



The Public Health Authority of Cabarrus County
Board Meeting Agenda
Tuesday, November 10, 2020
5:30 pm

- A. **CALL TO ORDER AND INVOCATION**.....James T. Mack, Jr., Chairman
- B. **ADOPTION OF THE AGENDA *Motion***.....Chairman Mack
- C. **APPROVAL OF THE MINUTES *Motion***Chairman Mack
October 13, 2020
- D. **REPORTS**
 - CHA Customer Service Report (9/29/20)..... Erin Shoe
 - IT Performance Measures & Departmental Strategic Plan..... Ryan McGhee
 - TRAIL Cohort 1 Findings.....Jordan Melton
 - FY20 Comprehensive Annual Financial Report (CAFR).....Sue Yates
 - FY20 Audit Letter..... Sue Yates
 - Financial Summary Report (ending 10/31/20)
 - Variance Analysis Year-to-Date.....Sue Yates
 - CHA Snapshot (as of 10/31/20)..... Sue Yates
 - Human Resource Strategic Plan.....Dr. Steve Cathcart
 - Health Director’s Report.....Dr. Bonnie Coyle
- E. **CONSENT AGENDA *Motion***.....Chairman Mack
Budget Revisions..... Sue Yates
- F. **BUSINESS AGENDA**Chairman Mack
 - Finance Policy Revisions *Motion*Sue Yates
 - Dental Clinic Eligibility Policy, Donation Policy, Donation Policy-Cabarrus Public Health Interest
- G. **ANNOUNCEMENTS**.....Chairman Mack
- H. **MOTION TO ADJOURN *Motion***.....Chairman Mack

Next regular meeting date
Tuesday, January 12, 2021



Public Health Authority of Cabarrus County
Board Meeting Minutes
October 13, 2020

A regular meeting of The Public Health Authority of Cabarrus County Board of Commissioners was held on Tuesday, October 13, 2020 at 5:30 p.m.

Chairman James T. Mack, Jr., conducted the meeting from the Board Room. Board members participated electronically via Microsoft TEAMS.

Members Present: James T. Mack, Jr., Chairman

Members Present: Dr. Chip Buckwell
Dan Hagler, MD
Kimberly Dehler, DDS
Lara Pons, MD, Vice-Chair
Mark Spitzer
Steve Morris
Tom Kincaid

Members Absent: Chris Bowe

Staff Present: Dianne Berry, Dr. Bonnie Coyle, Erin Shoe, Sue Yates
(TEAMS) Betty Foh, Janie Woodie Ryan McGhee Suzanne Knight
Guest: Dr. Valerie Sakach

CALL TO ORDER

Chairman Mack called the meeting to order at 5:35 pm, and offered the invocation.

ADOPTION OF THE AGENDA

Erin Shoe requested a change to the agenda, moving Recognition of Dr. Valerie Sakach (F. Business Agenda) to Item C. Dr. Chip Buckwell made a motion to approve the revised agenda. The motion was seconded by Dr. Lara Pons. Approved 8:0.

APPROVAL OF THE MINUTES

Tom Kincaid made the motion to approve the September 8, 2020 regular meeting minutes. The motion was seconded by Mark Spitzer. Approved 8:0.

Recognition of Dr. Valerie Sakach

Dr. Bonnie Coyle welcomed Dr. Sakach to the meeting and announced that retirement effective October 1, 2020. Her last day worked was September 15, 2020. Dr. Coyle shared with the Board her professional background included seven years in private practice and how in 2020 an identified need for ADHD services brought her to Cabarrus Health Alliance. Dr. Sakach was later named CHA's Pediatrics Medical Director. Dr. Coyle thanked Dr. Sakach for helping the children of Cabarrus County for the past 19 years.

REPORTS

Employee Separations Report (1st Quarter FY 21)

Erin Shoe noted that although there was an increase in the number of employee separations, the total separation rate for the quarter was only 4.65%. The separations included two retirees. Erin stated that these reports will continue to be monitored, but due to COVID and school/remote learning schedules, CHA respects employee decisions made for their family situations.

Financial Summary Report / CHA Snapshot

Sue Yates discussed the CHA Snapshot and gave a summary of the 2 other financial reports. She noted that Dental Health is still a red dot as several Dentists are on leave which affects patient service. Communicable Disease is orange, January – June had concerns, however a grant was just received to help fund this program.

Dr. Dehler asked again about Dental scheduling. Janie Woodie explained that 2 Dentists are on leave. 1 recently resigned. And we are keeping Dental support in line with the Dentists available.

Tom Kincaid asked if RN's are the ones leaving. Erin Shoe responded that some have been RN's but not all. The list has included Social Workers, Environmental Health Specialists, Health Educators. But the positions we are having the most difficulty right now in recruiting is RN's.

Tom Kincaid expressed concerns about community COVID testing. He asked if it's still being done 1-2 days per week now. He stated that it's hard for the public to find testing availability and it takes a long time to confirm results. He asked how we could fund more to CHA to add COVID testing 3 days per week. He stated that he fears we will see an uptick real soon. He stated that the City of Kannapolis will contribute funding to increase testing. Erin stated that CHA currently tests Tuesdays and Thursdays, but we talk to partners weekly. She noted that she is meeting with Star Med this week to bring more testing to Cabarrus County, and they are very flexible, and that our Atrium partners and Star Med will help us meet all our testing needs.

Tom Kincaid added that he's not sure how the COVID rapid test compares to the regular testing. Erin explain they have different levels of sensitivity and procotols.

Tom asked that testing be ramped up in nursing homes, and noted that false negatives are a problem.

Budget Variance Analysis Year-To-Date

Sue Yates also revised the Variance Analysis Year-To-Date report and explained that it backs up the CHA Snapshot report.

Dental Health Presentation: Strategic Plan, Data & Metrics

Janie Woodie, Dental Director, presented a PowerPoint on the CHA Dental Program, including goals, data and metrics. She explained that we have two fixed locations, Concord and Kannapolis, and two portable units with two rooms of dental equipment in each truck. She discussed staffing numbers and Dental Financials, explaining that 1st quarter FY 21 decreased quite significantly due to COVID and a decrease in services. Janie also explained COVID's impact on Dentistry, including the extra procedures that had to be put into place. Then in mid-March 2020, CDC recommended to postpone all elective/non-emergency Dental procedures. As a result, only emergency care was offered March – mid-May 2020. Full-comprehensive Dental care was reinstated June 2020, and Preventative care in August 2020. During all this time patient numbers were reduced. All Community Dental services were halted. Tele-Dentistry was implemented, including virtual triage, but this also further reduced in-person visits. Additional challenges included losing a Dentist April 2020, 2 Dentists on medical leave, but one will return to work October 19th full-time, and the second Dentist will return to work January 2021. Janie stated that she is extremely proud of the Dental staff for adapting to our 'new normal.' She presented an overview of the reassignments/furlough list, and shared the Strategic Plan for Dental which included a Public Facing Data Repository, and Use of an equity lens for data collection. Goals are to address the number of children in kindergarten with untreated dental decay

and number of emergency room patients with oral health complaints. She stated that we have major work on us as a program moving forward but we are also looking at all opportunities.

CONSENT AGENDA

Budget Revisions

Sue Yates reviewed budget revisions with the Board. Dr. Kim Dehler made the motion to approve the Consent Agenda. The motion was seconded by Tom Kincaid. Approved 8:0.

BUSINESS AGENDA

Strategic Goals

Betty Foh noted that Supervisors were invited to participate in a Strategic Planning Retreat to define Strategic goals that align with Board-approved Strategic priorities. Once goals were agreed on by the Leadership Team and Supervisors, each department completed their department strategic plan. Betty presented Strategic Priority areas and goals to the Board. She noted that these priorities and goals will be CHA's focus for the next five years. Betty presented to the Board the 2020-2025 Strategic Plan Update which included the framework and process, and explained how data would be used to improve health. She also reviewed the goals for developing internal and external practices, programs and policies that achieve equity; building and sustaining collaborative systems that address social determinants of health, and transforming agency capacity, culture and practices to achieve excellence. Dr. Coyle added that moving forward, each month we will bring a Department to the Board to review their metrics and strategic plan.

Health Director's Report

Dr. Bonnie Coyle presented the Health Director's Report for October 13, 2020. She noted that this included the main highlights from September, which provided a brief overview of each department. She noted that CHA hosted a recent visit from Congressman Richard Hudson to learn about the SUN and Syringe Exchange Programs (SEP). She noted that Congressman Hudson and his team were very impressed for both programs as a model for others.

Dr. Coyle stated that WIC enrollment has increased, and they recently received a Virtual Model Award from Glaxo-Smith Kline, which they will receive on November 20, 2020. She also noted that the Racism Public Health Crisis proclamation was signed on September 24th, and the videoed event is on the CHA website. That same day, Chairman James Mack visited CHA to chat with staff, which was very well-received. She stated that it would be nice to have each CHA Board member here with staff just one time per year, and that she would be reaching out to Board Members in the near future with an invitation. Dr. Coyle noted that a main goal for FY 2021 would be to increase Board of Health engagement, for which we would be able to measure outcomes.

COVID Update

Erin Shoe provided an update for Cabarrus County. She thanked CHS's Senior Epidemiologist, Isaiah Omerhi, for the PowerPoint and data. Erin walked the Board through the dashboard review of 4387 cases to date in Cabarrus County. She noted that on 9/21/20 there were 47 cases, and that we saw an increase in cases after Labor Day.

Dr. Coyle noted that since our first county case of COVID 3/11/20, we have seen surge/ slow down/ surge. She noted that one analytical strategy allows you to predict the next few months. Dr. Coyle stated that NC is starting to see a real uptick in cases. But this is not a predictor for Cabarrus County, but with colder months and flu ahead, an uptick is likely. Erin Shoe reviewed data of COVID cases by race, age group, and zip code. Mark Spitzer asked with all this data, what are your conclusions? Do you have answers on where more work needs to be done? Dr. Coyle responded that a lot of cases have been with the Latino population and added that we have been working with staff to get messages and education out on the importance of quarantine and isolation. She noted that COVID

cases are highest in the younger age groups.

Erin Shoe added that after CHA has a point-of-contact regarding COVID, they are identifying close contacts. The team has developed a weekend rotation format.

Tom Kincaid asked about Long-Term Care facilities. How are you protecting another surge? How can we get residents and staff re-tested? Erin responded that we will continue to work with CHA Environmental Health, and the state has released new resources.

Erin concluded that CHA is the point agency for an 11 county region for long-term agencies. We will need to focus there the longest. We have a team of 8 staff and are excited about this new opportunity. She noted that an update on this program will be presented to the Board in January.

Metrics/Report Cards

Dr. Coyle noted that this is county data from a population health prospective. She noted that we are trying to move the needle on these county-wide metrics. Cabarrus County is 11th, and one of the healthiest counties in North Carolina according to the Robert Wood Johnson Foundation. She noted that we have work to do on preventable hospital stays, Dentist to patient ratios, social associations, air pollution, and driving alone to work. She also reviewed the Healthy NC Metrics, noting that yellow means better than the state but goals not met; red: lower than the state and green: goals already hit. Dr. Coyle stated that these metrics will show how progress is being made in Cabarrus County and each month the Board can see how the ‘needles’ are going in the right direction

INFORMAL PUBLIC COMMENTS FROM THE FLOOR

Chairman Mack called for public comments from the floor. There were none. Ryan McGhee, Chief Technology Officer, stated that an e-mail box is set up for the public comments period, and Dianne Berry, Clerk to the Board, has access.

ANNOUNCEMENTS

Chairman Mack stated he had an opportunity to meet CHA employees last month. He encouraged other CHA Board Members stop by and visit, noting that it was a great opportunity to touch base and for employees to get to know their Board.

MOTION TO ADJOURN

There being no further business to come before the Board, Dr. Chip Buckwell motioned to adjourn the meeting at 7:10 p.m. The motion was seconded by Tom Kincaid and approved 8:0.



James T. Mack, Jr., Chairman
Public Health Authority Board of Commissioners

ATTEST

Dianne P. Berry, CMC, NCCMC
Clerk to the Board

Cabarrus Health Alliance Customer Service Survey Report

September 29, 2020 Survey Date

A one-day customer satisfaction survey was conducted on Tuesday, September 29, 2020. Clinical Services and Dental patients received survey forms (English/Spanish) during their visit to complete. Online surveys were sent out to local funeral homes for Vital Records and to Environmental Health customers. School Health was not surveyed due to the system's 1st semester schedules during COVID-19. The overall rating for this survey was based on the question:

Did We Treat You Well Today?

Overall Average for 1st Quarter FY21 – 96.6%

Worst		Neutral		Best
0	0	4	7	108

Out of 119 surveys submitted, 115 were in the highest ratings categories.

Dental - Dream Center (Concord)

Did we treat you well today?

100%

Worst		Neutral		Best
			2	22

Did we help you with your problems?

Worst		Neutral		Best
			2	22

Why did you rate us this way?

Professional and caring and a good experience. 'So far so good' that filling and tooth edge build-up will last!

I am happy with everything! (translated)

It was all good (translated from Spanish)

Tina was very informative and took time to explain options and gave great tips.

You are always really good with my boys.

Excellent staff, excellent services, very professional

Dental staff is really nice and helpful (2)

Because my problems were solved.

Because everything was wonderful (translated)

My Dentist is great! I just love her.

Great visit. Not too many people. Social distancing.

Great service. Very thorough and explaining information.

Everything went well for me. They took care of me very quickly. (translated)

Ya'll did a great job, and I found out I had cavities.

Because you explained everything clearly (translated)

What can we do better?

No complaints. Very professional. Quick and thorough.

Nothing. Everything is perfect. (2)

Not anything that I can suggest.

Everything was wonderful (3)

I have 3 children. All are young. Sometimes, I need to schedule them at the same time. That is not possible. Only 2 allowed. This is difficult for me.

Nothing. All seems good.
 Nothing, Great service!
 Nothing I can think of
 Less wait time (translated from Spanish)
 Make appointments to be seen sooner, if you can. (translated)

Dental (Kannapolis)

Did we treat you well today?

100%

Worst		Neutral		Best
				18

Did we help you with your problems?

