



**bhm cpa group, inc.**  
CERTIFIED PUBLIC ACCOUNTANTS

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CHAMPAIGN COUNTY DISTRICT BOARD OF HEALTH  
CHAMPAIGN COUNTY

REGULAR AUDIT

For the Years Ended December 31, 2018 and 2017  
Fiscal Years Audited Under GAGAS: 2018 and 2017

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One East Campus View Blvd. Suite 300 • Columbus, OH 43235 • (614) 389-5775 • FAX (614) 467-3920  
PO Box 875 • 129 Pinckney Street • Circleville, OH 43113 • (740) 474-5210 • FAX (740) 474-7319  
PO Box 687 • 528 S. West Street • Piketon, OH 45661 • (740) 289-4131 • FAX (740) 289-3639

[www.bhmcpagroup.com](http://www.bhmcpagroup.com)





88 East Broad Street  
Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

Board of Health  
Champaign County District Board of Health  
1512 South US Hwy 68, Suite Q100  
Urbana, OH 43078

We have reviewed the *Independent Auditor's Report* of the Champaign County District Board of Health, Champaign County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2017 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber  
Auditor of State  
Columbus, Ohio

July 29, 2019

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**Champaign County District Board of Health**  
**Champaign County, Ohio**  
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**Champaign County District Board of Health**  
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**INDEPENDENT AUDITOR'S REPORT**

Champaign County District Board of Health  
Champaign County  
1512 S. US Highway 68, Suite Q 100  
Urbana, Ohio 43078

To the District Board:

***Report on the Financial Statements***

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Champaign County District Board of Health, Champaign County, Ohio (the District), as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Champaign County District Board of Health, Champaign County, Ohio, as of December 31, 2018 and 2017, and the respective changes in cash financial position and the budgetary comparison for the General and WIC Grant funds thereof for the years then ended in accordance with the accounting basis described in Note 2.

**Accounting Basis**

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

**Other Matters**

*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 them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2019, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



BHM CPA Group, Inc.  
Piketon, Ohio  
June 26, 2019



**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**  
**(Unaudited)**

This discussion and analysis of the Champaign Health District's financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2018, within the limitations of the Health District's cash basis of accounting. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the Health District's financial performance.

**Highlights**

Key highlights for 2018 are as follows:

- Net assets from all governmental activities increased by \$75,067.
- Program specific receipts in the form of charges for services, operating grants and contributions, and contract services comprise the largest percentage of the Health District's receipts, making up over 61 percent of all the dollars coming into the District. General receipts in the form of and unrestricted grants make up the rest.
- The Health District had \$1,097,407 in disbursements during 2018.
- The Health District had \$1,172,474 in receipts during 2018.

**Using the Basic Financial Statements**

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

**Report Components**

The statement of net assets and the statement of activities provide information about the cash activities of the Health District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Health District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

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

**Basis of Accounting**

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

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

**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**  
**(Unaudited)**

**Reporting the Health District as a Whole**

The Champaign Health District is established to exercise the rights, privileges, and responsibilities conveyed to it by the constitution and laws of the State of Ohio. The Health District is directed by a five- member Board of Health that appoints a Health Commissioner as its Executive Officer. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, vital statistics, and the issuance of health-related licenses and permits. The Health District also acts upon various complaints made by the public concerning the health and welfare of the county.

The statement of net assets and the statement of activities reflect how the Health District did financially during 2018 within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental activities of the Health District at year-end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's services, and grants and contributions restricted to meeting the operational 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 Health District's general receipts.

These statements report the Health District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Health District's financial health. Over time, increases or decreases in the Health District's cash position is one indicator of whether the Health District's financial health is improving or deteriorating.

When evaluating the Health District's financial condition, you should also consider other non-financial factors. Such as, the extent of the Health District's debt obligations, the reliance on non-local financial resources for operations, and the need for continued growth in in-side millage as a local revenue source.

In the statement of net assets and the statement of activities, all Health District activities are reported as governmental. State and federal grants, fees, and inside millage finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them; particularly in the personal health services division. The Health District has no business-type activities.

**Reporting the District's Most Significant Funds**

Fund financial statements provide detailed information about the Health District's major funds – not the Health District as a whole. The Health District establishes separate funds to better manage its many activities and to help demonstrate that restricted funds are being spent for the intended purpose.

All of the Health District's activities are reported in Governmental funds. The Governmental fund financial statements provide a detailed view of the Health District's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Health District's programs. The Health District's significant Governmental funds are presented on the financial statements in separate columns.

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

**Champaign County District Board of Health  
Champaign County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2018  
(Unaudited)**

**The Health District as a Whole**

**Table 1** - Net Position provides a summary of the Health District's net position for 2018 and 2017 on a cash basis. A comparative analysis will be presented.

	<b>Table 1</b>	
	<b>Net Position</b>	
	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 1,092,563	\$ 1,017,496
Total Assets	<u>\$ 1,092,563</u>	<u>\$ 1,017,496</u>
<b>Net Position Restricted for:</b>		
Other Purposes	\$ 388,139	\$ 316,608
Unrestricted	<u>704,424</u>	<u>700,888</u>
Total Net Position	<u>\$ 1,092,563</u>	<u>\$ 1,017,496</u>

As mentioned previously, net assets of all governmental activities increased by \$75,067 during 2018. The primary reasons contributing to the increases in cash balances are as follows:

- Savings from the change in personnel and combination of duties during 2018.

**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**  
*(Unaudited)*

**Table 2** – Change in Net Position reflects the changes in net position during 2018 and 2017. A comparative analysis of District-Wide data is presented.

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
<b>Receipts</b>		
<b>Program Receipts:</b>		
Charges for Services and Sales	\$ 423,937	\$ 357,485
Operating Grants and Contributions	291,040	297,752
<b>Total Program Receipts</b>	<b>714,977</b>	<b>655,237</b>
<b>General Receipts:</b>		
Revenue from Subdivisions	168,500	168,500
State Subsidy	7,522	7,522
Levy	281,475	282,436
<b>Total General Receipts</b>	<b>457,497</b>	<b>458,458</b>
<b>Total Receipts</b>	<b>1,172,474</b>	<b>1,113,695</b>
<b>Disbursements</b>		
<b>Environmental Health</b>		
Food Program	57,397	56,394
Solid Waste	4,119	3,485
Swimming Pools	3,022	3,325
Plumbing	28,654	28,654
Sewage	28,004	26,463
Other Environmental Health	126,788	126,778
<b>Personal Health Services</b>	<b>146,877</b>	<b>146,877</b>
Immunizations	73,451	69,611
Laboratory	10,327	7,717
<b>Grants</b>		
WIC	174,100	165,829
IAP	12,471	10,534
MRC	-	-
PHEP	67,780	75,090
Zika	34,151	39,500
Vital Statistics	19,999	21,481
Child Abuse Prevention	8,579	9,649

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**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**  
*(Unaudited)*

Administration	242,294	237,640
Travel/Training	15,293	19,467
County Auditor/Treasurer Fee	5,888	14,606
Rent/Maintenance Phones	38,213	43,035
Other Health Expenditures	-	-
Total Disbursements	<u>1,097,407</u>	<u>1,106,145</u>
Increase (Decrease) in Net Position	75,067	7,550
Net Position, January 1	<u>1,017,496</u>	<u>1,009,946</u>
Net Position, December 31	<u><u>\$ 1,092,563</u></u>	<u><u>\$ 1,017,496</u></u>

General receipts represent 39 percent of the Health District's total receipts, and of this amount, 37 percent are local taxes (revenue from subdivisions) provided by each municipality and District in the county. Levy dollars represent 61 percent of general receipts, with the remaining amount at less than 2 percent provided by the State Subsidy.

