$ 127,506</u>	<u>\$ 78,598</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,396</u>	<u>\$ 30,244</u>	<u>\$ 21,456</u>

(continued)

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH

COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
CASH BASIS FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Cardiovascular Health	Federal Active Transportation	Safe Streets & Roads	Ohio Health Equity Grant	ODM - MCO Grant	CDC Accelerator
Receipts						
Intergovernmental						
Federal	\$ 118,069	\$ 59,699	\$ -	\$ 131,990	\$ 479,016	\$ -
State	-	-	-	246,679	-	-
Charges for services						
Home health services	-	-	-	-	-	-
Immunizations	-	-	-	-	-	-
Inspection fees	-	-	-	-	-	-
Contractual services	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Miscellaneous						
Other receipts	-	70	-	-	-	-
Local grants	-	-	-	-	-	-
Other fees	-	-	-	-	-	-
Refunds	-	-	-	-	17,039	-
Total receipts	<u>118,069</u>	<u>59,769</u>	<u>-</u>	<u>378,669</u>	<u>496,055</u>	<u>-</u>
Disbursements						
Salaries and benefits	107,782	18,136	-	303,458	134,264	18,000
Travel	1,120	68	-	-	1,098	-
Office supplies	71	-	-	53	147	-
Medical supplies	-	-	-	-	-	-
Equipment	-	-	-	-	1,700	-
Contracts - repair/service	5,557	13,777	-	3,656	274,490	-
Distribution to state	-	-	-	-	-	-
Other expenditures	3,289	23,644	-	14,320	679	-
Total disbursements	<u>117,819</u>	<u>55,625</u>	<u>-</u>	<u>321,487</u>	<u>412,378</u>	<u>18,000</u>
Excess receipts over/(under) disbursements	<u>250</u>	<u>4,144</u>	<u>-</u>	<u>57,182</u>	<u>83,677</u>	<u>(18,000)</u>
Other financing sources (uses)						
Advances in	-	50,000	50,000	-	-	50,000
Advances out	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Excess of receipts and other financing sources over/(under) disbursements and other financing sources	<u>250</u>	<u>54,144</u>	<u>50,000</u>	<u>57,182</u>	<u>83,677</u>	<u>32,000</u>
Cash balance, beginning	<u>42,366</u>	<u>5,252</u>	<u>-</u>	<u>15,424</u>	<u>104,145</u>	<u>-</u>
Cash balance, ending	<u>\$ 42,616</u>	<u>\$ 59,396</u>	<u>\$ 50,000</u>	<u>\$ 72,606</u>	<u>\$ 187,822</u>	<u>\$ 32,000</u>

COVID-19 Enhanced Operations	CF23 Grant	Ingrated Harm Reduction	LV23 Grant	Perinatal Behavior	Public Health Emergency Prep	Temp Assist Needy Families	CHWW23 Grant	Public Health Workforce Development	Totals (Memo. Only)
\$ 75,416	\$ 442,487	\$ 30,000	\$1,042,465	\$ -	\$ 79,819	\$ 20,038	\$ 23,817	\$ 37,712	\$4,512,054
-	-	-	-	6,538	-	-	-	-	543,395
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	536,848
-	-	-	-	-	-	-	-	-	98,952
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	8,749	-	-	32,361
<u>75,416</u>	<u>442,487</u>	<u>30,000</u>	<u>1,042,465</u>	<u>6,538</u>	<u>79,819</u>	<u>28,787</u>	<u>23,817</u>	<u>37,712</u>	<u>5,723,610</u>
78,528	88,633	53,023	4,773	-	109,979	-	31,914	52,622	2,863,261
2,656	-	-	-	-	836	150	337	1,666	44,415
5,990	1,696	194	-	-	862	430	-	-	27,155
-	-	2,796	-	-	-	-	-	-	8,796
-	2,718	1,769	-	-	-	-	-	-	53,822
-	341,164	2,850	1,030,192	8,000	-	-	3,524	-	2,402,804
-	-	-	-	-	-	-	-	-	162,810
4,175	5,399	870	7,500	4,500	2,943	30,100	1,795	3,000	267,292
<u>91,349</u>	<u>439,610</u>	<u>61,502</u>	<u>1,042,465</u>	<u>12,500</u>	<u>114,620</u>	<u>30,680</u>	<u>37,570</u>	<u>57,288</u>	<u>5,830,355</u>
(15,933)	2,877	(31,502)	-	(5,962)	(34,801)	(1,893)	(13,753)	(19,576)	(106,745)
75,000	250,000	75,000	150,000	75,000	75,000	50,000	20,000	75,000	1,338,000
-	(449,000)	-	(250,000)	-	-	-	-	-	(1,171,000)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>75,000</u>	<u>(199,000)</u>	<u>75,000</u>	<u>(100,000)</u>	<u>75,000</u>	<u>75,000</u>	<u>50,000</u>	<u>20,000</u>	<u>75,000</u>	<u>167,000</u>
59,067	(196,123)	43,498	(100,000)	69,038	40,199	48,107	6,247	55,424	60,255
-	197,114	-	100,000	-	-	-	15,591	-	1,409,862
<u>\$ 59,067</u>	<u>\$ 991</u>	<u>\$ 43,498</u>	<u>\$ -</u>	<u>\$ 69,038</u>	<u>\$ 40,199</u>	<u>\$ 48,107</u>	<u>\$ 21,838</u>	<u>\$ 55,424</u>	<u>\$1,470,117</u>