Worst		Neutral		Best
				18

Why did you rate us this way?

They got right on my problem and eased my worries.
 Friendly, kind and took time for my son and I.
 Everyone was so nice and kind.
 I hadn't been to the Dentist in years, due to past bad service, fear, and just felt uncomfortable or not listened to. However, that is changed now. The staff at CHA Dental (Kannapolis) are super friendly and make me feel comfortable. The Assistants and Dentist explained everything in a way I understood. They even squeezed me in to see me due to tooth pulling complications.
 Quick and courteous
 It was a perfect appointment!
 You guys are great!
 I like going here. Thank you.
 Very helpful. Very nice.
 Because I'm satisfied with the service, and the service was excellent (translated)
 Dr. Canton and her Assistant were very excellent. Best Dentist I'm seen since I was a kid!
 I don't have any complaints. They always treat me well (translated)
 They provided the best service (translated)
 Because everything was good (translated) (2)
 Because the attention/service from the staff was excellent. (translated)
 I had a much, much better experience this appointment. No pain this time. Very good. There was no painful feelings. It is a great relief. Thank you.
 My visit was the best this time. Thanks to Cathy and Dr. Canton. They are super women heroes!
 They are a blessing. Thank you to all the Dental staff.
 I was very comfortable and relaxed.
 Very helpful and we found out a way to help and treat her cavities. Very nice staff.

What can we do better?

We need Mariann to come back. My son has been coming to her for a long time and she does an excellent job.
 You are already doing great.
 The truth? Nothing! Because everything was excellent. (translated)

Communicable Disease

Did we treat you well today?

100%

Worst		Neutral		Best

				6
--	--	--	--	---

Did we help you with your problems?

Worst		Neutral		Best
				6

Why did you rate us this way?

First time impression is everything. Respectful, caring, mindful. Perfect service.
 Because Mary is amazing and explained everything very well. She was very friendly, also.
 Everyone knew their role and communicated information pertaining to my visit concisely and clearly.
 My visit was great!
 With COVID, I feel service was quick and easy. Everyone was using precautions.
 Great job of handling everything.
 The Nurses and staff are professional and very thorough. You are doing a wonderful job!
 Because I like the way the staff was. (translated)
 They deserve the best rating. They answered all my questions really well and explained to me every detail.

What can we do better?

Nothing. Just keep doing the job you are doing now. (2)
 Keep wait time faster, as it is now.

Environmental Health

Survey emailed September 29, 2020
Online survey remained open September 29 – October 9

No responses received during this time period

Family Care Coordination

Survey Dates: September 30 – October 6, 2020

Did we treat you well today? 100%

Worst		Neutral		Best
				15

Did we help you with your problems?

Worst		Neutral		Best
				15

Why did you rate us this way?

I like how you talk to me and that you are always aware of me
 Always understanding
 Because you are sweet
 Thank you for answering my questions
 I feel secure in talking with my CMARC CM
 You answered my questions before I could even ask them
 I understand better after you explained it
 You helped with my transfer
 Because you asked me the right questions
 Because you help people
 I am always glad to talk to you

I am grateful that you follow me and my son's case and care about us
 Because I really enjoy this group and having someone to talk to about this kind of stuff
 Jenelle answered all my questions and gave me helpful advice on teething and activities I can do with my baby!
 I always feel comfortable and always get the help I need

What can we do better?

Nothing 2
 I have no other needs today
 I don't know
 Nothing, everything is great 3
 No. You have always been great!
 It's perfect

Pediatrics

Did we treat you well today? 100%

Worst		Neutral		Best
			1	12

Did we help you with your problems?

Worst		Neutral		Best
			1	12

Why did you rate us this way?

Everything is good, except lack of Providers for the day. Nurse Karen is great every time we see her.
 Everyone was very friendly and my son always gets the best care.
 Because the service was good (translated) (4)
 For the service and kindness and how they explained things to me as a mother (translated)
 Helped more than needed. It was treat!
 For me, everything was very good (translated)
 Melissa and Nurses are great.
 Everything today was good. Excellent service (translated)

What can we do better?

My wait was 2 hour 15 minutes and the room was not clean. Floor had not been cleaned in days and there was a booger on the wall! 😞
 Shorten the waiting period.
 The waiting time. We had a long wait. (translated)

Vital Records

Online survey dates: September 29 – October 9

How would you rate the service you received today in Vital Records? 89%

Poor		Fair		Good		Very Good		Excellent	
0%	0	0%	0	11.11%	3	14.81%	4	74.07%	20

Timely response/follow-up to calls left on Vital Records voicemail.

Poor		Fair		Good		Very Good		Excellent	
0%	0	3.57%	1	10.71%	3	17.80%	5	67.86%	19

Vital Records staff's availability when services are needed

Poor		Fair		Good		Very Good		Excellent	
7.14%	2	0%	0	14.29%	4	7.34%	2	71.43%	20

Vital Records staff's professionalism, politeness and helpfulness

Poor		Fair		Good		Very Good		Excellent	
0%	0	0%	0	3.57%	1	21.43%	6	75%	21

Quick follow-up and response on paperwork

Poor		Fair		Good		Very Good		Excellent	
0%	0	0%	0	11.11%	3	14.81%	4	74.07%	20

Timeliness and accuracy of paperwork process

Poor		Fair		Good		Very Good		Excellent	
0%	0	0%	0	7.14%	2	14.29%	4	78.57%	22

How can we improve in Vital Records to service you better?

- The contact person we spoke to was very helpful and professional.
- Have Vital Records staff and Doctor's resolve errors/issues pertaining to medical certification section of the certificate of death. Funeral Directors should not serve as couriers between Vital Records and attending Physicians. Computerized/digitalized filing of certificate of death would bring North Carolina into the 21st century. It is appalling that funeral homes in NC are still required to type print information on Certificate of Death. Countless surrounding states instituted filing certifies of death electronically years ago. Why can't NC get this done?
- Just make sure you keep Alisha Richards. She is always a pleasure for our funeral homes to work with. Thanks for all you do!
- Everything was as smooth as possible. Thanks for all you do.
- I was very pleased. When I called the person I needed to speak to that handles the filing of death certificates was available, told me what I needed to do in a very helpful manner, and I got the documents back quickly, which pleased the family and made our funeral home look good.
- I work with Vital Records in multiple counties, and Cabarrus County is one of my favorites (along with Iredell County). The team is professional and pleasant, and I actually look forward to our calls. Thank you for making my job so much easier.
- Just keep doing what you do.
- My experience has always been excellent. They have always been helpful in a professional yet friendly way.
- I would like to see same day service, like other counties are doing.
- They do a great job. It is very appreciated.
- You could improve in all areas. (rated every question Neutral)
- Have Vital Records at the Register of Deeds office. It would speed things up funeral directors and families who need the death certificates immediately.
- The constant change in hours is frustrating. The availability of staff needs to be addressed when the main person is out.
- The main concern we have had is the timeframes we were told about as to when we could expect death certificates to be processed. If somebody was to be off for vacation or have a personal day, it would be professional for us to be notified, so we can still get death certificates processed on those days.
- It would be better for the process for death certificates to be in a more centrally located office. Perhaps Concord, in the Cabarrus County Governmental building?

- I find the current services excellent.
- Allow other Vital Records staff in surrounding counties to mimic proper Vital Records etiquette displayed by Alisha Richards.
- All of ours in done through the mail or an occasional phone call.
- Keep doing the same
- More stable hours of operation. And Fridays would be an improvement, to get Death Certificates filed before the weekend.

WIC

Did we treat you well today?

100%

Worst		Neutral		Best
				3

Did we help you with your problems?

Worst		Neutral		Best
				3

Why did you rate us this way?

Great service (translated)
 For me everything was great (translated)
 They always help out as much as possible.
 You do everything
 GREAT!
 Very helpful

What can we do better?

They're doing their best already.

Women's Health

Did we treat you well today?

92.3%

Worst		Neutral		Best
		1		12

Did we help you with your problems?

Worst		Neutral		Best
		1	1	11

Why did you rate us this way?

Staff are very nice. (translated) (2)
 We didn't have to wait long. (translated)
 The staff was very nice and helpful with information. Probably, the best experience at a Doctor's office that I've had in a long time.
 The Doctor and the Nurse treated me very well, explained things to me, and made me feel comfortable. (translated)
 This staff is the BEST (translated)
 Because they are all very good (translated)
 Very sweet and communicate well. Made sure I felt right about everything.
 Service was good.

I always get the best attention here.

Because they are all excellent in their work (translated)

I had questions and all of them were answered.

If I had any concerns, great advice was given.

Because they treat me so well and answer all my questions.

Because they are GOOD!

They treat me very well. Thank you! (translated)

What can we do better?

Just keep doing what you are doing.

They are already doing a great job.

Nothing, they are already perfect (translated) (2)

Less waiting time

They are doing absolutely fine as they are now.

Less waiting time for faster appointments.



CABARRUS
HEALTH
ALLIANCE



IT Performance Measures & Departmental Strategic Plan



Help Desk



From general public health education to specialized, targeted services and the development of innovative approaches and identification of best practices.

Board Approved Performance Measures

Worst performing system uptime

Weighted score for HIPPA Risk Assessment

Finance % better or worse than budgeted

% of projects on schedule

Alternate Measures

Customer Service - % Satisfied and Highly Satisfied

Help Desk Tickets - # of tickets and % of tickets within SLA

IT Department Strategic Plan

Board Approved Measures

<https://app.resultsscorecard.com/Scorecard/Embed/55541>

- P Information Technology		Most Recent Period	Current Actual Value	Current Trend	Baseline % Change
+ PM	Worst performing system uptime	Q1 2021	100.00%	↗ 1	0% →
+ PM	Weighted score for HIPPA Risk Assessment	HY1 2020	5,507	→ 1	-1% ↓
+ PM	Finance % better or worse than budgeted	Q1 2021	-100%	↘ 1	1150% ↑
+ PM	% of projects on schedule	Oct 2020	82%	→ 1	-2% ↓
+ PM	Number of projects completed	Oct 2020	10	—	—
+ PM	Number of projects on schedule	Oct 2020	9	—	—
+ PM	Number of open projects	Oct 2020	11	—	—



Alternate Measure – Customer Satisfaction

Customer Service – BOSS Help Desk (Ticketing) System

Satisfaction Survey				
Period	Question	% Satisfied & Highly Satisfied	% Neutral	% Somewhat & Not Satisfied
7/1/2020 - 9/30/2020	Aggregate Score	99%	1%	0%
7/1/2020 - 9/30/2020	Did we treat you well?	100%	0%	0%
7/1/2020 - 9/30/2021	Did we help you with your problems?	99%	1%	0%
	Why did you rate us this way?			
	How can we do better?			



CABARRUS
HEALTH
ALLIANCE

Alternate Measure – Tickets within SLA

	# Tickets	# of Tickets within SLA
Sep-20	253	94%
Aug-20	386	95%
Jul-20	269	99%
Jun-20	317	98%
May-20	235	98%
Apr-20	207	98%
Mar-20	347	98%
Feb-20	267	97%
Jan-20	258	92%
Dec-19	187	86%
Nov-19	161	89%
Oct-19	102	95%

IT Service Level Agreements (SLAs):

Urgent Tickets responded to in 30 minutes, resolved within 1 day

Medium Tickets responded to in 4 hours, resolved within 3 days

Low Tickets responded to within 8 hours, resolved within 7 days



IT Departmental Strategic Plan

Strategic Priority



Use Data to Improve Health



Develop Internal and External Practices, Programs, and Policies that Achieve Equity



Build and Sustain Collaborative Systems that Address Social Determinants of Health



Transform Agency Capacity, Culture and Practices to Achieve Excellence



CABARRUS
HEALTH
ALLIANCE

1 – Use Data to Improve Public Health

1.1 Create a public facing data repository ...

- Build Clear Impact Scorecard for IT Performance Measures
- Capture Board -Approved Performance Measure data and alternate measure data

1.3 ..Public Health Data Analysis

- Setup data analysis stems for epidemiologist
- Setup Geographic Information System software for epidemiologist



3 - Build and Sustain Collaborative Systems that Address Social Determinants of Health (SDOH)

Upstream Family Planning Program

- Work with CureMD and IMAT vendors to securely transmit data to Upstream

Connect to NC Health Information

- Work with CureMD and NC HealthConnex to transmit data securely
- Implement a Dentrix Interface

Assess and Make Referrals for SDOH

- Add social determinants screening to EHR
- Coordinate with 11 programs adopting NC Care 360

Transition to Medicaid Managed Care

- Participate as a Tier 3 Medical Home with all 5 managed care companies at state launch



4 – Transform Agency Capacity, Culture and Practices to Achieve Excellence

Deploy Microsoft 365 tools to enable teams to better collaborate

- MS Teams: online meetings, remote work and social distancing
- SharePoint online: information sharing and collaborative document editing
- Exchange Online: integrated scheduling and email

Provide the IT resources needed for CHA's pandemic response and strategic initiatives

- New hire onboarding
- Deploy IT equipment for new positions, new work spaces, and remote work
- Teams, VPN, remote desktop, and soft phone technology for remote work.
- Configure timekeeping system to meet new pay/benefit requirements

Ensure CHA systems are resilient and available

- HIPAA Security Risk Assessment and related projects
- Disaster Recovery testing
- Install backup generator for Village data center