Disbursements for the Health District represent the overhead costs of running the Health District and the support services provided for the other District activities. These include primarily the costs of personnel and personnel support at 72 percent of total disbursements, as the primary product of the Health District is preventive health services which are labor-intensive.

Capital outlay signifies the disbursements for equipment for use in administering the Health District's services. There were no significant equipment purchases during 2018, with the total equipment purchases at less than 1 percent of all disbursements.

### **Governmental Activities**

If you look at the Statement of Activities on the next page, you will see that the first column lists the major services provided by the Health District. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for Public Health services.

The Net Cost (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service that ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts that are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3. All grants (IAP, WIC, and Public Health Emergency Preparedness) have a zero net cost to the health district, in 2008 all grant funds were separated from one general fund; any apparent net costs to the district are not real and should be attributed to changes in accounting practices, carryover, and differing fiscal years.

**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**  
*(Unaudited)*

**Table 3 Net Cost of Services**

	2018		2017	
	Cash Disbursements	Net Cost of Services	Cash Disbursements	Net Cost of Services
<b>Governmental Activities</b>				
<b>Environmental Health</b>				
Food Program	\$ 57,397	\$ (21,068)	\$ 56,394	\$ (17,453)
Solid Waste	4,119	(7,071)	3,485	(512)
Swimming Pools	3,022	(208)	3,325	(151)
Camps	-	(634)	-	(385)
Plumbing	28,654	(24,510)	28,654	(25,603)
Sewage	28,004	(18,459)	26,463	(14,725)
Other Environmental Health	126,788	104,534	126,788	104,009
Personal Health Services	146,877	94,457	146,877	116,483
Immunizations	73,451	(12,313)	69,611	28,950
Laboratory	10,327	(507)	7,717	(2,289)
<b>Grants</b>				
WIC	174,100	(1,183)	165,829	(887)
IAP	12,471	(724)	10,534	(2,787)
PHEP	67,780	(21,282)	75,090	(3,125)
Zika	34,151	20,651	39,500	-
Vital Statistics	19,999	(22,642)	21,481	(20,568)
Child Abuse Prevention	8,579	(1,533)	9,649	(550)
Administration	242,294	242,294	237,640	237,640
Travel/Training	15,293	15,293	19,467	19,467
County Auditor/Treasurer Fee	5,888	5,888	14,606	14,606
Rent/Maintenance/Phones	38,213	38,213	43,035	43,035
Other Health	-	(6,766)	-	(24,247)
<b>Total Governmental Activities</b>	<b>\$ 1,097,407</b>	<b>\$ 382,430</b>	<b>\$ 1,106,145</b>	<b>\$ 450,908</b>

**The Health District's Funds**

Total Governmental funds had receipts of \$1,172,474 and disbursements of \$1,097,407. In the Environmental Health Division, most of the services are provided for a fee based on current cost methodologies. However, even with adjustments to fees during 2018 the division is not self-funded and requires monies from the general fund. In the Nursing and Personal Health Services division, most of the services provided are not fee based and are primarily funded via the general fund.

**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**  
**(Unaudited)**

**General Fund Budgeting Highlights**

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

During 2018, the Health District amended its General and Special Revenue fund budgets to reflect changing circumstances.

Revenues for the General Fund were originally budgeted at \$665,330 and actual revenue was \$745,471. Revenues for Environmental services were originally budgeted at \$66,100. Actual revenues for Environmental services were \$86,886. Nursing revenues were originally budgeted at \$69,600 and actual revenues were \$106,830.

Disbursements for the General Fund were originally budgeted at \$690,000 and actual disbursements were \$741,935.

**Capital Assets**

The Health District does not currently keep track of its capital assets and infrastructure. The Health District has not made plans to track this, as it is not required by current law. The Health District does not own land or other real estate at this time.

**Debt**

As of December 31, 2018, the Health District's outstanding debt included future lease payments for the office facility and copier equipment, as well as accumulated leave balances for the Health District's employees. For further information regarding the Health District's rental lease, refer to the note 9 to the basic financial statements.

**Current Issues**

The challenge for all Health Districts is to provide high quality preventive health services to the public while staying within the restrictions imposed by limited, and in some cases shrinking funding. The Health District relies heavily on inside millage from the cities, townships, and villages and state levy grant funds; as the inside millage and the grant funds are fairly fixed, we continue to struggle with the increases in operating expenses primarily in personnel costs. Without a significant change in these resources, even with conservative spending, the Health District will continue to see a decrease in financial stability. The District successfully passed a 0.4 mil levy in November 2007, May 2012; and November 2016. This additional funding in 2018 through 2022 will assure that basic service provision can continue even with shrinkage of grant funding.

**Contacting the Health District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Health District's finances and to reflect the Health District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Gabe Jones, Health Commissioner, Champaign Health District, 1512 S. US Highway 68, Suite Q100, Urbana, OH 43078.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Net Position - Cash Basis  
December 31, 2018

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	<b>Governmental Activities</b>
	<b>2018</b>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 1,092,563
Total Assets	1,092,563
<b>Net Position</b>	
<b>Restricted for:</b>	
Other Purposes	\$ 388,139
Unrestricted	704,424
Total Net Position	\$ 1,092,563

See accompanying notes to the financial statements.



**Champaign County District Board of Health**  
**Champaign County**  
Statement of Activities - Cash Basis  
For the Year Ended December 31, 2018

	Cash Disbursements	Program Receipts		Net (Disbursements) Receipts
		Charges for Service and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
<b>Environmental Health</b>				
Food Program	57,397	78,465	-	21,068
Solid Waste	4,119	11,190	-	7,071
Swimming Pools	3,022	3,230	-	208
Camps	-	634	-	634
Plumbing	28,654	53,164	-	24,510
Sewage	28,004	46,463	-	18,459
Other Environmental Health	126,788	22,254	-	(104,534)
Personal Health Services	146,877	52,420	-	(94,457)
Immunizations	73,451	85,764	-	12,313
Laboratory	10,327	10,834	-	507
Grants				
WIC	174,100	-	175,283	1,183
IAP	12,471	-	13,195	724
PHEP	67,780	-	89,062	21,282
Zica	34,151	-	13,500	(20,651)
Vital Statistics	19,999	42,641	-	22,642
Child Abuse Prevention	8,579	10,112	-	1,533
Administration	242,294	-	-	(242,294)
Travel/Timing	15,293	-	-	(15,293)
County Auditor/Treasurer Fee	5,888	-	-	(5,888)
Rent/Maintenance/Phones	38,213	-	-	(38,213)
Other Health	-	6,766	-	6,766
<b>Total Governmental Activities</b>	<u>1,097,407</u>	<u>423,937</u>	<u>291,040</u>	<u>(382,430)</u>
		<b>General Receipts</b>		
		Levy		281,475
		Subdivisions		168,500
		State Subsidy		7,522
		<b>Total General Receipts</b>		<u>457,497</u>
		Change in Net Position		75,067
		Net Position Beginning of Year		<u>1,017,496</u>
		<b>Net Position End of Year</b>		<u><u>1,092,563</u></u>

See accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Assets and Fund Balances - Cash Basis  
For the Year Ended December 31, 2018

	<u>General</u>	<u>WIC Grant</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 704,424	\$ 51,241	\$ 336,898	\$ 1,092,563
<b>Total Position</b>	<u>704,424</u>	<u>51,241</u>	<u>336,898</u>	<u>1,092,563</u>
<b>Fund Balances</b>				
Restricted	-	51,241	336,898	388,139
Committed	-	-	-	-
Assigned	53,147	-	-	53,147
Unassigned	651,277	-	-	651,277
<b>Total Fund Balances</b>	<u>\$ 704,424</u>	<u>\$ 51,241</u>	<u>\$ 336,898</u>	<u>\$ 1,092,563</u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Receipts, Disbursements, and Changes in Fund Balance - Cash Basis  
Governmental Funds  
For the Year Ended December 31, 2018