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**LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
LORAIN COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2023

Federal Grantor / Pass Through/ Grantor Program Title	Federal AL Number	Pass Through Entity Number	Total Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through the Ohio Department of Health Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	04710011WA1623/04710011W1724	\$ 1,165,728
Total U.S. Department of Agriculture			<u>1,165,728</u>
<u>U.S. Department of Health and Human Services</u>			
Assistance Programs for Chronic Disease Prevention and Control Supporting Lorain County's CHIP with an Accelerator Plan	93.945	6NU58DP007737-01-01	18,000
Passed through the Ohio Department of Health COVID-19 Immunization Cooperative Agreements COVID-19 Vaccination	93.268	04710012CN0222	53,833
COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC)			
COVID-19 Enhanced Operations	93.323	04710012EO0222	169,632
COVID-19 Enhanced Operations	93.323	04710012EO0323	91,349
COVID-19 Detection & Mitigation in Confinement Facilities	93.323	04710012CF0123	439,601
COVID-19 Detection & Mitigation in Congregate Living Settings	93.323	04710012LV0123	1,042,465
Total COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC)			<u>1,743,047</u>
Public Health Emergency Preparedness	93.069	04710012PH1423 / PH1524	231,041
Family Planning Services Reproductive Health and Wellness	93.217	04710011RH0723/RH0824	437,321
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises Community Health Worker Workforce Development Initiative	93.391	04710011WD0123	37,569
Public Health Workforce	93.391	04710012WF0223	5,000
Total Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises			<u>42,569</u>
Preventive Health and Health Services Block Grant Creating Healthy Communities	93.991	04710014CC1322/CC1423	117,819
Maternal and Child Health Services Block Grant to the States Cribs for Kids and Safe Sleep, Maternal and Child Health Program and Ohio Healthy Programs Technical Assistance for Child Care Centers and Public Schools Ohio Equity Institute 2.0	93.994	04710011CK0523/CK0624/MP0723/OH0323/OH0424	150,934
Total Maternal and Child Health Services Block Grant to the States	93.994	04710011OE0223	<u>131,990</u>
			<u>282,924</u>
Opioid STR Integrated Naloxone Access and Infrastructure Grant (IN23)	93.788	1H79TI085753-01	20,000
Integrated Harm Reduction	93.788	04710014IH0123/IH0324	61,502
Total Opioid STR			<u>81,502</u>
Injury Prevention and Control Research and State and Community Based Programs Drug Overdose Prevention	93.136	04710014DR0423	133,628
National and State Tobacco Control Program Tobacco Use Prevention and Cessation	93.387	04710014TU0423/TU0524	28,697
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response Public Health Workforce	93.354	04710012WF0122	178,581
Public Health Workforce	93.354	04710012WF0223	5,000
Total Public Health Emergency Response Cooperative Agreement for Emergency Response: Public Health Crisis Response			<u>183,581</u>
CDC's Collaboration with Academia to Strengthen Public Health Public Health Workforce	93.967	04710012WF0223	47,289
Passed through Cuyahoga County Board of Health HIV Prevention Activities Health Department Based	93.940	INU62PS924541-01-00	131,774
Passed through Lorain County Job and Family Services Temporary Assistance for Needy Families (TANF)	93.558	N/A	26,129
Total U.S. Department of Health and Human Services			<u>3,559,154</u>
<u>U.S. Department of Transportation - Federal Highway Administration</u>			
Passed through the Ohio Department of Transportation Highway Planning and Construction			
D03 SRTS City of Lorain Non-Inf3	20.205	PID # 113577	9,084
D03 SRTS Oberlin Non-Inf.	20.205	PID # 115389	5,824
D03 SRTS City of Elyria Non-Inf.	20.205	PID # 117477	15,320
D03 SRTS Clearview Local Schools	20.205	PID # 117478	8,309
D03 SRTS City of Lorain Non-Inf4	20.205	PID # 120017	5,063
D03 SRTS City of Elyria Non-Inf2	20.205	PID # 120021	4,400
D03 SRTS Oberlin Non-Inf2	20.205	PID # 120022	1,655
Total Highway Planning and Construction			<u>49,655</u>
State and Community Highway Safety	20.600	SC-2023-Lorain County General Hea-00011 / SC-2024-Lorain County General Hea-00012	54,651
Total U.S. Department of Transportation - Federal Highway Administration			<u>104,306</u>
<u>U.S. Environmental Protection Agency</u>			
Passed through the Ohio Department of Health Beach Monitoring and Notification Program Implementation Grants Ohio's Bathing Beach Monitoring and Notification Program	66.472	12E52611	22,402
Total U.S. Environmental Protection Agency			<u>22,402</u>
<u>Centers for Disease Control and Prevention</u>			
Passed through National Association of City and County Health Organizations (NACCHO) Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health Implementing Overdose Prevention Strategies at the Local Level (IOPSL)	93.421	5NU38OT000306-03-00	6,962
Comprehensive Community Approaches to Preventing Substance Use (CCAPS)	93.421	6NU38OT000306-04-01	294,509
Total Centers for Disease Control and Prevention			<u>301,471</u>
Total Federal Awards Expenditures			<u>\$ 5,153,061</u>