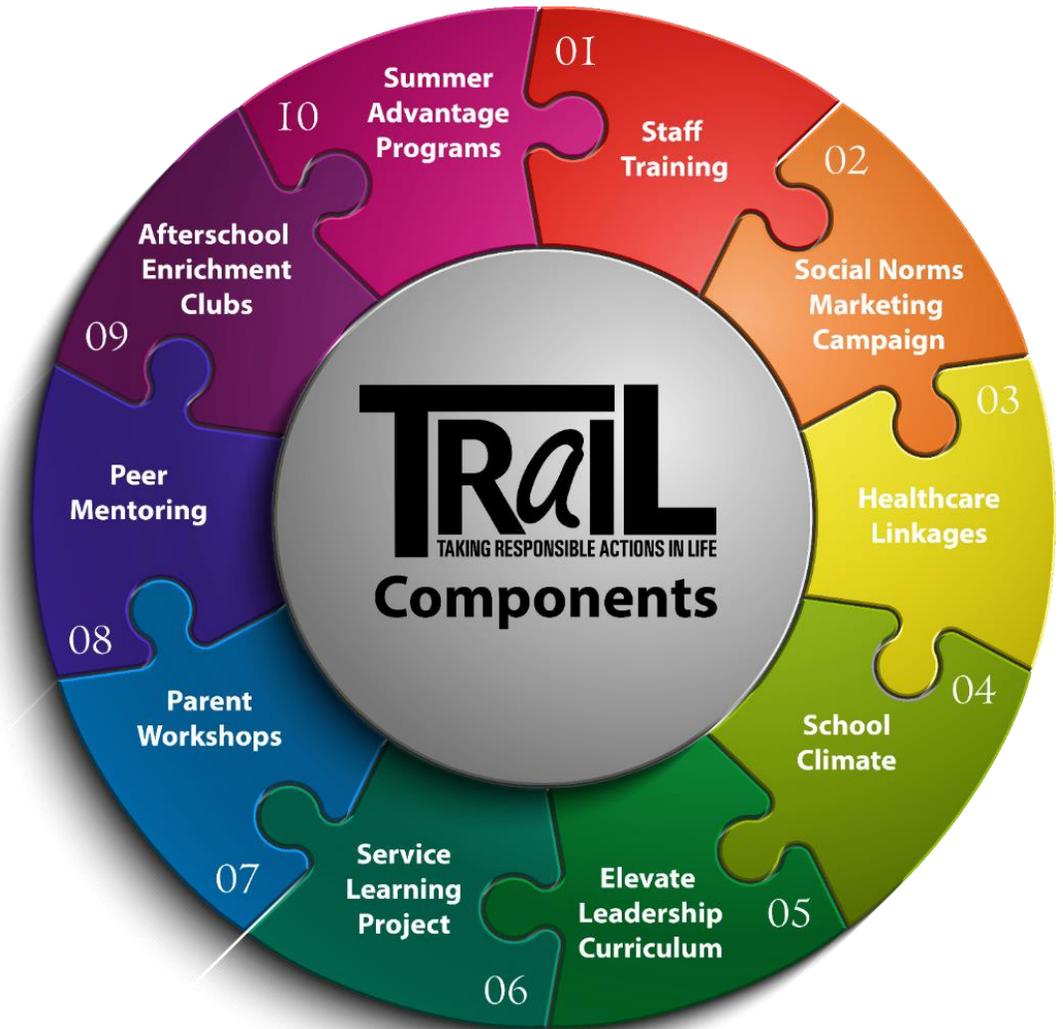
TRAIL COHORT 1 FINDINGS

Baseline – Long-term Follow-up Comparison

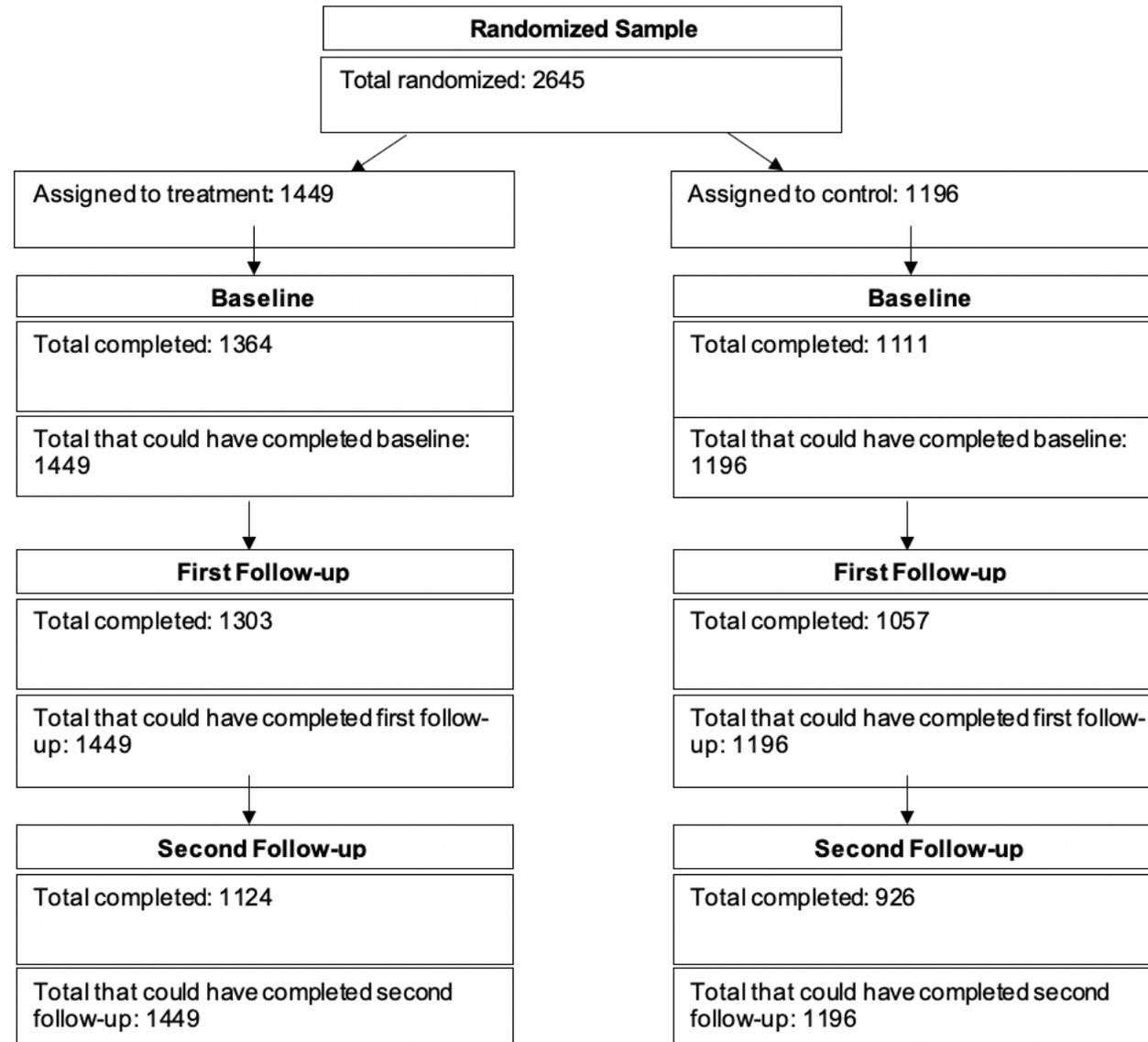
TRAIL (Taking Responsible Actions In Life) Program

TRAIL implemented pregnancy prevention strategies through the lens of the Multi-Tiered Systems of Support (MTSS) framework, representing a unique approach to teen pregnancy that combines public health research with educational theory.

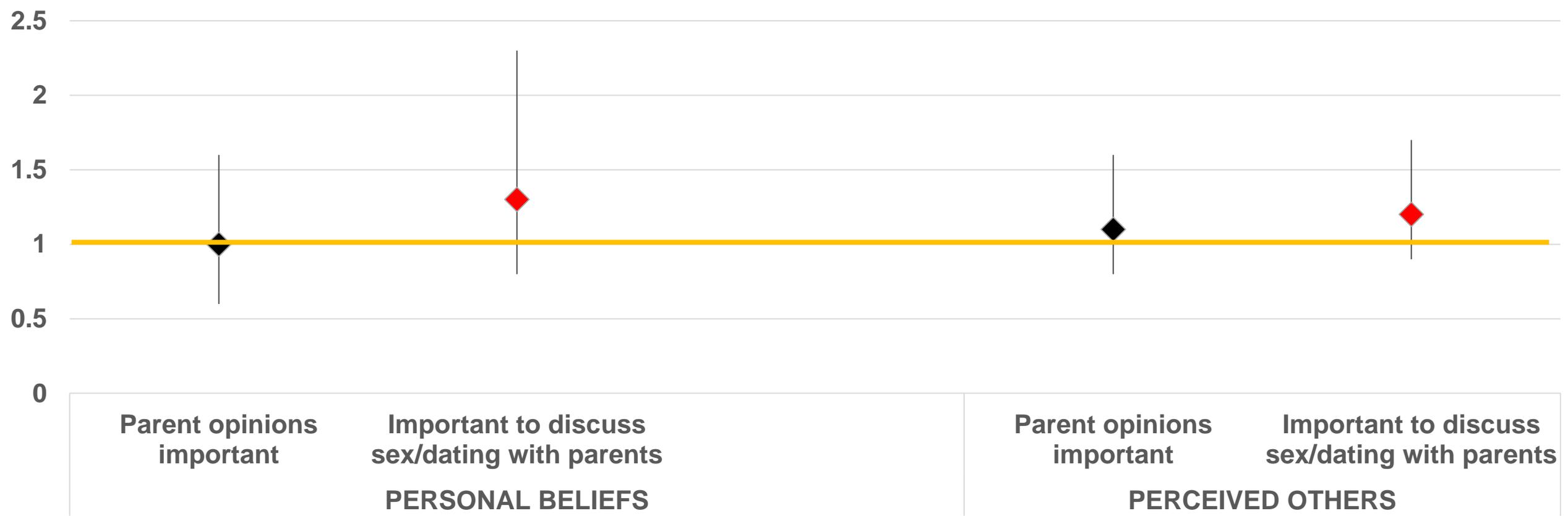
Utilizing these strategies, TRAIL created a school culture that promotes protective factors and developmental assets from numerous vantage points.



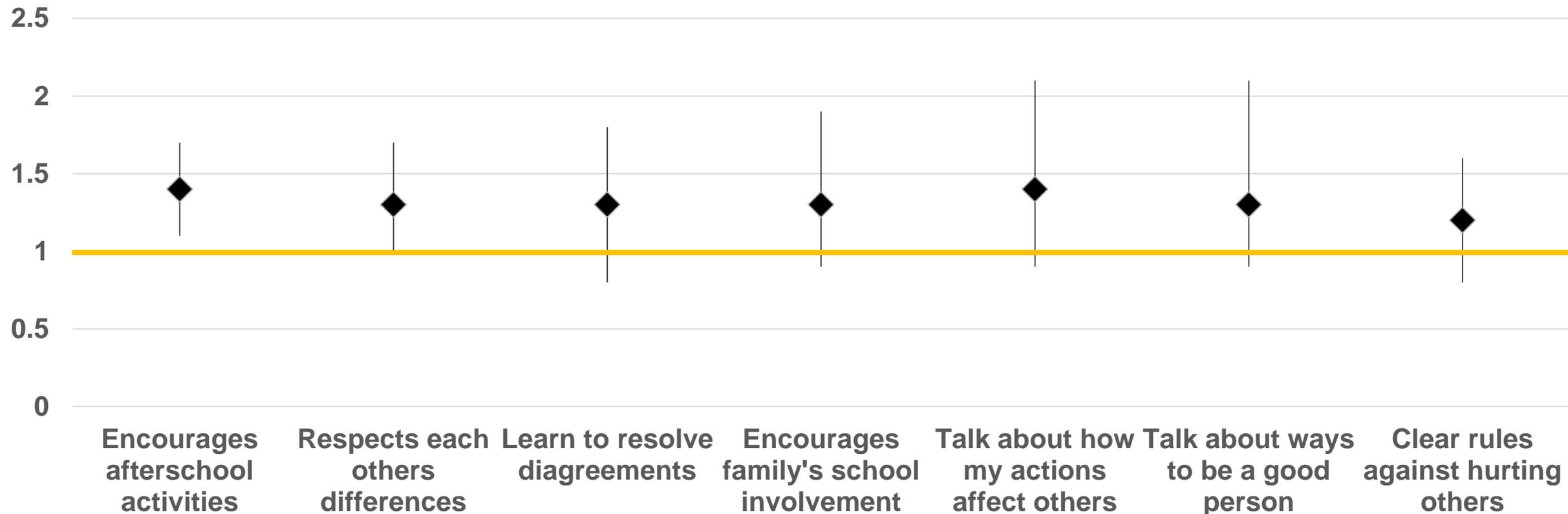
CONSORT Diagram – Randomization and Follow-up



Importance of communicating about sex and dating with parents - personal beliefs and perceptions of peers' beliefs



School climate at long-term follow-up, comparing intervention to control students



Adjusted probability of having reported not abstaining in the past three months



Public Health Authority of Cabarrus County



Comprehensive Annual Financial Report - A Component Unit of Cabarrus County North Carolina

For the year ended June 30, 2020



**CABARRUS
HEALTH
ALLIANCE**

Public Health Authority of Cabarrus County

Comprehensive Annual Financial Report – A Component Unit of Cabarrus County North Carolina

For the year ended June 30, 2020

**Prepared By
Cabarrus Health Alliance Finance Department**

**Finance Director
Sue K. Yates**



This page is intentionally left blank.