	General	WIC Grant	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>				
State Funds	\$ 7,522	\$ -	\$ -	\$ 7,522
Grants				
Local	-	-	3,971	3,971
State	15,380	-	96,895	112,275
Federal	-	173,881	-	173,881
Levy	281,475	-	-	281,475
Subdivisions	168,500	-	-	168,500
Fines, Licenses and Permits: Environmental	86,886	-	127,555	214,441
Nursing Fees	106,830	-	-	106,830
Medicaid/Medicare	1,351	-	-	1,351
Vital Statistic Fees	42,641	-	10,112	52,753
Charges for Services	13,500	-	-	13,500
Reimbursements/Refunds	21,324	1,402	13,187	35,913
Miscellaneous	62	-	-	62
Total Receipts	<u>745,471</u>	<u>175,283</u>	<u>251,720</u>	<u>1,172,474</u>
<b>Disbursements</b>				
Salaries - Employees	358,606	119,377	92,805	570,788
Sick Leave Vacation Payoff	486	80	-	566
Group Insurances	85,766	18,126	22,840	126,732
Medicare	4,948	1,718	1,329	7,995
PERS	49,832	16,713	12,993	79,538
Workers Compensation	4,312	1,406	1,070	6,788
Supplies - Office and Program Specific	20,373	4,958	2,661	27,992
Supplies - Postage	2,380	790	-	3,170
Supplies - Medical	2,641	257	-	2,898
Supplies - Vaccine	73,451	-	-	73,451
Equipment	960	-	-	960
Accreditation	3,816	-	-	3,816
Repair/Maintenance	2,029	-	-	2,029
Rent/Maintenance Building	25,001	8,536	-	33,537
Rent/Lease Equipment	5,713	-	-	5,713
Insurance Liability	3,840	-	-	3,840
Telephone	5,470	1,249	4,661	11,380
Audit	5,888	-	-	5,888
Advertising and Printing/Binding	1,580	365	-	1,945
Travel/Training/Dues/Membership	19,149	349	4,764	24,262
Consulting/Contracts	34,151	174	20,166	54,491
Refunds	562	-	113	675
Fees - Lab/State	10,327	-	-	10,327
Fees - Vital Statistics	19,999	-	8,579	28,578
Fees - State Remittances	-	-	9,393	9,393
Fees - County Auditor	655	-	-	655
Total Disbursements	<u>741,935</u>	<u>174,098</u>	<u>181,374</u>	<u>1,097,407</u>
Excess of Receipts Over (Under) Disbursements	<u>3,536</u>	<u>1,185</u>	<u>70,346</u>	<u>75,067</u>
Fund Balance, Beginning of Year	700,888	50,056	266,552	1,017,496
Fund Balance, End of Year	<u><u>704,424</u></u>	<u><u>51,241</u></u>	<u><u>336,898</u></u>	<u><u>1,092,563</u></u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
General Fund  
For the Year Ended December 31, 2018

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Receipts</b>				
State Funds	\$ 7,500	\$ 7,500	\$ 7,522	\$ 22
Grants				
State	15,380	15,380	15,380	-
Levy	240,750	240,750	281,475	40,725
Subdivisions	168,500	168,500	168,500	-
Fines, Licenses and Permits: Environmental	66,100	66,100	86,886	20,786
Nursing Fees	69,600	69,600	106,830	37,230
Medicaid/Medicare	1,600	1,600	1,351	(249)
Vital Statistic Fees	41,300	41,300	42,641	1,341
Charges for Services	-	-	13,500	13,500
Reimbursements/Refunds	54,600	54,600	21,324	(33,276)
Miscellaneous	-	-	62	62
Total Receipts	<u>665,330</u>	<u>665,330</u>	<u>745,471</u>	<u>80,141</u>
<b>Disbursements</b>				
Salaries - Employees	360,000	360,000	358,606	1,394
Sick Leave Vacation Payoff	10,000	10,000	486	9,514
Group Insurances	75,000	75,000	85,766	(10,766)
Medicare	5,400	5,400	4,948	452
PERS	48,000	48,000	49,832	(1,832)
Workers Compensation	3,000	3,000	4,312	(1,312)
Supplies - Office and Program Specific	14,000	14,000	20,373	(6,373)
Supplies - Postage	3,000	3,000	2,380	620
Supplies - Medical	4,000	4,000	2,641	1,359
Supplies - Vaccine	36,000	36,000	73,451	(37,451)
Supplies - Food	1,400	1,400	-	1,400
Equipment	2,000	2,000	960	1,040
Transfer out/advance out	1,000	1,000	-	1,000
Repair/Maintenance	800	800	2,029	(1,229)
Rent/Maintenance Building	26,000	26,000	25,001	999
Rent/Lease Equipment	9,000	9,000	5,713	3,287
Insurance Liability	4,000	4,000	3,840	160
Telephone	5,600	5,600	5,470	130
Audit	3,000	3,000	5,888	(2,888)
Advertising and Printing/Binding	1,400	1,400	1,580	(180)
Travel/Training/Dues/Membership	24,500	24,500	19,149	5,351
Consulting/Contracts	4,400	4,400	34,151	(29,751)
Refunds	500	500	562	(62)
Fees - Lab/State	8,000	8,000	10,327	(2,327)
Fees - Vital Statistics	23,300	23,300	19,999	3,301
Fees - County Auditor	6,800	6,800	655	6,145
Fees - Settlement	2,400	2,400	-	2,400
Accreditation Payment	5,000	5,000	3,816	1,184
Community health Improvement	1,500	1,500	-	1,500
Unanticipated Emergency	1,000	1,000	-	1,000
Total Disbursements	<u>690,000</u>	<u>690,000</u>	<u>741,935</u>	<u>(51,935)</u>
Excess of Receipts Over (Under) Disbursements	<u>(24,670)</u>	<u>(24,670)</u>	<u>3,536</u>	<u>28,206</u>
<b>Other Financing Sources</b>				
Transfers Out	1,000	1,000	-	(1,000)
<b>Total Other Financing Sources</b>	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Net Change in Fund Balances	(23,670)	(23,670)	3,536	27,206
Fund Balance, Beginning of Year	700,888	700,888	700,888	-
Fund Balance, End of Year	<u><u>677,218</u></u>	<u><u>677,218</u></u>	<u><u>704,424</u></u>	<u><u>27,206</u></u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
WIC Grant Fund  
For the Year Ended December 31, 2018

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Receipts</b>				
WIC	\$ 184,894	\$ 184,894	\$ 175,283	\$ (9,611)
Total Receipts	<u>184,894</u>	<u>184,894</u>	<u>175,283</u>	<u>(9,611)</u>
<b>Disbursements</b>				
Salaries - Employees	123,832	123,832	119,377	4,455
Sick Leave Vacation Payoff	-	-	80	(80)
Group Insurances	16,869	16,869	18,126	(1,257)
Medicare	1,633	1,633	1,718	(85)
PERS	11,224	11,224	16,713	(5,489)
Workers Compensation	3,829	3,829	1,406	2,423
Supplies - Office and Program Specific	3,730	3,730	4,958	(1,228)
Supplies - Postage	1,047	1,047	790	257
Supplies - Medical	3,831	3,831	257	3,574
Rent/Maintenace Building	8,536	8,536	8,536	-
Telephone	1,440	1,440	1,249	191
Advertising and painting/Binding	3,491	3,491	365	3,126
Travel/Training/Dues/Membership	3,100	3,100	349	2,751
Consulting/Contract	-	-	174	(174)
Total Disbursements	<u>182,562</u>	<u>182,562</u>	<u>174,098</u>	<u>8,464</u>
Excess of Receipts Over (Under) Disbursements	<u>2,332</u>	<u>2,332</u>	<u>1,185</u>	<u>(1,147)</u>
Fund Balance, Beginning of Year	50,056	50,056	50,056	-
Fund Balance, End of Year	<u><u>52,388</u></u>	<u><u>52,388</u></u>	<u><u>51,241</u></u>	<u><u>(1,147)</u></u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**1. Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Champaign County District Board of Health, Champaign County, (the District) as a body corporate and politic. A five-member Board appointed by the District Advisory Council governs the Health District. The Board appoints a health commissioner and all employees of the Health District.

The Reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the Health District are not misleading

**A. Primary Government**

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

**B. Component Units**

Component units are legally separate organizations for which the Health District is financially accountable. The Health District is financially accountable for an organization if the Health District appoints a voting majority of the organization's governing board and (1) the Health District is able to significantly influence the programs or services performed or provided by the organization; or (2) the Health District is legally entitled to or can otherwise access the organization's resources; or the Health District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Health District, are accessible to the Health District and are significant in amount to the Health District. The Health District includes no component units

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

**2. Summary of Significant Accounting Policies**

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis or accounting. Following are the more significant of the Health District's accounting policies.

**A. Basis of Presentation**

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

**1. Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. These statements usually distinguish between those activities of the Health District that are governmental in nature and those that are considered business-type activities.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**2. Summary of Significant Accounting Policies (Continued)**

**1. Government-Wide Financial Statements (Continued)**

Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Health District has no business-type activities.

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

**2. Fund Financial Statements**

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

**B. Fund Accounting**

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

**1. Governmental Funds**

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

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

The Public Health Emergency Preparedness Grant Fund, the Immunization Action Plan Grant Fund, and the WIC Grant Fund account for State and Federal Grant money used to provide programs in Champaign County. The WIC funds are predominantly for early childhood issues including nutrition, early detection and intervention. The Public Health Emergency Preparedness Fund Includes the Public Health Emergency Preparedness and Medical Reserve Corps Funds, which are used to provide public health emergency preparedness and volunteer recruitment activities for the County.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**2. Summary of Significant Accounting Policies (Continued)**

The Immunization Action Plan Fund is used to provide immunization and immunization education for families of children birth through thirty-five months. Each of these funds is restricted for a particular purpose. The other governmental funds of the Health District account for grants and other resources whose use is restricted for a particular purpose.

**C. Basis of Accounting**

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

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

**D. Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Health may appropriate. The appropriations resolution is the Board of Health's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Board of Health. The legal level of control has been established by the Board of Health at the fund, function, and object level for all funds.

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

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

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources in effect when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resource in effect at the time final appropriations were passed by the Board of Health.



**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**2. Summary of Significant Accounting Policies (Continued)**

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budget reflect the first appropriation resolution that covered the entire year, including amounts automatically carried forward from prior years. The amount reported as the final budgeted amounts represents the final appropriations passed by the Board of Health during the year.

**E. Cash and Investments**

The Champaign County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Champaign County Auditor, 1512 S. US Highway 68, Suite B300, Urbana, Ohio 43078, (937) 484-1555.

**F. Restricted Assets**

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

**G. Inventory and Prepaid Items**

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

**H. Capital Assets**

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

**I. Interfund Receivables/Payables**

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

**J. Accumulated Leave**

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Health District's cash basis of accounting

**K. Employer Contributions to Cost-Sharing Pension Plans**

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**2. Summary of Significant Accounting Policies (Continued)**

**L. Long-Term Obligations**

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

**M. Fund Balance Reserves**

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

**Non-spendable** - The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

**Committed** - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board of Health. Those committed amounts cannot be used for any other purpose unless the Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of Health, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**2. Summary of Significant Accounting Policies (Continued)**

**N. Interfund Transactions**

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

**3. Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The statement of receipts, disbursements and changes in fund balance – budget and actual – budgetary basis presented for the general fund and each major special revenue fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis) and outstanding year end advances are treated as another financing source or use (budgetary basis) rather than as an interfund receivable or payable (cash basis). The Health District had no encumbrances outstanding at year end.

**4. Intergovernmental and Levy Funding**

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

**5. Risk Management**

**A. Commercial Insurance**

The Health District has obtained commercial insurance for the following risks:

- Employee Health Insurance
- Errors and Omissions

**B. Risk Pool Membership**

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

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

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**5. Risk Management (Continued)**

**B. Risk Pool Membership (Continued)**

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

	<u>2018</u>
Cash and investments	\$ 35,381,789
Actuarial liabilities	\$12,965,015

**5. Risk Management (Continued)**

**D. County Commissioner Association of Ohio Workers' Compensation Group Rating Plan**

For 2018, the Health District, through Champaign County as their fiscal agent, participated in the State of Ohio Worker's Compensation system. The Health District budgets 4.5% of wages to provide Workers' Compensation coverage for its' employees; this amount will remain the same for 2019.

**E. Employee Medical Benefits**

The Health District participates in a health insurance plan through Anthem available for all fulltime employees. The fully insured plan includes health, mental health and prescription benefits.

The cost of the program for 2018 was \$126,732.

**6. Defined Benefit Pension Plans**

The Health District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

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

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

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**6. Defined Benefit Pension Plans (Continued)**

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% 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.

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. 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 cost-of-living adjustment of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**6. Defined Benefit Pension Plans (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.

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

	State and Local
<b>2018 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee ***	10.0 %
 <b>2018 Actual Contribution Rates</b>	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits ****	0.0
Total Employer	14.0 %
Employee	10.0 %

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

\*\*\*\* This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was \$79,538 for the year 2018.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**7. Post-Employment Benefits**

**A. Ohio Public Employees Retirement System**

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This 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 refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. 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' CAFR 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 requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, 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 2018, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2018**

**7. Post-Employment Benefits (Continued)**

**A. Ohio Public Employees Retirement System (Continued)**

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health District's contractually required contribution was zero for the year 2018.

**8. Contingent Liabilities**

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

**9. Contractual Obligations**

The Health District is a party to a multi-year lease for rental of office space. This lease will be renewed in January 2019. This lease requires the District to remit monthly.



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**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2017**  
**(Unaudited)**

This discussion and analysis of the Champaign Health District's financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2017, within the limitations of the Health District's cash basis of accounting. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the Health District's financial performance.

### **Highlights**

Key highlights for 2017 are as follows:

- Net assets from all governmental activities increased by \$7,550.
- Program specific receipts in the form of charges for services, operating grants and contributions, and contract services comprise the largest percentage of the Health District's receipts, making up over 59 percent of all the dollars coming into the District. General receipts in the form of and unrestricted grants make up the rest.
- The Health District had \$1,106,145 in disbursements during 2017.
- The Health District had \$1,113,695 in receipts during 2017.

### **Using the Basic Financial Statements**

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

### **Report Components**

The statement of net assets and the statement of activities provide information about the cash activities of the Health District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Health District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

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

### **Basis of Accounting**

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

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

**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2017**  
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**Reporting the Health District as a Whole**

The Champaign Health District is established to exercise the rights, privileges, and responsibilities conveyed to it by the constitution and laws of the State of Ohio. The Health District is directed by a five- member Board of Health that appoints a Health Commissioner as its Executive Officer. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, vital statistics, and the issuance of health-related licenses and permits. The Health District also acts upon various complaints made by the public concerning the health and welfare of the county.

The statement of net assets and the statement of activities reflect how the Health District did financially during 2017 within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental activities of the Health District at year-end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's services, and grants and contributions restricted to meeting the operational 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 Health District's general receipts.

These statements report the Health District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Health District's financial health. Over time, increases or decreases in the Health District's cash position is one indicator of whether the Health District's financial health is improving or deteriorating.