The accompanying notes are an integral part of this schedule.

LORAIN COUNTY GENERAL HEALTH DISTRICT
dba LORAIN COUNTY PUBLIC HEALTH
LORAIN COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Lorain County General Health District, dba Lorain County Public Health (the District) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RATE

The District has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance on several grants. In most cases, the District charged 3-percent for indirect costs on grants.

NOTE 4 - SUBRECIPIENTS

The District did not provide funds to subrecipients during the audit period.

NOTE 5 - 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.

OHIO AUDITOR OF STATE KEITH FABER



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

Lorain County General Health District
Lorain County
9880 South Murray Ridge Road
Elyria, Ohio 44035

To the District Members:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lorain County General Health District, Lorain County, (the District) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 24, 2024, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the 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 material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Efficient • Effective • Transparent

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

October 24, 2024

OHIO AUDITOR OF STATE KEITH FABER

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

Lorain County General Health District
Lorain County
9880 South Murray Ridge Road
Elyria, Ohio 44035

To the District Members:

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Lorain County 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 Lorain County General Health District's major federal programs for the year ended December 31, 2023. Lorain County General Health District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

Qualified Opinion on COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

In our opinion, except for the noncompliance described in the *Basis for Qualified and Unmodified Opinions* section of our report, Lorain County General Health District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) for the year ended December 31, 2023.

Unmodified Opinion on the Other Major Federal Program

In our opinion, Lorain County General Health District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its other major federal program identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings for the year ended December 31, 2023.

Basis for Qualified and Unmodified Opinions

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.