**Cabarrus Health Alliance, North Carolina
Comprehensive Annual Financial Report
For the Year Ended June 30, 2020**

TABLE OF CONTENTS

Title Page.....i
Table of Contentsiii

INTRODUCTORY SECTION

Letter of Transmittal.....1
GFOA Certificate of Achievement.....5
Organizational Chart6
List of Principal Officials7

FINANCIAL SECTION

Independent Auditor’s Report9
Management’s Discussion and Analysis11

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position
EXHIBIT 1 19
Statement of Activities
EXHIBIT 2 20

Fund Financial Statements:

Balance Sheet - Governmental Funds
EXHIBIT 3 21
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Governmental Funds
EXHIBIT 4 (pg. 1 of 2) 23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
EXHIBIT 4 (pg. 2 of 2) 24
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - General Fund
EXHIBIT 5 25
Notes to the Financial Statements27

Required Supplementary Information:

Schedule of Changes in the Total OPEB Liability and Related Ratios
Other Post Employment Benefits - Healthcare
EXHIBIT 6 49
Schedule of Alliance’s Proportionate Share of Net Pension Liability (Asset) (LGERS)
EXHIBIT 750
Schedule of Alliance’s Contributions (LGERS)
EXHIBIT 851

**Cabarrus Health Alliance, North Carolina
Comprehensive Annual Financial Report
For the Year Ended June 30, 2020**

TABLE OF CONTENTS

OTHER SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	
Schedule 1.....	53
Capital Assets Used in the Operation of Governmental Funds:	
Comparative Schedules by Source	
Schedule 2.....	69
Schedule by Function and Activity	
Schedule 3.....	70
Schedule of Changes by Function and Activity	
Schedule 4.....	71

STATISTICAL SECTION (UNAUDITED)

Statistical Section Contents.....	73
Government-wide Information:	
Net Position - Last Ten Fiscal Years	
TABLE 1.....	74
Changes in Net Position - Last Ten Fiscal Years	
TABLE 2.....	75
Fund Information:	
Fund Balances, Governmental Funds - Last Ten Fiscal Years	
TABLE 3.....	77
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years	
TABLE 4.....	78
Principal Sources of Revenue - Last Ten Fiscal Years	
TABLE 5.....	79
Intergovernmental Revenue by Source - Last Ten Fiscal Years	
TABLE 6.....	80
Clinical and Dental Health Revenue from Fees for Service - Last Ten Fiscal Years	
TABLE 7.....	81
Cabarrus County Demographic and Economic Statistics - Last Ten Fiscal Years	
TABLE 8.....	82
Cabarrus County Principal Employers - Current Year and Nine Years Ago	
TABLE 9.....	83
Full-time Equivalent Local Government Employees by Function - Last Ten Fiscal Years	
TABLE 10.....	84
Operating Indicators by Functional Area/Project - Last Ten Fiscal Years	
TABLE 11.....	85
Capital Asset Statistics by Function - Last Ten Fiscal Years	
TABLE 12.....	86

**Cabarrus Health Alliance, North Carolina
Comprehensive Annual Financial Report
For the Year Ended June 30, 2020**

TABLE OF CONTENTS

COMPLIANCE SECTION

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	87
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; In Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act.....	89
Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; In Accordance With OMB Uniform Guidance; and the State Single Audit Implementation Act	91
Schedule of Findings and Questioned Costs.....	93
Schedule of Expenditures of Federal and State Awards.....	95

This page is intentionally left blank.

Introductory Section



October 19, 2020

To the Board of Directors and Citizens of Cabarrus County:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Public Health Authority of Cabarrus County (dba Cabarrus Health Alliance) for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of the Cabarrus Health Alliance. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Cabarrus Health Alliance has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Cabarrus Health Alliance's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Cabarrus Health Alliance's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Cabarrus Health Alliance's financial statements have been audited by Potter & Company, P.A., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Cabarrus Health Alliance for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Cabarrus Health Alliance's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Cabarrus Health Alliance was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and compliance with legal requirements involving the administration of federal awards. These reports are available in the compliance section of the Comprehensive Annual Financial Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Cabarrus Health Alliance's MD&A can be found immediately following the report of the independent auditors.

Profile of the Alliance

The Cabarrus Health Alliance was established on July 1, 1997, by agreement of Cabarrus County Board of Commissioners, in order to operate and maintain a facility to provide community health promotion services. Assets were transferred to the Alliance on July 1, 1997. The Public Health Authority of Cabarrus County (dba Cabarrus Health Alliance) is a legally separate governmental entity and is a component unit of Cabarrus County. The Alliance created a 501 (c) (3) non-profit organization, The Cabarrus Public Health Interest (the "Interest"); with public charity status for fundraising efforts that benefit the Alliance and the public it serves. The Interest is a component unit of the Alliance because it is governed by the same Board of Directors.

The Bylaws of the Alliance require a nine-member Board of Directors comprised of representatives from Cabarrus County or Kannapolis City School System, a practicing dentist, a practicing physician in the field of infectious diseases, a practicing physician in whose primary practice is located in Cabarrus County, one member appointed by the governing board of the main hospital located in Cabarrus County, the Cabarrus County Commissioners, one appointed by the Board of Health, and three at-large seats, which are nominated by the Alliance Board and appointed by the Cabarrus County Board of Commissioners.

The Alliance provides a broad range of health services to the citizens of Cabarrus and surrounding counties. These services include adult, maternal, child, and family health care, dental and nutritional needs. The Alliance contracted with the Cabarrus County Board of Commissioners to provide communicable disease, vital records, and environmental health services from July 1, 1997 through June 30, 1998. The Board of Health dissolved June 30, 1998, upon approval of legislation for the Public Health Authority to provide state mandated services, and the Cabarrus Health Alliance Board became responsible for all public health services effective July 1, 1998.

The annual budget serves as the foundation for the Cabarrus Health Alliance's financial planning and control. The Alliance's Chief Financial Officer (CFO), uses these requests as the starting point for developing a proposed budget. The CEO then presents this proposed budget to the board for review prior to June 1. The board is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the Cabarrus Health Alliance's fiscal year. The appropriated budget is prepared by fund, function (e.g., human services), and department (e.g., general administration). The Alliance's CEO may transfer amounts between objects of expenditures and revenues within a department without limitation. The CEO may transfer amounts up to \$25,000 between departments but may not transfer any funds from any contingency appropriation without action of the Alliance Board. Additional authority is granted to the CEO to transfer amounts for the sole purpose of funding salary and benefits adjustments consistent with the Cabarrus Health Alliance Personnel Ordinance. The CEO may award and execute contracts that are not required to be bid or which G.S. 143-131 allows to be informally bid so long as the annual budget contains sufficient appropriated but unencumbered funds for such purposes. The CEO may increase or decrease the number of positions in the Alliance depending on market demand for services and may also adjust

compensation levels in order to ensure competitiveness. Additional positions may only be established under this subsection if revenues are available to offset the expenditures.

Following such actions where a budget amendment is required; it is submitted for approval at the next regular meeting of the Alliance Board. Budget-to-actual comparisons are provided in this report for the general fund for which an appropriated annual budget has been adopted. This comparison is presented on page 25 as part of the basic financial statements.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Cabarrus Health Alliance operates.

Local economy. The Cabarrus Health Alliance’s main office is located in the northern part of Cabarrus County. Although the County had experienced rapid growth, due to its location in the Charlotte metropolitan region, the unemployment rate continues to be a concern at 3.6%. This is a small decrease from last year’s 4.0%. The County population has increased by 19.72% and the per capita income increased by 33.3% in the last ten years.

The Alliance received an annual contribution and additional funding for COVID-19 response from Cabarrus County, which as of June 30, 2020, represented 36.47% of total revenues. The County allocates funds for specific mandated programs and services and limits how the funds can be allocated for administrative costs and non-mandated services. In FY20, Cabarrus County received CARES funding for the COVID-19 response and Cabarrus County contributed a portion of those funds for Cabarrus Health Alliance’s response efforts.

The Cabarrus Health Alliance sold the North Carolina Telehealth Network to the North Carolina Telehealth Network Association for \$200,000 a year for 5 years for a total of \$1 million dollars. The transfer of assets and sale of the program was part of the original plan when the Alliance helped get the project started in North Carolina.

Long-term financial planning. Unassigned fund balance in the general fund (25 percent of total general fund expenditures) exceeds the policy guidelines set by the Health Alliance Board. These funds are available, at the Board’s discretion, to purchase necessary equipment, and/or to initiate new programs and activities to promote public health in Cabarrus County.

The Alliance will continue to implement a strategic plan to determine the future of existing services and revenues and will continue to seek out new revenue sources and grant opportunities as well as continue to develop and implement cost-saving work ethics to protect the future of those services provided to the citizens of Cabarrus and surrounding counties.

Relevant Financial Policies

In accordance with state statute, appropriated fund balance in any fund will not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts.

The Cabarrus Health Alliance will maintain an unassigned fund balance that exceeds eight percent (8%) of general fund expenditures in accordance with North Carolina Local Government Commission's (LGC) recommendation. Based on historical cash flow analysis, the Cabarrus Health Alliance shall maintain a target goal of fifteen percent (15%) of general fund expenditures. These funds will be used to avoid cash-flow interruptions, generate interest income, sustain operations during unanticipated emergencies and disasters and/or initiate new programs.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cabarrus Health Alliance for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. This was the twentieth consecutive year that the Alliance has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the Cabarrus Health Alliance Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Much appreciation is expressed to Potter & Company without whose dedicated assistance this report could not have been produced. Credit also must be given to the Alliance Board for their continued interest and support in planning and conducting the financial operations of the Cabarrus Health Alliance.

Respectfully submitted,



Dr. Bonnie Coyle, Health Director
Cabarrus Health Alliance



Sue K. Yates
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

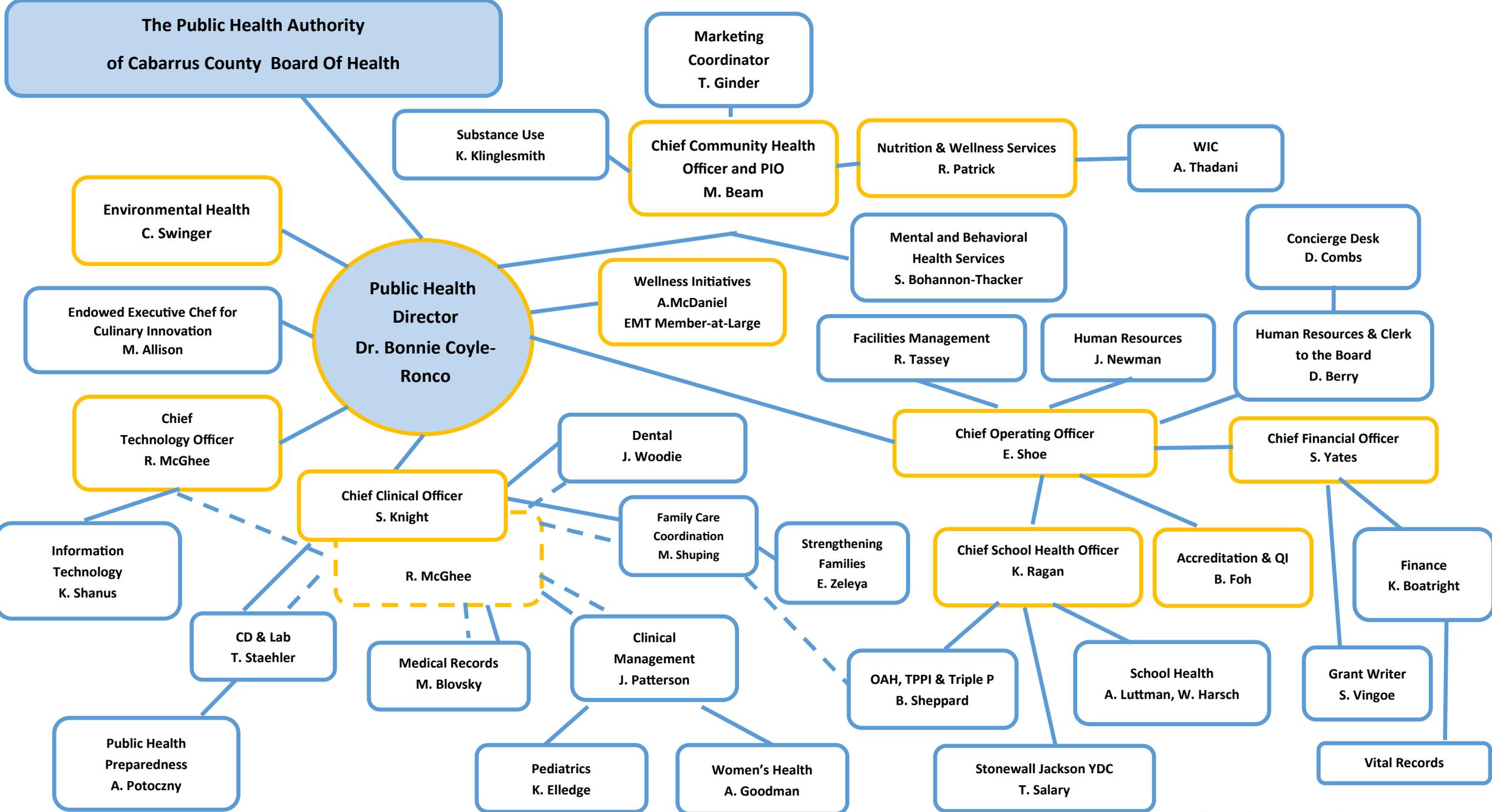
**Public Health Authority
of Cabarrus County, North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



Yellow indicates Executive Management Team
Updated October 2019

**List of Appointed Officials
As of June 30, 2020**

Cabarrus Health Alliance Board

Chairman Public Member	James T. Mack, Jr.
Vice-Chairman NorthEast Infectious Disease	Tedra M. Claytor, M.D.
Member or Designee, Cabarrus County Board of Commissioners	Stephen M. Morris
Member or Designee, Carolinas Healthcare System - NorthEast Board of Advisors	Christopher S. Bowe. FACHE
Member or Designee, Carolinas Healthcare System - NorthEast Medical Staff	Lara J. Pons, M.D.
Member or Designee, Cabarrus County and Kannapolis City Schools Systems	Dr. Daron Buckwell
Member or Designee, Dental Health	Kimberly Dehler, DDS
Public Member	Mark Spitzer
Public Member	Tom D. Kincaid

**Cabarrus Health Alliance
Management**

CEO, Public Health Director	Dr. Bonnie Coyle
Assistant Public Health Director/Medical Director	Dr. Russell R. Suda
Chief Financial Officer	Sue K. Yates
Chief Operating Officer	Erin K. Shoe
Information Technology Director	Ryan J. McGhee
Chief Clinical Director	Suzanne M. Knight
School Health and School Engagement Director	Kim G. Ragan
Clerk to the Board	Dianne P. Berry

This page is intentionally left blank.

Financial Section



POTTER & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cabarrus Health Alliance
Kannapolis, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the **Cabarrus Health Alliance**, a component unit of Cabarrus County, North Carolina, as of and for the year then ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the **Cabarrus Health Alliance's** basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the **Cabarrus Health Alliance** as of June 30, 2020, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 11 through 18, and the Other Postemployment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios on page 49, and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and Contributions, on pages 49 and 50, respectively, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provided us will sufficient evident to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the **Cabarrus Health Alliance's** basic financial statements. The introductory section, the other supplementary information section, the statistical section, and the Schedule of Expenditures of Federal and State Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements.

