

Noble County General Health District
Noble County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2022

| | General | Special Revenue | Debt Service | Capital Projects | Private Purpose Trust Fund | Combined Total |
|---|--------------------|--------------------|-----------------|---------------------|-------------------------------|--------------------|
| Cash Receipts | | | | | | |
| Property Taxes | \$0 | \$0 | | | | \$0 |
| Charges for Services | 20,310 | 603,754 | | | | 624,064 |
| Fines, Licenses and Permits | 5,884 | 64,198 | | | | 70,082 |
| Intergovernmental: | 0 | 0 | | | | |
| Apportionments | 730,075 | 0 | | | | 730,075 |
| Grants | 0 | 873,917 | | | | 873,917 |
| Other | 4,010 | 0 | | | | 4,010 |
| Earnings on Investments | 0 | 0 | | | | 0 |
| | 0 | 0 | | | | 0 |
| Non-Governmental Grants | 11,200 | 0 | | | | 11,200 |
| Miscellaneous | 15,555 | 49,862 | | | | 65,418 |
| <i>Total Cash Receipts</i> | <u>787,035</u> | <u>1,591,732</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>2,378,766</u> |
| Cash Disbursements | | | | | | |
| Current: | | | | | | |
| Health: | | | | | | |
| Salaries | 393,234 | 1,015,611 | | | | 1,408,845 |
| Fringe | 101,337 | 301,257 | | | | 402,594 |
| Contract | 18,687 | 49,855 | | | | 68,542 |
| Travel | 2,672 | 24,268 | | | | 26,940 |
| Utilities/ Building Expenses | 13,440 | 13,136 | | | | 26,575 |
| Supplies | 10,794 | 149,135 | | | 338 | 160,267 |
| Equipment/ Capital | 55,768 | 7,840 | | | | 63,608 |
| Other Expenses | 57,204 | 50,207 | | | | 107,410 |
| | | | | | | 0 |
| | | | | | | 0 |
| Intergovernmental | | | | | | 0 |
| Capital Outlay | | | | | | 0 |
| Debt Service: | | | | | | |
| Principal Retirement | | | | | | 0 |
| Interest and Fiscal Charges | | | | | | 0 |
| <i>Total Cash Disbursements</i> | <u>653,135</u> | <u>1,611,309</u> | <u>0</u> | <u>0</u> | <u>338</u> | <u>2,264,782</u> |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>133,900</u> | <u>(19,577)</u> | <u>0</u> | <u>0</u> | <u>(338)</u> | <u>113,984</u> |
| Other Financing Receipts (Disbursements) | | | | | | |
| Sale of Capital Assets | | | | | | 0 |
| Proceeds of Debt | | | | | | 0 |
| Transfers In | | | | | | 0 |
| Transfers Out | | | | | | 0 |
| Advances In | 274,990 | 120,000 | | | 1,600 | 396,590 |
| Advances Out | (121,600) | (273,390) | | | (1,600) | (396,590) |
| Other Financing Sources | | | | | 261,541 | 261,541 |
| Other Financing Uses | | | | | (256,820) | (256,820) |
| <i>Total Other Financing Receipts (Disbursements)</i> | <u>153,390</u> | <u>(153,390)</u> | <u>0</u> | <u>0</u> | <u>4,720</u> | <u>4,720</u> |
| Special Item | | | | | | 0 |
| Extraordinary Item | | | | | | 0 |
| <i>Net Change in Fund Cash Balances</i> | <u>287,289</u> | <u>(172,967)</u> | <u>0</u> | <u>0</u> | <u>4,382</u> | <u>118,705</u> |
| <i>Fund Cash Balances, January 1</i> | <u>916,057</u> | <u>714,822</u> | | | <u>534</u> | <u>1,631,413</u> |
| <i>Fund Cash Balances, December 31</i> | <u>\$1,203,346</u> | <u>\$541,855</u> | <u>\$0</u> | <u>\$0</u> | <u>\$4,917</u> | <u>\$1,750,118</u> |

See accompanying notes to the basic financial statements

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Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Noble County Health Department County, (the Health Department) as a body corporate and politic. A five-member Board and a Health Commissioner govern the Health Department. The Health Department’s services include communicable disease investigations, immunization clinics, inspections, and public health nursing services, and the Health Department issues health-related licenses and permits.