Lorain County General Health District
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

Page 2

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 qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

As described in findings 2023-001 and 2023-002 in the accompanying schedule of findings, the District did not comply with requirements regarding the following:

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2023-001	93.323	COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Procurement and Suspension and Debarment
2023-002	93.323	COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Equipment and Real Property Management

Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

Lorain County General Health District
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

Page 3

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.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and corrective action plan. The District's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 2023-001 and 2023-002, to be material weaknesses.

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.

Lorain County General Health District
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

Page 4

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and corrective action plan. The District's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

A handwritten signature in black ink, appearing to read "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

October 24, 2024

**LORAIN COUNTY GENERAL HEALTH DISTRICT
LORAIN COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULT

(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?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified for Special Supplemental Nutrition Program for Women, Infants and Children (WIC), AL #10.557 Qualified for COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC), AL #93.323
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	Yes
(d)(1)(vii)	Major Programs (list):	Special Supplemental Nutrition Program for Women, Infants and Children (WIC), AL #10.557 COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC), AL #93.323
(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

**LORAIN COUNTY GENERAL HEALTH DISTRICT
LORAIN COUNTY**

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

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

None.

3. FINDINGS FOR FEDERAL AWARDS

1. Procurement Methods

Finding Number:	2023-001
Assistance Listing Number and Title:	AL #93.323, COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC)
Federal Award Identification Number / Year:	NU50CK000543 / 2022
Federal Agency:	U.S. Department of Health and Human Services
Compliance Requirement:	Procurement and Suspension and Debarment Requirement
Pass-Through Entity:	Ohio Department of Health
Repeat Finding from Prior Audit?	No
Prior Audit Finding Number:	N/A

NONCOMPLIANCE AND MATERIAL WEAKNESS

45 CFR § 75.329 provides that the non-Federal entity must use one of the listed methods of procurement, including small purchase procedures. **45 CFR § 75.329** provides that “[s]mall purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.”

45 CFR § 75.501(g) provides that “[i]n most cases, the auditee's compliance responsibility for contractors is only to ensure that the procurement, receipt, and payment for goods and services comply with Federal statutes, regulations, and the terms and conditions of Federal awards. Federal award compliance requirements normally do not pass through to contractors. However, the auditee is responsible for ensuring compliance for procurement transactions which are structured such that the contractor is responsible for program compliance or the contractor's records must be reviewed to determine program compliance. Also, when these procurement transactions relate to a major program, the scope of the audit must include determining whether these transactions are in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards.”

**LORAIN COUNTY GENERAL HEALTH DISTRICT
LORAIN COUNTY**

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

The COVID-19 Epidemiology and Laboratory Capacity for infectious Diseases (ELC) grant, a major federal program, incurred expenditures exceeding the Micro-Purchase limit for three providers, during the year. Management indicated these services were procured by the three contractors carrying out the Confinement Facilities subgrant (CF0123) and Congregate Living Settings subgrant (LV0123). The contractors should have followed "small purchase procedures" methods and the District should have verified the contractors for the subgrants followed the proper procurement methods. Small purchase procedures require price or rate quotations shall be obtained from an adequate number of qualified sources. According to the District Policy, they shall utilize small purchase procurement methods for securing services, supplies, and other property that are greater than the micro-purchase threshold of \$10,000, but that do not exceed the sealed proposal threshold of \$150,000. Small purchase procedures require that price or rate quotations be obtained from more than one (1) qualified source. Sealed proposals shall be utilized for purchased in excess of \$150,000. The District did not receive price or rate quotes, as required. The District failed to obtain the proper documentation from the contractors for the subgrants showing that proper procurement methods were followed by Lorain/Medina Community Based Correctional Facility, The Road to Hope, Inc. and Avon Oaks Caring Community. Due to a lack of control over procurement requirements the contractors did not obtain price or rate quotations from more than one qualified source, but based their purchases on past selections from a three-quote comparison in years past and negotiated contract rates below the market rate in accordance with the organization's normal operating procedures.

We recommend the District review the procurement requirements specified above and ensure its procurement policy is followed for small purchase procedures.

Official's Response:

Lorain County General Health District recognizes the contractor procurement issue and is taking steps to correct this weakness. A new contract template has recently been drafted that will be used when contracting with other agencies to meet federal grant obligations. This will keep partners informed of their responsibilities when spending federal funding. Fiscal staff will be required to review the Ohio Grants Administration Policies and Procedures manual. Policies will be supplemented with detailed procedures and provided to all staff both program and fiscal through the grants review group.