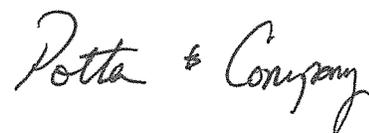
The other supplementary information section and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, and the procedures performed as described above, the other supplementary information section and the Schedule of Expenditures of Federal and State Awards, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2020, on our consideration of **Cabarrus Health Alliance's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 **Cabarrus Health Alliance's** internal control over financial reporting and compliance.

October 19, 2020
Monroe, North Carolina



*Management's
Discussion & Analysis*

Management’s Discussion and Analysis

As management of the Public Health Authority of Cabarrus County (dba Cabarrus Health Alliance), we offer readers of the Cabarrus Health Alliance’s financial statements this narrative overview and analysis of the financial activities of the Cabarrus Health Alliance for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the Alliance’s financial statements, which follow this narrative.

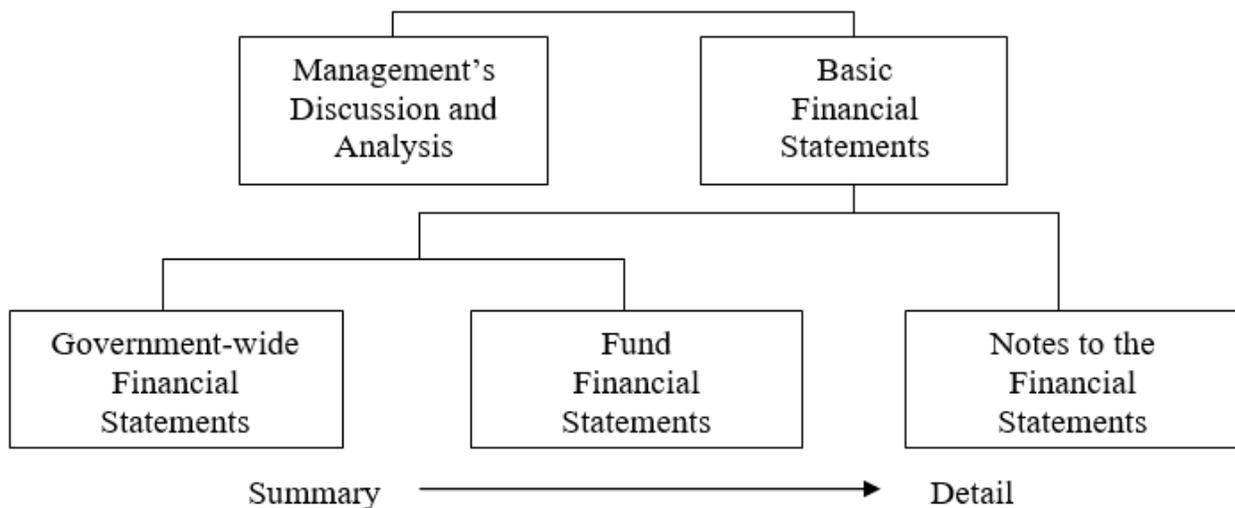
Financial Highlights

- The assets and deferred outflows of resources of the Cabarrus Health Alliance exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$5,657,875 (*net position*)
- The Alliance’s total net position decreased by \$1,281,796, primarily due to a decrease in accounts receivable and a decrease in liabilities.
- As of the close of the current fiscal year, the Cabarrus Health Alliance’s governmental funds reported combined ending fund balances of \$8,363,561 after a net decrease in fund balance of \$705,579. Approximately 14.05 percent of this total amount, or \$1,175,395 is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,286,999 or 27.87 percent of total general fund expenditures for the fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Cabarrus Health Alliance’s basic financial statements. The Cabarrus Health Alliance’s basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Alliance through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplementary information that will enhance the reader’s understanding of the financial condition of the Alliance.

Required Components of Annual Financial Report (Figure 1)



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Alliance's financial status.

The next statements (Exhibits 3 through 5) are **Fund Financial Statements**. These statements focus on the activities of the Alliance. These statements provide more detail than the government-wide statements. The two parts of the Fund Financial Statements are the governmental fund statements and the budgetary comparison statement.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Alliance's non-major governmental fund. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplementary information. This section contains funding information about the Alliance's post employment benefits and pension plans.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Cabarrus Health Alliance's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Alliance's financial status as a whole.

The two government-wide statements report the Alliance's net position and how it has changed. Net position is the difference between the total of the Alliance's assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the Alliance's financial condition.

Both of the government-wide financial statements distinguish the Human Services function of the Cabarrus Health Alliance which is principally supported by intergovernmental revenues and charges for services.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Alliance's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Cabarrus Health Alliance, like other state and local governments, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Alliance's budget ordinance.

Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. The Alliance maintains one individual governmental fund. This fund focus is on how assets can readily be converted into cash flow

in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Alliance's programs. The relationship between government activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Cabarrus Health Alliance adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of Cabarrus County, the management of the Alliance, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Alliance to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Alliance complied with the budget ordinance and whether or not the Alliance succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented by revenue type and expenditures by department. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 27 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Cabarrus Health Alliance's progress in funding its obligation to provide other post employment benefits to its employees. Required supplementary information can be found beginning on page 49 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The Alliance's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$5,657,875 as of June 30, 2020. The Alliance's net position decreased by \$1,281,796 for the fiscal year ended June 30, 2020. One portion of the net position, \$621,966 (10.99%) reflects the Alliance's net investment in capital assets (furniture, equipment, vehicles and leasehold improvements). The Alliance uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the Alliance's net position, \$1,175,395 (20.77%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$3,860,514 (68.23%) is unrestricted.

Cabarrus Health Alliance's Net Position		
	Governmental Activities	
	2020	2019
Current and other assets	\$ 10,427,054	\$ 12,255,940
Note receivable (see Note V.4)	800,000	-
Capital assets	621,966	332,666
Total assets	<u>11,849,020</u>	<u>12,588,606</u>
Deferred outflows of resources related to pensions	3,048,986	3,602,582
Deferred outflows of resources related to OPEB	260,326	111,149
Total deferred outflows of resources	<u>3,309,312</u>	<u>3,713,731</u>
Long-term liabilities outstanding	7,753,202	6,640,468
Other liabilities	1,691,849	2,619,198
Total liabilities	<u>9,445,051</u>	<u>9,259,666</u>
Deferred inflows of resources related to pensions	8,842	27,857
Deferred inflows of resources related to OPEB	46,564	75,143
Total deferred inflows of resources	<u>55,406</u>	<u>103,000</u>
Net position:		
Net investment in capital assets	621,966	332,666
Restricted	1,175,395	3,097,700
Unrestricted	3,860,514	3,509,305
Total net position	<u>\$ 5,657,875</u>	<u>\$ 6,939,671</u>

Several particular aspects of the Alliance's financial operations positively influenced the total unrestricted governmental net position:

- The General Fund had a final budgeted fund balance appropriation of \$1,783,322 that was not used during the fiscal year.
- Alliance departments were conservative in their spending and expenditures at June 30, 2020 were \$1,274,913 under budget.
- Accounts receivable decreased by \$1,281,796 due a reduction in dental services in the third quarter due to COVID-19 as well as receiving the Medicaid cost settlement funds prior to year-end.

Cabarrus Health Alliance's Changes in Net Position		
	Governmental Activities	
	2020	2019
Revenues:		
Program revenues:		
Charges for services	\$ 8,458,809	\$ 11,637,379
Operating grants and contributions	12,867,721	12,014,864
General revenues:		
Investment earnings	104,186	180,096
Other	(9,875)	46,364
Special item	1,000,000	-
Total revenues	22,420,841	23,878,703
Expenses:		
Human Services:		
Administrative services	4,985,699	7,221,834
Environmental health	1,250,930	1,177,326
Dental health	4,183,756	3,989,916
Women, Infants, and Children (WIC)	907,967	778,148
Communicable disease	2,332,075	1,227,655
Clinical services	3,551,599	3,351,255
Family care coordinator	1,318,213	1,109,802
Health initiatives	2,054,566	2,336,941
School Health	3,117,832	2,994,671
Total expenses	23,702,637	24,187,548
Increase (decrease) in net position	(1,281,796)	(308,845)
Net position, July 1	6,939,671	7,248,516
Net position, June 30	\$ 5,657,875	\$ 6,939,671

Governmental Activities

Governmental activities decreased the Alliance's net position by \$1,281,796. Key elements of this change are as follows:

- Increased Pension Expense by \$526,403.
- Increases and decreases throughout other departments include changes in state, federal, and private grant funding.
- COVID funding for \$148,104 was received from State Agreement Addendum contract.

Financial Analysis of the Alliance's Funds

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

Governmental Funds. The focus of the Cabarrus Health Alliance's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Cabarrus Health Alliance's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the Cabarrus Health Alliance. At the end of the current fiscal year, the Alliance's fund balance available in the General Fund was \$6,286,999 while total fund balance reached \$8,363,561. The Governing Body of the Cabarrus Health Alliance has determined that it should maintain an available fund balance of 15% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the Alliance. The Alliance currently has an available fund balance of 27.59% of general fund expenditures, while total fund balance represents 36.71% of that same amount.

At June 30, 2020, the governmental funds of the Cabarrus Health Alliance reported a fund balance of \$8,363,561, a 7.78 percent decrease over the previous year. The primary reasons for this decrease is due to the decrease in dental services due to COVID-19 operating restrictions.

General Fund Budgetary Highlights. During the fiscal year, Cabarrus Health Alliance revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund decreased all revenues by \$1,917,762.

Major budget increases (decreases) during the year include:

- Environmental Health – Increased revenue for additional fees generated from additional state food and lodging activities, \$50,256; and additional environmental health activities, \$32,000.
- General Administration – Decreased revenue for administration fees mainly due to the sale of the North Carolina TeleHealth Network, \$3,000,000.
- Health Initiatives – Increased revenue and expenses due to Walmart Grant received, \$182,812.
- Dental Health – Total revenues decrease mainly due to COVID-19 restrictions on services, \$365,893.
- Communicable Disease – Increased revenue primarily for COVID-19 response funding, \$672,831.

Capital Assets

Cabarrus Health Alliance’s capital assets for its governmental activities as of June 30, 2020, totals \$621,966 (net of accumulated depreciation). These assets include furniture and fixtures, vehicles, equipment, and leasehold improvements.

Major capital asset transactions during the current fiscal year include:

- Purchased Mobile Dental Unit, \$151,688.
- Purchased 5 projectors, \$41,769.
- Purchased 2 Information Technology storage units, \$122,549.
- Purchased Cloud Support, \$62,829.

Cabarrus Health Alliance's Capital Assets		
(net of accumulated depreciation)		
	Governmental Activities	
	2020	2019
Furniture and fixtures	\$ 44,118	\$ 62,352
Vehicles	178,997	90,002
Equipment	387,871	155,794
Leasehold Improvement	10,980	24,518
Total	\$ 621,966	\$ 332,666

Additional information on the Cabarrus Health Alliance’s capital assets can be found in Note IV.C on page 36 of the Basic Financial Statements.

Economic Factors and Next Year’s Budgets

The following key economic indicators reflect the fiscal challenges for the Cabarrus Health Alliance:

- The unemployment rate for Cabarrus County as of June 30, 2020 was 3.6 percent.
- The population in Cabarrus County has increased to 216,453 in 2020 from 180,794 in 2011. This represents a 19.72% increase.

Impact of Coronavirus on the County. During the fiscal year, the state and the nation were affected by the spread of a coronavirus. Cabarrus Health Alliance’s response to the coronavirus included opening one of the County’s Emergency Operations Command Center at the Kannapolis location. Our staff participated in testing, contact tracing, and providing guidance to community partners. For services, our dental health program paused services except for emergency dental procedures according to national guidance. Our Environmental Health department has been working with local restaurants and business to establish safe practices.

The Alliance received \$148,104 from the State and \$369,540 from Cabarrus County for COVID-19 response efforts in FY20.

The FY21 budget has been revised to include COVID-19 funding and changes to originals budget. The budget has been revised to include additional funding from the State \$610,577; Cabarrus County

Schools \$216,000; and Cabarrus County \$756,571 for COVID-19 response efforts. The dental health budget has been revised to include \$415,004 fund balance to cover revenue losses due to restrictions affecting services.

Budget Highlights for the Upcoming Fiscal Year Ending June 30, 2021

- The Cabarrus Health Alliance receives funding from Cabarrus County to provide mandated services to its citizens and well as for COVID-19 response efforts. The county's contribution to the Alliance represents approximately 36.47% of the total budgeted revenues for fiscal year 2021. Although the population being served has not decreased, the County may change funding due to the fluctuations in growth of the economy.
- Revenue from the Medicaid settlement represents 5.88% of the total budgeted revenues. Historically the Alliance has received an annual amount of \$990,000 to \$2.2 million.
- Salaries and benefits continue to be our largest area of investment and represent an average of 85.65% of total budgeted expenditures, \$19.33 million. Annual performance increases were computed at an average of 3% for 10.5 months, an approximate cost of \$223,658. Group Health Insurance rates increased by 4.5% to \$6,903. The state retirement rate increased to 10.2 % from 8.99%.

Requests for Information

This report is designed to provide an overview of the Cabarrus Health Alliance's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, Cabarrus Health Alliance, 300 Mooresville Road, Kannapolis, North Carolina 28081. You can also call (704)-920-1212, visit our website www.cabarrushealth.org or send an email to sue.yates@cabarrushealth.org for more information.