When evaluating the Health District's financial condition, you should also consider other non-financial factors. Such as, the extent of the Health District's debt obligations, the reliance on non-local financial resources for operations, and the need for continued growth in in-side millage as a local revenue source.

In the statement of net assets and the statement of activities, all Health District activities are reported as governmental. State and federal grants, fees, and inside millage finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them; particularly in the personal health services division. The Health District has no business-type activities.

**Reporting the District's Most Significant Funds**

Fund financial statements provide detailed information about the Health District's major funds – not the Health District as a whole. The Health District establishes separate funds to better manage its many activities and to help demonstrate that restricted funds are being spent for the intended purpose.

All of the Health District's activities are reported in Governmental funds. The Governmental fund financial statements provide a detailed view of the Health District's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Health District's programs. The Health District's significant Governmental funds are presented on the financial statements in separate columns.

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

**Champaign County District Board of Health  
Champaign County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2017  
(Unaudited)**

**The Health District as a Whole**

**Table 1** - Net Position provides a summary of the Health District's net position for 2017 and 2016 on a cash basis. A comparative analysis will be presented.

	<b>Table 1</b>	
	<b>Net Position</b>	
	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 1,017,496	\$ 1,009,946
Total Assets	<u>\$ 1,017,496</u>	<u>\$ 1,009,946</u>
<b>Net Position Restricted for:</b>		
Other Purposes	\$ 316,608	\$ 276,418
Unrestricted	\$ 700,888	\$ 733,528
Total Net Position	<u>\$ 1,017,496</u>	<u>\$ 1,009,946</u>

As mentioned previously, net assets of all governmental activities increased by \$7,550 during 2017. The primary reasons contributing to the increases in cash balances are as follows:

- Savings from the change in personnel and combination of duties during 2017.

**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
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**(Unaudited)**

**Table 2** – Change in Net Position reflects the changes in net position during 2017 and 2016. A comparative analysis of District-Wide data is presented.

	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
<b>Receipts</b>		
<b>Program Receipts:</b>		
Charges for Services and Sales	\$ 357,485	\$ 352,457
Operating Grants and Contributions	297,752	257,481
<b>Total Program Receipts</b>	<b>655,237</b>	<b>609,938</b>
<b>General Receipts:</b>		
Revenue from Subdivisions	168,500	168,500
State Subsidy	7,522	7,522
Levy	282,436	276,092
<b>Total General Receipts</b>	<b>458,458</b>	<b>452,114</b>
<b>Total Receipts</b>	<b>1,113,695</b>	<b>1,062,052</b>
<b>Disbursements</b>		
<b>Environmental Health</b>		
Food Program	56,394	52,896
Solid Waste	3,485	3,438
Swimming Pools	3,325	3,080
Plumbing	28,654	29,241
Sewage	26,463	25,616
Other Environmental Health	126,788	147,940
<b>Personal Health Services</b>	<b>146,877</b>	<b>135,877</b>
Immunizations	69,611	80,417
Laboratory	7,717	7,593
<b>Grants</b>		
WIC	165,829	176,533
IAP	10,534	9,780
MRC	-	1,898
PHEP	75,090	64,476
Zika	39,500	29,889
Vital Statistics	21,481	18,551
Child Abuse Prevention	9,649	8,903

(Continued)

**Champaign County District Board of Health  
Champaign County  
Management's Discussion and Analysis  
For the Year Ended December 31, 2017  
(Unaudited)**

Administration	237,640	118,922
Travel/Training	19,467	18,637
County Auditor/Treasurer Fee	14,606	6,173
Rent/Maintenance Phones	43,035	34,919
Other Health Expenditures	-	432
Total Disbursements	<u>1,106,145</u>	<u>975,211</u>
Increase (Decrease) in Net Position	7,550	86,841
Net Position, January 1	<u>1,009,946</u>	<u>923,105</u>
Net Position, December 31	<u>\$ 1,017,496</u>	<u>\$ 1,009,946</u>

General receipts represent 41 percent of the Health District's total receipts, and of this amount, 37 percent are local taxes (revenue from subdivisions) provided by each municipality and District in the county. Levy dollars represent 61 percent of general receipts, with the remaining amount at less than 2 percent provided by the State Subsidy.

Disbursements for the Health District represent the overhead costs of running the Health District and the support services provided for the other District activities. These include primarily the costs of personnel and personnel support at 70 percent of total disbursements, as the primary product of the Health District is preventive health services which are labor-intensive.

Capital outlay signifies the disbursements for equipment for use in administering the Health District's services. There were no significant equipment purchases during 2017, with the total equipment purchases at less than 1 percent of all disbursements.

**Governmental Activities**

If you look at the Statement of Activities on the next page, you will see that the first column lists the major services provided by the Health District. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for Public Health services.

The Net Cost (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service that ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts that are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3. All grants (IAP, WIC, and Public Health Emergency Preparedness) have a zero net cost to the health district, in 2008 all grant funds were separated from one general fund; any apparent net costs to the district are not real and should be attributed to changes in accounting practices, carryover, and differing fiscal years.

**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2017**  
*(Unaudited)*

**Table 3 Net Cost of Services**

	<b>2017</b>		<b>2016</b>	
	<u>Cash Disbursements</u>	<u>Net Cost of Services</u>	<u>Cash Disbursements</u>	<u>Net Cost of Services</u>
<b>Governmental Activities</b>				
<b>Environmental Health</b>				
Food Program	\$ 56,394	\$ (17,453)	\$ 52,896	\$ (22,108)
Solid Waste	3,485	(512)	3,438	(534)
Swimming Pools	3,325	(151)	3,080	(132)
Camps	-	(385)	-	(634)
Plumbing	28,654	(25,603)	29,241	(5,782)
Sewage	26,463	(14,725)	25,616	(16,468)
Other Environmental Health	126,788	104,009	147,940	137,802
Personal Health Services	146,877	116,483	135,877	87,522
Immunizations	69,611	28,950	80,417	59,805
Laboratory	7,717	(2,289)	7,593	(878)
<b>Grants</b>				
WIC	165,829	(887)	176,533	22,715
IAP	10,534	(2,787)	9,780	(1,456)
MRC	-	-	1,898	1,898
PHEP	75,090	(3,125)	64,476	9,775
Zika	39,500	-	29,889	(7,411)
Vital Statistics	21,481	(20,568)	18,551	(21,829)
Child Abuse Prevention	9,649	(550)	8,903	(399)
Administration	237,640	237,640	118,922	118,922
Travel/Training	19,467	19,467	18,637	18,637
County Auditor/Treasurer Fee	14,606	14,606	6,173	6,173
Rent/Maintenance/Phones	43,035	43,035	34,919	34,919
Other Health	-	(24,247)	432	(55,264)
<b>Total Governmental Activities</b>	<u>\$ 1,106,145</u>	<u>\$ 450,908</u>	<u>\$ 975,211</u>	<u>\$ 365,273</u>

**The Health District's Funds**

Total Governmental funds had receipts of \$1,113,695 and disbursements of \$1,106,145. In the Environmental Health Division, most of the services are provided for a fee based on current cost methodologies. However, even with adjustments to fees during 2017 the division is not self-funded and requires monies from the general fund. In the Nursing and Personal Health Services division, most of the services provided are not fee based and are primarily funded via the general fund.

**Champaign County District Board of Health**  
**Champaign County**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2017**  
**(Unaudited)**

**General Fund Budgeting Highlights**

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

During 2017, the Health District amended its General and Special Revenue fund budgets to reflect changing circumstances.

Revenues for the General Fund were originally budgeted at \$583,500 and actual revenue was \$683,234. Revenues for BCMH were originally budgeted at \$28,000. Actual revenues for BCMH services were \$12,750. MAC Billing revenues were originally budgeted at \$28,000 and actual revenues were \$17,644.