**LORAIN COUNTY GENERAL HEALTH DISTRICT
LORAIN COUNTY**

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

- 2. Equipment and Real Property Management**
- | | |
|--|---|
| Finding Number: | 2023-002 |
| Assistance Listing Number and Title: | AL #93.323, COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC) |
| Federal Award Identification Number / Year: | NU50CK000543 / 2022 |
| Federal Agency: | U.S. Department of Health and Human Services |
| Compliance Requirement: | Equipment and Real Property Management Requirement |
| Pass-Through Entity: | Ohio Department of Health |
| Repeat Finding from Prior Audit? | No |
| Prior Audit Finding Number: | N/A |

NONCOMPLIANCE AND MATERIAL WEAKNESS

45 CFR § 75.320(d) provides that procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

- (1) property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
- (4) Adequate maintenance procedures must be developed to keep the property in good condition.
- (5) If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return

The District's contractors that carried out the Confinement Facilities subgrant (CF0123) and Congregate Living Settings subgrant (LV0123) purchased various equipment totaling \$231,299 and \$549,434, respectively, for a total amount of \$780,733 with the COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC) grant. Due to deficiencies in inventory controls, the assets were not added to the District's inventory system. This failure does not allow for proper asset tracking, as required above. This was the result of the Administrative Services Division not adding all assets purchased by the contractors for the subgrants to the system, as required, and understates District assets.

**LORAIN COUNTY GENERAL HEALTH DISTRICT
LORAIN COUNTY**

**SCHEDULE OF FINDINGS
2 CFR 200.515
DECEMBER 31, 2023
(CONTINUED)**

The District should review the Equipment Inventory System and adjust it to include all assets purchased with COVID-19 Epidemiology and Laboratory Capacity for infectious Diseases (ELC) Funds from the contractors carrying out the Confinement Facilities subgrant (CF0123) and Congregate Living Settings subgrant (LV0123).

Official's Response:

Lorain County General Health District recognizes the contractor equipment and real property purchase issue and is taking steps to correct this weakness. Schedules have been created categorizing purchases for the grants in question and Program staff will reach to partner agencies for required information in order to add this to the LCGHD inventory tracking system. A new contract template has recently been drafted that will be used when contracting with other agencies to meet federal grant obligations. This will keep partners informed of their responsibilities when spending federal funding. Fiscal staff will be required to review the Ohio Grants Administration Policies and Procedures manual. Policies will be supplemented with detailed procedures and provided to all staff both program and fiscal through the grants review group.

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**LORAIN GENERAL HEALTH DISTRICT
LORAIN COUNTY**

**CORRECTIVE ACTION PLAN
2 CFR 200.511(c)
DECEMBER 31, 2023**



**Lorain County
Public Health**

For the Health of Us All

Finding Number	Planned Corrective Action	Anticipated Completion	Responsible Contact Person
2023-001	Creation of new contract template with more details outlining partner responsibilities when expending federal funds.	October 31, 2024	Deborah Chavez
	Fiscal staff working on federal grants will be required to read the Ohio Grants Administration Policies and Procedures manual.	October 31, 2024	
	Policies will be supplemented with detailed procedures and provided to all staff both program and fiscal through the grants review group.	December 31, 2024	
2023-002	Schedules have been created categorizing purchases for the grants in question. Program staff will reach to partner agencies for required information in order to add this to the LCGHD inventory tracking system.	November 30, 2024	Deborah Chavez
	Creation of new contract template with more details outlining partner responsibilities when expending federal funds.	October 31, 2024	
	Fiscal staff working on federal grants will be required to read the Ohio Grants Administration Policies and Procedures manual.	October 31, 2024	
	Policies will be supplemented with detailed procedures and provided to all staff both program and fiscal through the grants review group.	December 31, 2024	

OHIO AUDITOR OF STATE KEITH FABER



LORAIN COUNTY GENERAL HEALTH DISTRICT

LORAIN 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 11/7/2024

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