Basic Financial Statements

Cabarrus Health Alliance, North Carolina
Statement of Net Position
June 30, 2020

	Primary Government Governmental Activities
Assets	
Cash and investments	\$ 7,937,333
Restricted Assets:	
Cash	942,682
Receivables (net):	
Accounts receivable	1,058,012
Patient receivables, net	371,644
Sales tax	117,383
Note receivable - current portion	200,000
Note receivable - noncurrent portion	600,000
Capital Assets net of accumulated depreciation:	
Furniture and Fixtures	44,118
Vehicles	178,997
Equipment	387,871
Leasehold Improvement	10,980
Total assets	11,849,020
Deferred Outflows of Resources	
Pension deferrals	3,048,986
OPEB deferrals	260,326
Total deferred outflows of resources	3,309,312
Liabilities	
Accounts payable and accrued liabilities	749,167
Liabilities to be paid from restricted assets	942,682
Long term liabilities:	
Due within one year	841,687
Due in more than one year	17,177
Net pension liability	4,982,567
OPEB liability	1,911,771
Total liabilities	9,445,051
Deferred Inflows of Resources	
Pension deferrals	8,842
OPEB deferrals	46,564
Total deferred inflows of resources	55,406
Net Position	
Net investment in Capital Assets	621,966
Restricted for:	
Stabilization by State Statute	1,175,395
Unrestricted	3,860,514
Total Net Position	\$ 5,657,875

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

Cabarrus Health Alliance, North Carolina
Statement of Activities
For the Year Ended June 30, 2020

	Program Revenues			Net (Expense) Revenue And Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Total Primary Governmental Activities
Function/Program Activities				
Governmental Activities:				
Administrative Services	\$ 4,985,699	\$ 1,340,902	\$ 2,801,229	\$ (843,568)
Environmental Health	1,250,930	216,482	917,899	(116,549)
Dental Health	4,183,756	3,706,258	282,914	(194,584)
Women, Infants, and Children	907,967	-	770,077	(137,890)
Communicable Disease	2,332,075	402,382	1,587,388	(342,305)
Clinical Services	3,551,599	2,095,620	1,191,306	(264,673)
Family Care Coordination	1,318,213	677,498	332,421	(308,294)
Health Initiatives	2,054,566	-	1,835,042	(219,524)
School Health	3,117,832	19,667	3,149,445	51,280
Total governmental activities	<u>\$ 23,702,637</u>	<u>\$ 8,458,809</u>	<u>\$ 12,867,721</u>	<u>\$ (2,376,107)</u>
General Revenues:				
Unrestricted investment earnings				104,186
Miscellaneous revenues				(9,875)
Special item (see Note V.4)				1,000,000
Total General Revenues				<u>1,094,311</u>
Changes in net position				(1,281,796)
Net position, beginning				<u>6,939,671</u>
Net position, ending				<u>\$ 5,657,875</u>

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

Cabarrus Health Alliance, North Carolina
Balance Sheet
Governmental Funds
June 30, 2020

	<u>Major Fund</u>	<u>Total</u>
	<u>General Fund</u>	<u>Governmental Fund</u>
ASSETS		
Cash and investments	\$ 7,937,333	\$ 7,937,333
Restricted Assets:		
Cash	942,682	942,682
Receivables (net of allowance for uncollectibles)		
Accounts receivable	1,058,012	1,058,012
Patient receivables	371,644	371,644
Sales tax	117,383	117,383
Prepaid items	-	-
Total assets	\$ 10,427,054	\$ 10,427,054
LIABILITIES		
Liabilities:		
Accounts payable and accrued liabilities	\$ 749,167	\$ 749,167
Liabilities to be paid from restricted assets	942,682	942,682
Total liabilities	1,691,849	1,691,849
DEFERRED INFLOWS OF RESOURCES	371,644	371,644
FUND BALANCES		
Nonspendable:		
Prepaid items	-	-
Restricted:		
Stabilization by State Statute	1,175,395	1,175,395
Assigned:		
Subsequent year's expenditures	901,167	901,167
Unassigned:	6,286,999	6,286,999
Total fund balances	8,363,561	8,363,561
Total liabilities, deferred inflows of resources, and fund balances	\$ 10,427,054	
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:		
Total Fund Balance, Governmental Funds		8,363,561
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
	Governmental capital assets	2,927,032
	Less accumulated depreciation	(2,305,066)
Note Receivable (see Note V.4)		800,000
Pension related deferred outflows of resources		1,915,230
OPEB related deferred outflows of resources		260,326

continued

Cabarrus Health Alliance, North Carolina
Balance Sheet
Governmental Funds
June 30, 2020

	<u>Major Fund</u>	<u>Total</u>
	<u>General Fund</u>	<u>Governmental Fund</u>
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position		1,133,756
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Deferred inflows for patient receivables	550,065	
Less allowance for doubtful accounts	<u>(178,421)</u>	371,644
Long term liabilities, including compensated absences payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Compensated absences	(858,864)	
OPEB Liability	<u>(1,911,771)</u>	(2,770,635)
Net pension liability		(4,982,567)
Pension related deferred inflows of resources		(8,842)
OPEB related deferred inflows of resources		(46,564)
Net position of governmental activities		<u>\$ 5,657,875</u>

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

Cabarrus Health Alliance, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

	<u>Governmental Fund Types</u> <u>General</u>
Revenues:	
Intergovernmental revenues	\$ 17,817,152
Permits and fees	216,482
Sales and services	2,851,704
Investment earnings	104,186
Miscellaneous	47,321
Contributions	614,285
Total Revenues	21,651,130
Expenditures:	
Current:	
Human services	22,045,699
Capital outlay:	
Equipment	511,010
Total Expenditures	22,556,709
Excess (deficiency) of revenues over (under) expenditures before special item	(905,579)
Other Financing Sources (uses):	
Special item (see Note V.4)	200,000
Net change in fund balance	(705,579)
Fund balance, July 1	9,069,140
Fund balance, June 30	\$ 8,363,561

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

**Cabarrus Health Alliance, North Carolina
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2020**

Amount reported for governmental activities in the statement of activities (page 20) are different because:

Net change in fund balance - total governmental funds (page 23)	\$ (705,579)
---	--------------

Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. See Note III.A.	323,630
---	---------

The effect of the transaction involving capital assets which resulted in the disposal of capital assets, net book value.	(34,330)
--	----------

Note Receivable (see Note V.4)	800,000
--------------------------------	---------

Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	1,133,756
---	-----------

OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities.	111,140
---	---------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(195,959)
--	-----------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Pension Expense	(2,298,368)	
Compensated absences	(320,191)	
OPEB plan expense	(95,895)	(2,714,454)

Total changes in net position of governmental activities (page 20)	\$ (1,281,796)
--	----------------

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

Cabarrus Health Alliance, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2020

	Original Budget	Revised Budget	Actual	Variance
Revenues:				
Intergovernmental revenues	\$ 17,007,890	\$ 18,077,236	\$ 17,817,152	\$ (260,084)
Permits and fees	162,878	194,878	216,482	21,604
Sales and services	6,726,302	2,964,494	2,851,704	(112,790)
Investment earnings	178,000	128,000	104,186	(23,814)
Miscellaneous	84,261	41,936	47,321	5,385
Contributions	469,324	641,756	614,285	(27,471)
Total Revenues	<u>24,628,655</u>	<u>22,048,300</u>	<u>21,651,130</u>	<u>(397,170)</u>
Expenditures:				
<i>Human Services:</i>				
Environmental Health	1,030,521	1,035,793	942,173	93,620
Information Technology Systems	1,325,420	1,163,431	1,153,424	10,007
General Administration	7,834,702	4,229,882	4,055,399	174,483
Family Care Coordination	1,092,396	1,190,817	1,177,374	13,443
School Health	3,150,366	3,348,884	3,117,582	231,302
Health Initiatives	1,550,536	2,055,104	1,948,057	107,047
Dental Public Health	4,665,581	4,249,688	4,020,629	229,059
Vital Records	56,478	56,478	54,625	1,853
Communicable Disease	1,190,371	2,321,789	2,191,236	130,553
Clinical Services	3,237,075	3,409,849	3,129,082	280,767
Women, Infants, & Children (WIC)	615,978	769,907	767,128	2,779
Total Expenditures	<u>25,749,424</u>	<u>23,831,622</u>	<u>22,556,709</u>	<u>1,274,913</u>
Excess (deficiency) of revenues over (under) expenditures before special item	<u>(1,120,769)</u>	<u>(1,783,322)</u>	<u>(905,579)</u>	<u>877,743</u>
Other financing sources (uses):				
Fund balance appropriated	1,120,769	1,783,322	-	(1,783,322)
Special item (see Note V.4)	-	-	200,000	200,000
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(705,579)</u>	<u>(705,579)</u>
Fund balance, July 1			<u>9,069,140</u>	
Fund balance, June 30			<u><u>\$ 8,363,561</u></u>	

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

This page is intentionally left blank.

*Notes to the Financial
Statements*

Public Health Authority of Cabarrus County
(dba Cabarrus Health Alliance)
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies

The accompanying financial statements and the following accounting policies of the Cabarrus Health Alliance and its component unit conform to accounting principles generally accepted in the United States of America as applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Public Health Authority of Cabarrus County (dba Cabarrus Health Alliance), formed July 1, 1997, is a component unit of Cabarrus County, North Carolina. The Chairperson of the Board of Commissioners for Cabarrus County appoints the members of the board of the Cabarrus Health Alliance. The Alliance is reported as a discreetly presented component unit in the County's financial statements.

As required by generally accepted accounting principles, these financial statements present the Alliance. The Cabarrus Public Health Interest (the "Interest"), is a component unit of the Alliance and was created as a 501(c)(3) non-profit organization with public charity status for fundraising efforts that will benefit the Alliance and the public it serves. The Interest has no financial transactions or account balances; therefore, it is not presented in the basic financial statements.

B. Basis of Presentation

Government-wide Statements. The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through intergovernmental revenues and charges for services.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Alliance and for each function of the Alliance's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements. The fund financial statements provide information about the Alliance's funds. A separate statement for the governmental fund category is presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The Alliance reports the following major governmental fund:

General Fund. This is the Alliance's primary operating fund. It accounts for all financial resources of the general government. The primary revenue sources are charges for services and intergovernmental revenues. The primary expenditures are for General Administration, School Health, Dental Public Health, and Clinical Services.

C. Measurement Focus, Basis of Accounting, and Basis of Presentation

In accordance with North Carolina General Statutes, all funds of the Alliance are maintained during the year using the modified accrual basis of accounting.

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

Governmental Fund Financial Statements. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers all revenues, except patient receivables, to be available if they are collected within 60 days of the end of the current fiscal year. Uncollected patient fees for services that were billed during this period are shown as a receivable on these financial statements and are offset by deferred inflows of resources.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when the government receives cash.

D. Budgetary Data

The Alliance's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the general fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the capital projects fund. The budget is prepared using the modified accrual basis of accounting.

Appropriations are made at the department level and amended as necessary by the Executive Director within the following restrictions:

1. Amendments between appropriations of the same department are unrestricted.
2. Amendments between departments within the same fund are restricted to a \$25,000 maximum with an official report of such transfers to be provided at the next regular meeting of the Health Alliance Board; however, any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$25,000 must be approved by the governing board.
3. Amendments from contingency appropriations, between departments of the same fund in excess of \$25,000 require action of the Health Alliance Board.
4. Additional authority is granted to the Executive Director to transfer amounts within and between funds for the sole purpose of funding salary and benefits adjustments consistent with the Cabarrus Health Alliance Personnel Ordinance. In instances where budget appropriations and estimated revenue have been revised during the year, budget data presented in the financial statements represent the final authorized amounts as of June 30, 2020.

Expenditures may not legally exceed budgeted appropriations at the departmental level. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

All deposits of the Alliance are made in board designated official depositories and are collateralized as required by NC General Statute 159-31. The Alliance may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Alliance may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts and certificates of deposit.

State Law (GS 159-30 (c)) authorizes the Alliance to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The Cabarrus Health Alliance's investments with maturity of more than one year at acquisition and non-money market investments are reported at fair value as determined by quoted market prices. The North Carolina Capital Management Trust (NCCMT), which consists of two SEC-registered funds, is authorized by G.S. 159-30(c)(8). One of these funds, the Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAm by S&P. The Government Portfolio is reported at fair value. Money market investments that have a remaining maturity at the

time of purchase of one year or less are reported at amortized cost. Non-participating interest earning investment contracts are reported at cost.

2. Cash and Cash Equivalents

A centralized cash account is maintained and used by all funds. Interest is deposited into the General Administration function of the agency. The Alliance pools its moneys to facilitate disbursement and investment and to maximize investment income. Therefore all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

3. Restricted Assets

The balance of restricted assets as of June 30, 2020 are as follows:

FY 2020	Unexpended Amount
American Society of Breast Surgeons	\$ 2,500
Delta Dental	4,000
Walmart Foundation	335,692
Johns Hopkins	63,263
Duke Endowment	150,000
Southern Piedmont Community Care	332,975
Women, Infant & Children	12,056
Drug Free Communities	42,196
Total Restricted Assets	<u>\$ 942,682</u>

These unexpended amounts are classified as restricted assets on the Statement of Net Position and the Governmental Balance Sheet. The amounts are considered restricted because their use is expressly prohibited except for the original purpose of which the funds were received.

4. Receivables

The Alliance’s receivables consist of patient receivables for services rendered and various federal and state grant revenues.

All patient receivables are shown net of an allowance for doubtful accounts.

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

6. Inventories and Prepaid Items

Inventory of medical supplies is considered immaterial as of June 30, 2020 and, therefore, is not reported on the balance sheets.

In governmental fund type accounts, prepaid expenses are generally accounted for using the purchase method. Under the purchases method, prepaid expenses are treated as expenditures when purchased rather than accounted for as an asset.

7. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statement. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to July 1, 2015 are recorded at estimated fair market value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value.

All other purchased or constructed capital assets are reported at cost or estimated historical value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Vehicles	5
Office equipment	5
Computer equipment	5
Leasehold improvements	15

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Alliance has two items that meet this criterion; pension related deferrals and contributions made to the pension plan in the 2020 fiscal year.

In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Alliance has two items that meets the criterion for this category, deferred patient receivables of \$371,644 as of June 30, 2020 and deferrals of pension expense that result from the implementation of GASB Statement 68.

9. Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position.