Disbursements for the General Fund were originally budgeted at \$673,934 and actual disbursements were \$715,875. Disbursements for Supplies-Vaccine were originally budgeted at \$5,500, and actual disbursements of \$69,611 due to a buyout of vaccine inventory as a result of switching from VaxCare as a vaccine provider to the Local Public Health Services Collaborative, where the Health District privately purchases its vaccines. The Health District kept overall spending around the general revenue fund budgeted accounts.

**Capital Assets**

The Health District does not currently keep track of its capital assets and infrastructure. The Health District has not made plans to track this, as it is not required by current law. The Health District does not own land or other real estate at this time.

**Debt**

As of December 31, 2017, the Health District's outstanding debt included future lease payments for the office facility and copier equipment, as well as accumulated leave balances for the Health District's employees. For further information regarding the Health District's rental lease, refer to the note 9 to the basic financial statements.

**Current Issues**

The challenge for all Health Districts is to provide high quality preventive health services to the public while staying within the restrictions imposed by limited, and in some cases shrinking funding. The Health District relies heavily on inside millage from the cities, townships, and villages and state levy grant funds; as the inside millage and the grant funds are fairly fixed, we continue to struggle with the increases in operating expenses primarily in personnel costs. Without a significant change in these resources, even with conservative spending, the Health District will continue to see a decrease in financial stability. The District successfully passed a 0.4 mil levy in November 2007, May 2012; and November 2016. This additional funding in 2018 through 2022 will assure that basic service provision can continue even with shrinkage of grant funding.

**Contacting the Health District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Health District's finances and to reflect the Health District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Gabe Jones, Health Commissioner, Champaign Health District, 1512 S. US Highway 68, Suite Q100, Urbana, OH 43078.



**Champaign County District Board of Health**  
**Champaign County**  
Statement of Net Position - Cash Basis  
December 31, 2017

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	<b>Governmental Activities</b>
	<b>2017</b>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 1,017,496
Total Assets	1,017,496
<b>Net Position</b>	
<b>Restricted for:</b>	
Other Purposes	316,608
Unrestricted	700,888
Total Net Position	\$ 1,017,496

See accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Activities - Cash Basis  
For the Year Ended December 31, 2017

	Cash Disbursements	Program Receipts		Net (Disbursements) Receipts
		Charges for Service and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
<b>Environmental Health</b>				
Food Program	56,394	73,847	-	17,453
Solid Waste	3,485	3,997	-	512
Swimming Pools	3,325	3,476	-	151
Camps	-	385	-	385
Plumbing	28,654	54,257	-	25,603
Sewage	26,463	41,188	-	14,725
Other Environmental Health	126,788	22,779	-	(104,009)
Personal Health Services	146,877	30,394	-	(116,483)
Immunizations	69,611	40,661	-	(28,950)
Laboratory	7,717	10,006	-	2,289
Grants				
WIC	165,829	-	166,716	887
IAP	10,534	-	13,321	2,787
MRC	-	-	-	-
PHEP	75,090	-	78,215	3,125
Zica	39,500	-	39,500	-
Vital Statistics	21,481	42,049	-	20,568
Child Abuse Prevention	9,649	10,199	-	550
Administration	237,640	-	-	(237,640)
Travel/Timing	19,467	-	-	(19,467)
County Auditor/Treasurer Fee	14,606	-	-	(14,606)
Rent/Maintenance/Phones	43,035	-	-	(43,035)
Other Health	-	24,247	-	24,247
<b>Total Governmental Activities</b>	<u>1,106,145</u>	<u>357,485</u>	<u>297,752</u>	<u>(450,908)</u>
		<b>General Receipts</b>		
		Levy		282,436
		Subdivisions		168,500
		State Subsidy		7,522
		<b>Total General Receipts</b>		<u>458,458</u>
		Change in Net Position		7,550
		Net Position Beginning of Year		<u>1,009,946</u>
		<b>Net Position End of Year</b>		<u><u>1,017,496</u></u>

See accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Assets and Fund Balances - Cash Basis  
For the Year Ended December 31, 2017

	<u>General</u>	<u>WIC Grant</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 700,888	\$ 50,056	\$ 266,552	\$ 1,017,496
<b>Total Position</b>	<u>700,888</u>	<u>50,056</u>	<u>266,552</u>	<u>1,017,496</u>
<b>Fund Balances</b>				
Restricted	-	50,056	266,552	316,608
Assigned	51,641	-	-	51,641
Unassigned	649,247	-	-	649,247
<b>Total Fund Balances</b>	<u>\$ 700,888</u>	<u>\$ 50,056</u>	<u>\$ 266,552</u>	<u>\$ 1,017,496</u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Receipts, Disbursements, and Changes in Fund Balance - Cash Basis  
Governmental Funds  
For the Year Ended December 31, 2017

	<u>General</u>	<u>WIC Grant</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Receipts</b>				
State Funds	\$ 7,522	\$ -	\$ -	\$ 7,522
Grants				
Local	-	-	3,971	3,971
State	3,927	-	129,948	133,875
Federal	-	165,116	-	165,116
Levy	282,436	-	-	282,436
Subdivisions	168,500	-	-	168,500
Fines, Licenses and Permits: Environmental	76,671	-	117,486	194,157
Nursing Fees	52,371	-	-	52,371
Medicaid/Medicare	1,040	-	-	1,040
Vital Statistic Fees	42,049	-	10,199	52,248
Donations	250	-	-	250
Reimbursements/Refunds	33,963	1,600	2,141	37,704
Miscellaneous	14,505	-	-	14,505
Total Receipts	<u>683,234</u>	<u>166,716</u>	<u>263,745</u>	<u>1,113,695</u>
<b>Disbursements</b>				
Salaries - Employees	347,805	115,767	90,107	553,679
Sick Leave Vacation Payoff	23,630	-	-	23,630
Group Insurances	69,026	16,839	21,093	106,958
Medicare	5,207	1,637	1,264	8,108
PERS	48,287	16,166	12,627	77,080
Workers Compensation	1,085	662	402	2,149
Supplies - Office and Program Specific	18,127	2,638	10,324	31,089
Supplies - Postage	2,430	738	-	3,168
Supplies - Medical	2,129	-	3,138	5,267
Supplies - Vaccine	69,611	-	-	69,611
Equipment	9,592	-	2,518	12,110
Accreditation	3,816	-	-	3,816
Repair/Maintenance	655	-	-	655
Rent/Maintenance Building	25,001	8,536	-	33,537
Rent/Lease Equipment	8,914	-	-	8,914
Insurance Liability	3,763	-	-	3,763
Telephone	5,439	1,635	4,559	11,633
Audit	12,291	-	-	12,291
Advertising and Printing/Binding	1,187	63	-	1,250
Travel/Training/Dues/Membership	21,465	927	4,803	27,195
Consulting/Contracts	4,248	222	32,485	36,955
Refunds	396	-	23,487	23,883
Fees - Lab/State	7,717	-	-	7,717
Fees - Vital Statistics	21,739	-	9,649	31,388
Fees - State Remittances	-	-	7,984	7,984
Fees - County Auditor	2,315	-	-	2,315
Total Disbursements	<u>715,875</u>	<u>165,830</u>	<u>224,440</u>	<u>1,106,145</u>
Excess of Receipts Over (Under) Disbursements	<u>(32,641)</u>	<u>886</u>	<u>39,305</u>	<u>7,550</u>
Fund Balance, Beginning of Year	733,529	49,170	227,247	1,009,946
Fund Balance, End of Year	<u><u>700,888</u></u>	<u><u>50,056</u></u>	<u><u>266,552</u></u>	<u><u>1,017,496</u></u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
General Fund  
For the Year Ended December 31, 2017