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

The Health Department participates in the Public Entities Pool of Ohio (PEP) public entity risk pool. Note 7 to the financial statements provides additional information for this entity.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

Private-Purpose Trust Funds Private-purpose trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Health Department’s own programs.

The Health Department’s private purpose trust fund is for the benefit of local service agencies, individuals and schools who meet on a monthly basis to share information about the services and/or upcoming events their respective organizations provide. Additionally, they bring to the table any observation of perceived needs for the community in order that solutions may be sought.

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Basis of Accounting

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

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

Budgetary Process

The Ohio Revised Code requires the Health Department to budget each fund annually (except certain agency funds).

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. The Health Department Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. The Health Department does not budget for other financing uses in the agency fund

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources. The Health Department does not budget for other financing uses in the agency fund

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

A summary of 2022 budgetary activity appears in Note 3.

Capital Assets

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

Accumulated Leave

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

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Fund Balance

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

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

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

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2022, follows:

| 2022 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|------------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$692,000 | \$787,035 | \$95,035 |
| Special Revenue | 1,420,440 | 1,591,732 | 171,292 |
| Capital Projects | 0 | 0 | 0 |
| Permanent | 0 | 0 | 0 |
| Private Purpose Trust | 20 | 0 | (20) |
| Total | \$2,112,460 | \$2,378,766 | \$266,306 |

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| 2022 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$777,000 | \$653,195 | \$123,805 |
| Special Revenue | 1,763,970 | 1,611,369 | 152,601 |
| Capital Projects | 0 | 0 | 0 |
| Permanent | 0 | 0 | 0 |
| Private Purpose Trust | 338 | 338 | 0 |
| Total | \$2,541,308 | \$2,264,902 | \$276,406 |

Note 4 – Deposits and Investments

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

Note 5 – Intergovernmental Funding and Property Taxes

Intergovernmental Funding

The Noble County Commissioners serve as a special taxing authority for a special levy outside the ten-mill limitation to provide the Health Department with sufficient funds for health programs. The levy generated \$730,075 in 2022. The financial statement presents these amounts as intergovernmental receipts

Note 6 – Interfund Balances

Outstanding advances at December 31, 2022, consisted of \$112,500 advanced to Special Revenue funds to provide working capital for operations or projects.

Note 7 – Risk Management

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

The Health Department insures against injuries to employees through the Ohio Bureau of Worker’s Compensation.

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Risk Pool Membership

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

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

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

| | <u>2021</u> |
|-----------------------|---------------|
| Cash and investments | \$ 41,996,850 |
| Actuarial liabilities | \$ 14,974,099 |

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Health Department contributed an amount equaling 14 percent of participants' gross salaries. The Health Department has paid all contributions required through December 31, 2022.

Social Security

The Health Department's five Board of Health members contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Health Department contributed an amount equal to 6.2 percent of participants' gross salaries. The Health Department has paid all contributions required through December 31, 2022.

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Note 9 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, that includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2022.

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.

Note 10 – Contingent Liabilities

The Health Department is not aware of any pending litigation against the department.

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

Note 11 – Fund Balances

Included in fund balance are amounts the Health Department cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

| Fund Balances | General | Special Revenue | Debt Service | Capital Projects | Permanent | Total |
|--------------------------|------------|-----------------|--------------|------------------|------------|------------|
| Nonspendable: | | | | | | |
| Unclaimed Monies | | | | | | \$0 |
| Corpus | | | | | | 0 |
| Outstanding Encumbrances | | | | | | 0 |
| Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects funds are restricted, committed, or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These

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restricted, committed, and assigned amounts in the special revenue, debt service, capital projects, and permanent funds would including the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 12 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2022, the Health Department received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Health Department. The impact on the Health Department's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2022, The Health Department received subgrants for COVID-19 response activities from the Ohio Department of Health. Receipts from there subgrants are recorded as special revenue grant receipts on the accompanying financial statements. Expenditures of these subgrant receipts are reflected as special revenue expenditures in the Special Revenue Funds of the accompanying financial statements.