10. Compensated Absences

All permanent and probationary Alliance employees who are scheduled to work at least 1,000 hours during the calendar year receive vacation and sick leave benefits. The Alliance’s vacation policy allows for unlimited accumulation of earned leave during the calendar year with a maximum of 240 hours being carried over to January 1. Vacation exceeding 240 hours is converted into sick leave after January 1. Vacation leave is fully vested when earned. The Alliance budgets and funds the current portion of accumulated vacation leave during each fiscal year. The Alliance’s sick leave policy also allows for unlimited accumulation of earned leave.

Sick leave benefits do not vest but any unused leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. As there is not any obligation to pay sick leave until it is actually taken, no liability is recorded for these benefits.

11. Net Position/Fund Balances

Net Position

Net position in government-wide fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through state statute.

Fund Balances

In the governmental fund financial statements, fund balance is composed of three classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The governmental fund types classify fund balances as follows:

Restricted Fund Balance – this classification includes revenue sources that are restricted to specific purposes externally imposed or imposed by law.

Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of Cabarrus Health Alliance governing body (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned Fund Balance – portion of fund balance that the Alliance's governing board has budgeted.

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified as restricted, and the governing body approves the appropriation.

Unassigned Fund Balance – portion of fund balance that has not been restricted or assigned to specific purposes or other funds.

For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by assigned fund balance, and lastly, unassigned fund balance.

Specified in the budget ordinance, funds appropriated from fund balance require action of the Cabarrus Health Alliance Board.

The Cabarrus Health Alliance has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the Alliance in such a manner that available fund balance is at least equal to or greater than 15% of budgeted expenditures.

12. *Defined Benefit Pension Plans*

The Cabarrus Health Alliance participates in a cost-sharing, multiple-employer, defined benefit pension plan that is administered by the State; the Local Governmental Employees’ Retirement System (LGERS). For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees’ Retirement System (LGERS) and additions to/deductions from LGERS’ fiduciary net position have been determined on the same basis as they are reported by LGERS.

For this purpose, plan member contributions are recognized in the period in which the contributions are due. Cabarrus Health Alliance’s employer contributions are recognized when due and Cabarrus Health Alliance has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

II. Stewardship, Compliance, and Accountability

A. Excess of Expenditures Over Appropriations

The legal level of budgetary control is the departmental level. This is the level at which expenditures should not exceed appropriations. For the fiscal year ended June 30, 2020, the Alliance’s General Fund had no departments over expended.

III. Reconciliation of government-wide and fund financial statements

A. Explanation of a certain difference between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$323,630 difference are as follows:

Capital outlay	\$511,010
Depreciation expense	<u>(187,380)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$323,630</u>

IV. Detailed Notes on All Funds

A. Deposits and Investments

All of the Alliance’s deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the Alliance’s agents in the unit’s name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer’s agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Alliance, these deposits are considered to be held by their agents in the entity’s name.

The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Alliance or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Alliance under the Pooling Method, the potential exists for under-collateralization, and the risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The Alliance does not have a formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and monitor them for compliance. The Alliance complies with the provision of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2020, the Alliance’s carrying amount of deposits was \$926,838 and the bank balance was \$1,120,454. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

At June 30, 2020, the Alliance had \$3,600 cash on hand.

At June 30, 2020, the Alliance’s investments consisted of \$7,949,577 in the North Carolina Capital Management Trust’s Government Portfolio, which carried a credit rating of AAA by Standard and Poor’s. The NCCMT Government Portfolio’s valuation measurement method is Amortized Cost. The Alliance does not have a formal policy regarding credit risk or interest rate risk.

B. Receivables

Receivables at the government-wide level at June 30, 2020, were as follows:

	<u>Accounts</u>	<u>Patient Receivables</u>	<u>Sales Tax</u>	<u>Total</u>
Governmental Activities:				
General	\$1,058,012	\$ 550,065	\$ 117,383	\$1,725,460
		-		
Total receivables	1,058,012	550,065	117,383	1,725,460
Allowance for doubtful accounts	-	(178,421)	-	(178,421)
Total-governmental activities	\$1,058,012	\$ 371,644	\$ 117,383	\$1,547,039

The accounts receivables that are owed to the Alliance consist of the following:

Miscellaneous payments, refunds, and donations, 2020	\$ 1,265
Cabarrus County COVID payment, June 2020	443,429
Cabarrus County payment for environmental health, June 2020	9,905
Cabarrus County Schools, School Safety Grant	14,166
SJYDC, June 2020	42,790
State wire for June 2020 expenses	165,519
TRAIL payment, June 2020	54,176
DSS reimbursement for Strengthening Family Initiative, June 2020	15,607
Forever Oceans, June 2020	3,613
Wake Forest Behavioral Health, May-June 2020	13,473
Medicaid & Health Choice reimbursements, 2020	70,798
NC DOT KEYS, April-June 2020 expenses	5,900
Community Free Clinic, June 2020	3,264
COVID revenues, June 2020	159,387
Rowan County HD, June 2020	3,346
Healthy Rowan payment, June 2020	(7,769)
Private Pay & Insurance payments, May-June, 2020	58,964
Returned checks	179
Total	<u>\$ 1,058,012</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

Primary Government	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, being depreciated:				
Furniture and fixtures	\$ 383,760	\$ 7,527	\$ -	\$ 391,287
Vehicles	415,416	151,688	(30,651)	536,453
Equipment	1,081,322	351,795	(34,330)	1,398,787
Leasehold Improvement	600,505	-	-	600,505
Total capital assets being depreciated	2,481,003	511,010	(64,981)	2,927,032
Less accumulated depreciation for:				
Furniture and fixtures	321,408	25,761	-	347,169
Vehicles	325,414	62,693	(30,651)	357,456
Equipment	925,528	85,388	-	1,010,916
Leasehold Improvement	575,987	13,538	-	589,525
Total accumulated depreciation	2,148,337	187,380	(30,651)	2,305,066
Total capital assets being depreciated, net	332,666	323,630	(34,330)	621,966
Governmental activities capital assets, net	\$ 332,666	\$ 323,630	\$ (34,330)	\$ 621,966

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Human Services:	
Administrative Services	\$ 102,154
Environmental Health	27,080
Dental Health	57,896
Family Care Coordination	-
School Health	250
Total depreciation expense - governmental activities	<u>\$ 187,380</u>

D. Deferred Inflow of Resources

The balance in deferred inflow of resources on the fund statements is composed of the total outstanding patient receivables less allowance for doubtful accounts and is represented by the agency services listed below:

FY 2020	Clinical Services	Dental Health	Total
Total Due	\$ 275,930	\$ 274,135	\$ 550,065
Allow for uncollectible receivables	35,871	142,550	178,421
Deferred Inflows of Resources	\$ 240,059	\$ 131,585	\$ 371,644

E. Long-Term Obligation Activity

The following is a summary of changes in the Alliance’s long-term obligations for the fiscal year ended June 30, 2020:

	Beginning Balance, as restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 538,673	\$ 958,758	\$ (638,567)	\$ 858,864	\$ 841,687
Total OPEB liability	1,749,260	260,247	(97,736)	1,911,771	-
Governmental activity Long-term liabilities	\$ 2,287,933	\$ 1,219,005	\$ (736,303)	\$ 2,770,635	\$ 841,687

The Cabarrus Health Alliance anticipates spending approximately \$841,687 for compensated absences during fiscal year 2021. Compensated absences for governmental activities are liquidated in the general fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

F. Employee Retirement Systems and Pension Plans

1. Local Governmental Employees’ Retirement System

Plan Description. Cabarrus Health Alliance is a participating employer in the statewide Local Governmental Employees’ Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The LGERS is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service. Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Cabarrus Health Alliance employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. Cabarrus Health Alliance contractually required contribution rate for the year ended June 30, 2020, was 8.99% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Cabarrus Health Alliance were \$1,133,756 for the year ended June 30, 2020.

Refunds of Contributions. Cabarrus Health Alliance employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, Cabarrus Health Alliance reported a liability of \$4,982,567 for its proportionate share of the net pension liability. The net pension asset was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. Cabarrus Health Alliance's proportion of the net pension liability was based on a projection of the long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2020, Cabarrus Health Alliance's proportion was 0.182% (measured as of June 30, 2019) which was a decrease of 0.001% from its proportion as of June 30, 2019 (measured as of June 30, 2018).

For the year ended June 30, 2020, Cabarrus Health Alliance recognized pension expense of \$2,298,368. At June 30, 2020, the Cabarrus Health Alliance reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 853,142	\$ -
Changes of assumptions	812,076	-
Net difference between projected and actual earnings on pension plan investments	121,531	-
Changes in proportion and differences between Alliance contributions and proportionate share of contributions	128,481	8,842
Alliance contributions subsequent to the measurement date	1,133,756	-
Total	\$ 3,048,986	\$ 8,842

\$1,133,756 reported as deferred outflows of resources related to pensions resulting from Cabarrus Health Alliance contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year subsequent fiscal year; June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$ 940,134
2021	310,014
2022	519,512
2023	136,728
2024	-
Thereafter	-
	\$ 1,906,388

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	3.50 to 5.50 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of OPEB plan investment expense, including inflation

The plan actuary currently uses mortality rates based on the *RP-2014 Total Data Set for Healthy Annuitants Mortality Table* that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study as of December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies’ return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Cabarrus Health Alliance’s proportionate share of the net pension asset to changes in the discount rate. The following presents Cabarrus Health Alliance’s proportionate share of the net pension asset calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net

pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Alliance's proportionate share of the net pension liability (asset)	\$ 11,396,042	\$ 4,982,567	\$ (348,330)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

2. Other Employment Benefits

The Alliance has elected to provide death benefits to employees through the Death Benefit Plan for Members of the Local Governmental Employee’s Retirement System (Death Benefit Plan); a multiple employer, State administered, cost-sharing plan funded on a one year-term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death, are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee’s 12 highest months’ salary in a row during the 24 months prior to his/her death, but the benefit may not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The Alliance has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payrolls, based upon rates established by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not the Alliance, the Alliance does not determine the number of eligible participants. For the years ended June 30, 2018, June 30, 2019 and June 30, 2020, the Alliance contributed .04% of annual covered payroll or \$5,163, \$5,320, and \$5,363 respectively.

3. Supplemental Retirement Income Plan (401K)

Plan Description. The Alliance contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Prudential Investment Management Services, LLC. The Plan provides retirement benefits to law enforcement officers and general employees. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provision to the North Carolina General Assembly.

Funding Policy. Article 12E of G.S. Chapter 143 requires entities with law enforcement officers to contribute each month an amount equal to five percent of each law enforcement officer’s salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. The Alliance has chosen to extend this benefit to all its full and part-time (who are eligible for North Carolina Local Government Employees’ Retirement System) employees. Contributions for the year ended June 30, 2020 were \$468,881 from the participating Alliance employees.

The Board decided in June 2018 to reinstate the employer's contribution to this benefit. The Alliance matched up to 1% in FY2020. The Alliance contributed \$90,987 to the plan for the year ended June 30, 2020

4. Deferred Compensation Plan

Deferred Compensation Plan. The Alliance offers its employees a deferred compensation plan (Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all Alliance employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. During the year ended June 30, 2020, the Alliance did not contribute to the plan.

The Alliance has complied with changes in the laws which govern the Alliance's Deferred Compensation Plan, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. Formerly, the undistributed amounts which had been deferred by the plan participants were required to be reported as assets of the Alliance. In accordance with GASB Statement 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the Alliance's Deferred Compensation Plan is no longer reported within the Alliance's Agency Funds.

G. Other Post-Employment Benefits (OPEB),

1. Healthcare Benefits

Plan description. Under the terms of an Alliance approved policy, the Cabarrus Health Alliance administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides paid health and life insurance coverage to employees qualifying for retirement as a member of the North Carolina Local Governmental Employer Retirement System. The plan was initiated July 1, 1997, and has been revised three times. The following is a breakdown of the eligibility criteria:

1. Full-time employees of Cabarrus Health Alliance/Cabarrus County on June 30, 1997, that voluntarily did not elect the new vacation accrual schedule are not eligible for paid health and life insurance coverage at retirement.
2. Full-time employees hired or rehired on July 1, 1997, and those employees that voluntarily chose to change vacation accrual effective July 1, 1997, are eligible as follows:
 - Paid health and life insurance coverage will be provided to employees qualifying for retirement as a member of the North Carolina Local Governmental Employee's Retirement Systems with at least ten (10) of their creditable years being in the service of Cabarrus County/Cabarrus Health Alliance. These benefits will be paid at the same level as for active employees and will be provided to retired employees until they become eligible for Medicare (or reach the age when they will have had such benefits if they had been qualified for Social Security).
 - Employees qualifying for retirement in the North Carolina Local Governmental Employees' Retirement System but with less than ten (10) years' service with

Cabarrus County/Cabarrus Health Alliance shall receive one-half the benefit provided to retiring employees with at least ten (10) years of service.

3. Full-time employees hired on July 1, 2001 and after with ten (10) years of service with the Cabarrus Health Alliance and who qualify for retirement as a member of the North Carolina Local Governmental Employees' Retirement System are eligible as follows:
 - Paid health and life insurance coverage, paid at the same level as for active employees, will be provided to retired employees until they become eligible for Medicare (or reach the age when they will have had such benefits if they had been qualified for Social Security).
4. Retiree health and life insurance benefits are not available for employees hired effective July 1, 2004.

Based on the above requirements, the Alliance pays the cost of coverage for these benefits through private insurers. Also, the Alliance's retirees can purchase coverage for their dependents at the Alliance's group rates. The Alliance board may amend the benefit provisions.