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Receipts</b>				
State Funds	\$ 7,000	\$ 7,000	\$ 7,522	\$ 522
Grants				
State	-	-	3,927	3,927
Levy	225,000	225,000	282,436	57,436
Subdivisions	168,500	168,500	168,500	-
Fines, Licenses and Permits: Environmental	49,900	49,900	76,671	26,771
Nursing Fees	41,600	41,600	52,371	10,771
Medicaid/Medicare	1,600	1,600	1,040	(560)
Vital Statistic Fees	29,000	29,000	42,049	13,049
Donations	-	-	250	250
Reimbursements/Refunds	60,900	60,900	33,963	(26,937)
Miscellaneous	-	-	14,505	14,505
<b>Total Receipts</b>	<u>583,500</u>	<u>583,500</u>	<u>683,234</u>	<u>99,734</u>
<b>Disbursements</b>				
Salaries - Employees	363,000	363,000	347,805	15,195
Sick Leave Vacation Payoff	10,000	10,000	23,630	(13,630)
Group Insurances	79,000	79,000	69,026	9,974
Medicare	5,264	5,264	5,207	57
PERS	50,820	50,820	48,287	2,533
Workers Compensation	12,705	12,705	1,085	11,620
Supplies - Office and Program Specific	12,800	12,800	18,127	(5,327)
Supplies - Postage	4,000	4,000	2,430	1,570
Supplies - Medical	5,500	5,500	2,129	3,371
Supplies - Vaccine	5,500	5,500	69,611	(64,111)
Equipment	5,000	5,000	9,592	(4,592)
Accreditation	5,000	5,000	3,816	1,184
Repair/Maintenance	700	700	655	45
Rent/Maintenance Building	27,089	27,089	25,001	2,088
Rent/Lease Equipment	6,700	6,700	8,914	(2,214)
Insurance Liability	6,000	6,000	3,763	2,237
Telephone	5,600	5,600	5,439	161
Audit	3,000	3,000	12,291	(9,291)
Advertising and Printing/Binding	1,400	1,400	1,187	213
Travel/Training/Dues/Membership	16,081	16,081	21,465	(5,384)
Consulting/Contracts	4,400	4,400	4,248	152
Refunds	1,000	1,000	396	604
Fees - Lab/State	10,000	10,000	7,717	2,283
Fees - Vital Statistics	23,325	23,325	21,739	1,586
Fees - County Auditor	6,800	6,800	2,315	4,485
Fees - Settlement	750	750	-	750
Community health Improvement	1,500	1,500	-	1,500
Unanticipated Emergency	1,000	1,000	-	1,000
<b>Total Disbursements</b>	<u>673,934</u>	<u>673,934</u>	<u>715,875</u>	<u>(41,941)</u>
Excess of Receipts Over (Under) Disbursements	<u>(90,434)</u>	<u>(90,434)</u>	<u>(32,641)</u>	<u>57,793</u>
<b>Other Financing Sources</b>				
Transfers Out	1,000	5,000	-	(5,000)
<b>Total Other Financing Sources</b>	<u>1,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Net Change in Fund Balances	(89,434)	(85,434)	(32,641)	52,793
Fund Balance, Beginning of Year	733,529	733,529	733,529	-
Fund Balance, End of Year	<u>644,095</u>	<u>648,095</u>	<u>700,888</u>	<u>52,793</u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health**  
**Champaign County**  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
WIC Grant Fund  
For the Year Ended December 31, 2017

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Receipts</b>				
WIC	\$ 184,894	\$ 179,655	\$ 166,716	\$ (12,939)
Total Receipts	<u>184,894</u>	<u>179,655</u>	<u>166,716</u>	<u>(12,939)</u>
<b>Disbursements</b>				
Salaries - Employees	125,155	120,135	115,628	4,507
Group Insurances	16,868	16,868	16,839	29
Medicare	1,633	1,568	1,637	(69)
PERS	11,224	11,224	16,166	(4,942)
Workers Compensation	3,829	3,675	662	3,013
Supplies - Office and Program Specific	3,730	3,730	2,638	1,092
Supplies - Medical	3,831	3,831	-	3,831
Supplies - Postage	1,047	1,047	738	309
Rent/Maintenace Building	8,536	8,536	8,536	-
Telephone	1,440	1,440	1,635	(195)
Advertising and painting/Binding	3,491	3,491	63	3,428
Education Materials	650	650	-	650
Travel/Training/Dues/Membership	3,100	3,100	927	2,173
Consulting/Contract	360	360	222	138
Transfer in/out	-	-	139	(139)
Total Disbursements	<u>184,894</u>	<u>179,655</u>	<u>165,830</u>	<u>13,825</u>
Excess of Receipts Over (Under) Disbursements	<u>-</u>	<u>-</u>	<u>886</u>	<u>886</u>
Fund Balance, Beginning of Year	49,170	49,170	49,170	-
Fund Balance, End of Year	<u>49,170</u>	<u>49,170</u>	<u>50,056</u>	<u>886</u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**1. Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Champaign County District Board of Health, Champaign County, (the District) as a body corporate and politic. A five-member Board appointed by the District Advisory Council governs the Health District. The Board appoints a health commissioner and all employees of the Health District.

The Reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the Health District are not misleading

**A. Primary Government**

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

**B. Component Units**

Component units are legally separate organizations for which the Health District is financially accountable. The Health District is financially accountable for an organization if the Health District appoints a voting majority of the organization's governing board and (1) the Health District is able to significantly influence the programs or services performed or provided by the organization; or (2) the Health District is legally entitled to or can otherwise access the organization's resources; or the Health District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Health District, are accessible to the Health District and are significant in amount to the Health District. The Health District includes no component units

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

**2. Summary of Significant Accounting Policies**

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis or accounting. Following are the more significant of the Health District's accounting policies.

**A. Basis of Presentation**

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

**1. Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. These statements usually distinguish between those activities of the Health District that are governmental in nature and those that are considered business-type activities.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**2. Summary of Significant Accounting Policies (Continued)**

**1. Government-Wide Financial Statements (Continued)**

Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Health District has no business-type activities.

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

**2. Fund Financial Statements**

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

**B. Fund Accounting**

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

**1. Governmental Funds**

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

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

The Public Health Emergency Preparedness Grant Fund, the Immunization Action Plan Grant Fund, and the WIC Grant Fund account for State and Federal Grant money used to provide programs in Champaign County. The WIC funds are predominantly for early childhood issues including nutrition, early detection and intervention. The Public Health Emergency Preparedness Fund Includes the Public Health Emergency Preparedness and Medical Reserve Corps Funds, which are used to provide public health emergency preparedness and volunteer recruitment activities for the County.



**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**2. Summary of Significant Accounting Policies (Continued)**

The Immunization Action Plan Fund is used to provide immunization and immunization education for families of children birth through thirty-five months. Each of these funds is restricted for a particular purpose. The other governmental funds of the Health District account for grants and other resources whose use is restricted for a particular purpose.

**C. Basis of Accounting**

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

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

**D. Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Health may appropriate. The appropriations resolution is the Board of Health's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Board of Health. The legal level of control has been established by the Board of Health at the fund, function, and object level for all funds.

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

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

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources in effect when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resource in effect at the time final appropriations were passed by the Board of Health.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**2. Summary of Significant Accounting Policies (Continued)**

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budget reflect the first appropriation resolution that covered the entire year, including amounts automatically carried forward from prior years. The amount reported as the final budgeted amounts represents the final appropriations passed by the Board of Health during the year.

**E. Cash and Investments**

The Champaign County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Champaign County Auditor, 1512 S. US Highway 68, Suite B300, Urbana, Ohio 43078, (937) 484-1555.

**F. Restricted Assets**

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

**G. Inventory and Prepaid Items**

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

**H. Capital Assets**

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

**I. Interfund Receivables/Payables**

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

**J. Accumulated Leave**

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Health District's cash basis of accounting

**K. Employer Contributions to Cost-Sharing Pension Plans**

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**2. Summary of Significant Accounting Policies (Continued)**

**L. Long-Term Obligations**

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

**M. Fund Balance Reserves**

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

**Non-spendable** - The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

**Committed** - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board of Health. Those committed amounts cannot be used for any other purpose unless the Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of Health, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**2. Summary of Significant Accounting Policies (Continued)**

**N. Interfund Transactions**

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

**3. Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The statement of receipts, disbursements and changes in fund balance – budget and actual – budgetary basis presented for the general fund and each major special revenue fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis) and outstanding year end advances are treated as another financing source or use (budgetary basis) rather than as an interfund receivable or payable (cash basis). The Health District had no encumbrances outstanding at year end.

**4. Intergovernmental and Levy Funding**

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

**5. Risk Management**

**A. Commercial Insurance**

The Health District has obtained commercial insurance for the following risks:

- Employee Health Insurance
- Errors and Omissions

**B. Risk Pool Membership**

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

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

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**5. Risk Management (Continued)**

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. A December 31, 2017, PEP retained \$350,000 casualty claims and \$100,000 for property claims.

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

Financial Position

PEP's financial statements (audited by other auditor's) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2017.

	<u>2017</u>
Assets	\$44,452,326
Liabilities	(13,004,011)
Net Position	\$31,448,315

At December 31, 2017 the liabilities above include approximately \$11.8 million of estimated incurred claims payable. The assets above also include approximately \$11.2 million of unpaid claims to be billed. The Pool's membership increased to 527 members in 2017. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2017, the Government's share of these unpaid claims collectible in future years is approximately \$2,000.

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

<b><u>2017 Contributions to PEP</u></b> \$ 3,763
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After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**5. Risk Management (Continued)**

**D. County Commissioner Association of Ohio Workers' Compensation Group Rating Plan**

For 2017, the Health District, through Champaign County as their fiscal agent, participated in the State of Ohio Worker's Compensation system. The Health District budgets 4.5% of wages to provide Workers' Compensation coverage for its' employees; this amount will remain the same for 2018.

**E. Employee Medical Benefits**

The Health District participates in a health insurance plan through Anthem available for all fulltime employees. The fully insured plan includes health, mental health and prescription benefits.

The cost of the program for 2017 was \$106,958.

**6. Defined Benefit Pension Plans**

The Health District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

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

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

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**6. Defined Benefit Pension Plans (Continued)**

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b>	<b>Traditional Plan Formula:</b>	<b>Traditional Plan Formula:</b>
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b>	<b>Combined Plan Formula:</b>	<b>Combined Plan Formula:</b>
1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>
Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>
Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Traditional Plan Formula:</b>	<b>Traditional Plan Formula:</b>	<b>Traditional Plan Formula:</b>
2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	2.5% 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.

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. 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 cost-of-living adjustment of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**6. Defined Benefit Pension Plans (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.

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

	State and Local
<b>2017 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
 <b>2017 Actual Contribution Rates</b>	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	1.0
Total Employer	14.0 %
 Employee	 10.0 %

The Health District's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2017, 2016, and 2015 were \$77,081, 73,263, and \$71,443, respectively. The full amount has been contributed for 2017, 2016, and 2015.



**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**7. Post-Employment Benefits**

**A. Ohio Public Employees Retirement System**

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

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, 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 to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

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. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR 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 requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, 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. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2017 was 4.0 percent.

Substantially all of the District's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the year ended December 31, 2017 was \$8,108. The full amount has been contributed for 2017.

**Champaign County District Board of Health  
Champaign County**

**Notes to the Financial Statements  
December 31, 2017**

**8. Contingent Liabilities**

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

**9. Contractual Obligations**

The Health District is a party to a multi-year lease for rental of office space. This lease will be renewed in January 2018. This lease requires the District to remit monthly.



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

Champaign County District Board of Health  
Champaign County  
1512 S. US Highway 68, Suite Q 100  
Urbana, Ohio 43078

To the District Board:

We have audited, in accordance with auditing standards generally accepted in the United States and 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 Champaign County District Board of Health, Champaign County, (the District) as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 26, 2019, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2018-001 to be a material weakness.

***Compliance and Other Matters***

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

*BHM CPA Group*

BHM CPA Group, Inc.  
Piketon, Ohio  
June 26, 2019

**Champaign County District Board of Health  
Champaign County  
Schedule of Findings  
December 31, 2018 and 2017**

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**1. SUMMARY OF AUDITOR'S RESULTS**

**FINDING NUMBER 2018-001**

**Material Weakness – Financial Reporting**

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Accurate financial reporting is the responsibility of the Health Commissioner and Board and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The following errors were noted and required adjustment to the financial statements:

- Various amounts and note disclosures required modification in 2017 and 2018, as they were not appropriately updated, or information was not presented. Specifically, significant issues were noted related to the following in 2017:
  - Statement of Receipts, Disbursements and Changes In Fund Balance - Budget and Actual - Budget Basis for the WIC Grant fund should have shown budgets by major receipt and major disbursement functions rather than total receipts and total disbursements.
  - Defined Benefits Pension Plan and Post Employment Benefit footnotes were not properly updated with the most recent information available.
- Significant issues were noted related to the following in 2018:
  - The Statement of Assets and Fund Balances – Cash basis – for the year ended December 31, 2018 incorrectly stated a committed fund balance of \$53,147, assigned fund balance of \$474,427 and an unassigned fund balance of \$376,000 rather than an assigned balance of \$53,147 and an unassigned fund balance of \$651,277. Additionally, this statement incorrectly stated a committed fund balance of \$25,000 in the WIC Grant Fund and Other Governmental Funds. This statement also incorrectly stated the restricted fund balance of the Other Governmental Funds as \$87,929.
  - Statement of Receipts, Disbursements and Changes In Fund Balance - Budget and Actual - Budget Basis for the WIC Grant fund should have shown budgets by major receipt and major disbursement functions rather than total receipts and total disbursements.
  - Defined Benefits Pension Plan and Post Employment Benefit footnotes were not properly updated with the most recent information available.
  - Statement of Net Position – Cash basis – December 31, 2018 incorrectly stated the Restricted amount as 139,169 rather than \$388,139 and the unrestricted amount as \$953,394 rather than \$407,424.

**Champaign County District Board of Health**  
**Champaign County**  
**Schedule of Findings**  
**December 31, 2018 and 2017**

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**FINDING NUMBER 2018-001**  
**(Continued)**

The errors noted above were due to an insufficiency of monitoring by management. The amounts noted above that were improperly classified or recorded have been adjusted and are properly presented on the financial statements. Additional errors were noted in smaller relative amounts.

The failure to correctly classify financial activity in the accounting records and financial statements may impact a user's understanding of the financial operations, the ability to make sound financial decisions, the ability to comply with budgetary laws, and may result in the material misstatement of the financial statements. In addition, such undetected errors may result in irregularities not being detected in a timely manner by the Board. Inaccurate note disclosures pose the risk of misleading the readers of the annual financial report.

The Health District should adopt policies and procedures to identify and correct errors and omissions. The Health Commissioner should review the most current note disclosure shell available on the Auditor of State web site for the most up-to-date version of the note disclosures. A secondary review of the Financial Statement and Notes to the Financial Statements should be performed to verify that all amounts are accurate and agree to supporting documentation.

**Officials' Response:** We did not receive a response to this finding.

# OHIO AUDITOR OF STATE KEITH FABER



**CHAMPAIGN COUNTY DISTRICT BOARD OF HEALTH**

**CHAMPAIGN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 8, 2019**