Membership of the Plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

	Number:
Inactive Employees or Beneficiaries Currently receiving benefits	17
Inactive Members entitled to but not yet receiving benefits	0
Active plan members	31
Total	48

Total OPEB Liability

The Alliance's total OPEB liability of \$1,911,771 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 %
Real wage growth	1.00 %
Wage inflation	3.50 %
Salary increases, including was inflation	
General Employees	3.50 % - 7.75%
Municipal Bond Index Rate	
Prior Measurement Date	3.89%
Measurement Date	3.50%
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2019 decreasing to an ultimate rate of 4.50% by 2026

Discount rate. The discount rate used to measure the total OPEB liability at June 30, 2019 was 3.50 percent which was a change from the discount rate of 3.89 percent at June 30, 2018. However, because the OPEB plan's fiduciary net position was not projected to be sufficient to make all future benefit payments, the discount rate incorporates a municipal bond rate which was 3.50 percent at June 30, 2019 per the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published by The Bond Buyer. As of June 30, 2019, the 20-year Municipal Bond Index was 3.50 percent.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 7/1/2019	\$ 1,749,260
Changes for the year	
Service cost	41,909
Interest	65,238
Changes of benefit terms	-
Differences between expected and actual experience	153,100
Changes in assumptions or other inputs	48,049
Benefit payments	(145,785)
Net changes	162,511
Balance at 6/30/2020	\$ 1,911,771

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 - December 31, 2014, adopted by the LGERS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2019 valuation were based on a review of recent plan experience done concurrently with the June 30, 2019 valuation.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Alliance, as well as what the Alliance's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current discount rate:

	Current		
	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	\$ 2,044,294	\$ 1,911,771	\$ 1,789,112

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Alliance, as well as what the Alliance's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
Total OPEB liability	\$ 1,772,481	\$ 1,911,771	\$ 2,067,712

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Alliance recognized OPEB expense of \$139,903. At June 30, 2020, the Alliance reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 113,585	\$ 4,056
Changes of assumptions	35,601	42,508
Benefit payments and administrative costs made subsequent to the measurement date	111,140	-
Total	<u>\$ 260,326</u>	<u>\$ 46,564</u>

\$23,596 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	(23,596)
2021	(37,020)
2022	(42,006)
2023	-
2024	-
Thereafter	-

V. Other Information

1. Risk Management

Insurance coverage for the Alliance is through Westfield and Wester Insurance Services. The Alliance pays a premium for coverage of worker's compensation, general liability, property, automotive, and professional liability insurance coverage.

The Alliance is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Alliance carries commercial coverage for all other risks of loss. Fiscal year ended June 30, 1998 was the initial year of operations. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in 2018, 2019, and 2020.

In accordance with G.S. 159-29, the Alliance’s employees that have access to \$100 or more at any given time of the Alliance’s funds are performance bonded through a commercial surety bond. Employees that have access to funds are bonded under a blanket bond for \$250,000. The Finance Director is individually bonded for \$100,000.

2. Summary Disclosure of Significant Commitment and Contingencies

The Alliance has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

3. Benefit Payments Issued by the State

The amount listed below was paid directly to individual recipients by the State from federal money. Alliance personnel are involved with certain functions; primarily eligibility determinations that cause benefit payments to be issued by the State. The amount discloses this additional aid to County recipients, which does not appear in the basic financial statements because it is not revenues and expenditures of the Alliance.

<u>Federal</u>	Food Stamp – WIC	\$2,455,762
----------------	------------------	-------------

4. Related Party Transactions

The Alliance relocated to its new facility located at the North Carolina Research Campus in the City of Kannapolis on April 6, 2012. Funding for the purchase of the land and expenses for the construction of the facility has been provided to the Alliance by TIF (Tax Increment Funding) bonds issued by the City of Kannapolis. The current lease agreement between the Alliance and the City of Kannapolis will terminate upon the satisfaction of all financial obligations arising under the City’s bonds.

The Cabarrus Health Alliance was the project coordinator for the North Carolina Telehealth Network (NCTN) project. The NCTN project was created to provide dedicated broadband network for public and non-profit healthcare providers in North Carolina. The pilot project started in late 2007 with an award of \$12.1 million in discounts from the Federal Communications Commission. Cabarrus Health Alliance sold the NCTN project to the North Carolina Telehealth Network for \$200,000 for five years for a total of \$1,000,000. The first installment of \$200,000 was received in June 30, 2020 and is recognized in this Statement of Revenues, Expenditures and Changes in Fund Balance. The \$1,000,000 proceeds have been recognized in the Statement of Activity. This item has been reflected as a special item because it is unusual in nature but under the control of management. The balance outstanding at June 30, 2020 is \$800,000.

A portion of the Alliance's revenue is from Cabarrus County. For the year ended June 30, 2020, the Alliance received \$7,969,798 from the County. The County's contribution constituted 36.47% of the Alliance's total revenue for June 30, 2020.

VI. Subsequent Events

Management has evaluated subsequent events through October 19, 2020 and has determined that no significant events have occurred that would alter the Alliance's financial position.

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Company's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.

This page is intentionally left blank.

*Required
Supplementary
Information*

Cabarrus Health Alliance, North Carolina
Other Post Employment Benefits - Healthcare
Required Supplementary Information
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last 3 Fiscal Years
June 30, 2020

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 41,909	\$ 43,089	\$ 46,158
Interest	65,238	61,819	54,609
Differences between expected and actual experience	153,100	276	(13,347)
Changes of assumptions	48,049	(39,338)	(70,489)
Benefit payments	(145,785)	(105,215)	(84,472)
Net change in total OPEB liability	<u>162,511</u>	<u>(39,369)</u>	<u>(67,541)</u>
Total OPEB liability - beginning	1,749,260	1,788,629	1,856,170
Total OPEB liability - ending	<u>\$ 1,911,771</u>	<u>\$ 1,749,260</u>	<u>\$ 1,788,629</u>
Covered payroll	2,640,695	3,267,585	3,267,585
Total OPEB liability as a percentage of covered payroll	72.40%	53.53%	54.74%

Notes to Schedule

OPEB schedules are intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

<u>Fiscal year</u>	<u>Rate</u>
2020	3.50%
2019	3.89%
2018	3.56%

Cabarrus Health Alliance, North Carolina
Schedule of the Alliance's Proportionate Share of the
Net Pension Liability (Asset)
Local Governmental Employees' Retirement System
Last 7 Fiscal Years *
June 30, 2020

	2020	2019	2018	2017	2016	2015	2014
Alliance's proportion of the net pension liability (asset) %	0.182%	0.183%	0.164%	0.167%	0.155%	0.147%	0.143%
Alliance's proportionate share of the net pension liability (asset)	\$ 4,982,567	\$ 4,352,536	\$ 2,507,299	\$ 3,539,206	\$ 697,381	\$ (864,155)	\$ 1,723,699
Alliance's covered payroll	\$ 12,510,414	\$ 12,199,464	\$ 10,589,737	\$ 10,409,469	\$ 9,570,194	\$ 8,896,942	\$ 7,836,461
Alliance's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	39.83%	35.68%	23.68%	34.00%	7.29%	(9.71)%	22.00%
Plan fiduciary net position as a percentage of the total pension liability	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Pension schedules are intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Cabarrus Health Alliance, North Carolina
Schedule of Alliance's Contributions
Local Governmental Employees' Retirement System
Last 7 Fiscal Years
June 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,133,756	\$ 974,473	\$ 919,840	\$ 774,114	\$ 700,557	\$ 682,356	\$ 629,003
Contributions in relation to the contractually required contribution	<u>1,133,756</u>	<u>974,473</u>	<u>919,840</u>	<u>774,114</u>	<u>700,557</u>	<u>682,356</u>	<u>629,003</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Alliance's covered payroll	\$ 12,611,316	\$ 12,510,414	\$ 12,199,464	\$ 10,589,737	\$ 10,409,469	\$ 9,570,194	\$ 8,896,942
Contributions as a percentage of covered payroll	8.99%	7.79%	7.54%	7.31%	6.73%	7.13%	7.07%

Pension schedules are intended to show information for ten years. Additional years' information will be displayed as it becomes available.

This page is intentionally left blank.

*Other Supplementary
Information*

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Revenues:				
<i>Human Services:</i>				
Environmental Health:				
Food & Lodging Grant	\$ 5,000	\$ 55,256	\$ 55,256	\$ -
Contrib - City of Concord - WN	12,000	12,000	12,000	-
Contrib - City of Kannapolis - WN	8,000	8,000	8,000	-
Contrib - Town of Mt. Pleasant - WN	420	420	420	-
Environmental Health Fees	142,878	174,878	199,322	24,444
Temporary Food Establishment Fees	20,000	20,000	17,160	(2,840)
Miscellaneous Revenue	-	412	912	500
Contrib - Cabarrus County - WN	10,762	10,762	10,762	-
Contribution from Cabarrus County	831,461	831,461	831,461	-
Total Environmental Health	1,030,521	1,113,189	1,135,293	22,104
Information Technology Systems:				
Sale of Assets	2,500	3,027	3,027	-
Contribution from Cabarrus County	674,802	674,802	674,802	-
Total Information Tech Systems	677,302	677,829	677,829	-
General Administration:				
Admin to Aid to County Grant	77,791	77,791	77,778	(13)
DSS Dream Center	-	26,695	26,695	-
WIC Dream Center	-	10,793	10,793	-
Program Fees	12,700	4,700	3,870	(830)
NCTN II - Services Fees	4,200,000	1,196,600	1,196,564	(36)
NCTN II - Admin Fees	900,000	356,926	140,468	(216,458)
Dental Dream Center	-	10,793	10,793	-
Interest on Investments	178,000	128,000	104,186	(23,814)
Sale of Capital Assets	50	25	-	(25)
Overages and Shortages	15	15	(133)	(148)
Miscellaneous Revenue	20,000	1,000	300	(700)
Sale of Assets	100	3,325	3,325	-
Northeast Medical Center - Children WIN	-	40,000	40,000	-
Standard Process - Culinary Initiative	100,000	32,878	32,878	-
Forever Oceans	-	-	3,613	3,613
Contribution from Cabarrus County	1,874,877	1,874,877	1,874,877	-
Total General Administration	7,363,533	3,764,418	3,526,006	(238,412)

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Family Care Coordination:				
Adolescent Parenting Program Grant	78,000	78,000	79,133	1,133
Innovative Approaches Grant	165,500	165,500	165,444	(56)
PCM Grant	43,708	43,708	43,708	-
CC4C Grant	44,136	44,136	44,136	-
Medicaid - PPNB	15,000	15,000	12,617	(2,383)
Medicaid - PCM	391,608	391,608	345,434	(46,174)
Medicaid - CC4C	354,444	354,444	319,050	(35,394)
Medicaid Settlement - PPNB	-	398	398	-
Total Family Care Coordination	1,092,396	1,092,794	1,009,919	(82,874)
School Health:				
School Nurse Funding Initiative Grant	50,000	50,000	52,014	2,014
Kids Plus Revenue	2,000	2,716	3,192	476
Cabarrus County School System	12,940	13,390	13,339	(51)
Kannapolis City School System	2,000	3,175	3,136	(39)
Contributions & Private Donations	30,000	44,005	44,005	-
Contribution from Cabarrus County	3,053,426	3,053,426	3,053,426	-
Total School Health	3,150,366	3,166,712	3,169,112	2,400
Health Initiatives:				
10 Essential Services	48,000	48,000	48,013	13
TPPI Grant	75,000	75,000	74,385	(615)
MDPP Grant	230,105	230,105	231,201	1,096
Opioid Mitigation Grant	30,000	30,000	30,000	-
Opioid CLC	-	50,000	54,782	4,782
Health Promotion Grant	30,560	34,706	36,406	1,700
Triple P Grant	97,024	97,024	94,046	(2,978)
Sub Abuse & Mental Hlth Svcs	125,000	125,000	111,625	(13,375)
DHHS/OAH	595,160	595,160	542,692	(52,468)
NCDOT KEYS	150,993	150,993	142,681	(8,312)
Novant Health Foundation - Healthy Rowan	-	-	(7,769)	(7,769)
CCS SSG	-	107,340	164,166	56,826
KCS SSG	-	76,712	55,283	(21,429)
Community Free Clinic	45,000	57,925	49,265	(8,660)
Miscellaneous Revenue - Health Cab	-	10,920	11,070	150
Miscellaneous Revenue - MDPP	-	-	10	10
Contributions & Private Donations - Healthy Cab	-	8,000	8,000	-
NorthEast Medical Center - Healthy Cab	28,500	28,500	26,125	(2,375)
Wake Forest School of Medicine BHEI	-	24,000	23,926	(74)

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
CommunicateHealth MYW	-	29,400	29,400	-
Walmart Foundation HFA	-	26,138	25,620	(518)
Contribution from Cabarrus County	95,194	95,194	95,195	1
Total Health Initiatives	<u>1,550,536</u>	<u>1,900,117</u>	<u>1,846,121</u>	<u>(53,996)</u>
Dental Health:				
Cabarrus Partnership for Children	20,000	30,414	30,414	-
Medicaid - Dental	2,828,200	2,342,938	1,854,458	(488,480)
Medicaid - Settlement Dental	876,000	1,218,658	1,218,656	(2)
Granville Vance Health Department	-	74	68	(6)
Wilson County Health Department	-	10,000	4,113	(5,887)
Contribution - City of Kannapolis	-	2,500	2,500	-
SJYDC	-	15,373	16,510	1,137
Private Insurance	798,000	646,994	647,087	93
Patient Fees	323,000	253,557	272,818	19,261
Miscellaneous Revenue	47,146	5,945	5,943	(2)
Duke Endowment	250,000	250,000	250,000	-
Total Dental Health	<u>5,142,346</u>	<u>4,776,453</u>	<u>4,302,569</u>	<u>(473,884)</u>
Vital Records:				
Contribution from Cabarrus County	49,000	49,000	49,000	-
Total Vital Records	<u>49,000</u>	<u>49,000</u>	<u>49,000</u>	<u>-</u>
Communicable Disease:				
Communicable Disease (CD) Grant	10,734	10,734	10,734	-
Bioterrorism Grant	49,633	49,633	49,633	-
Tuberculosis (TB) Grant	5,194	5,194	5,194	-
STD Prevention	100	100	42	(58)
COVID Crisis Response	-	148,104	148,104	-
STD Drugs	18,089	18,089	2,986	(15,103)
HIV/STD Grant	28,000	28,000	28,000	-
Immunization Action Plan Grant (IAP)	31,010	31,010	31,298	288
US DHHS - COVID	-	-	91,227	91,227
Medicaid - Flu/Pneumonia	16,000	16,000	16,582	582
Medicaid - PrEP Clinic	200	200	-	(200)
Medicaid - CD	30	30	-	(30)
Medicaid - TB	800	1,255	2,800	1,545
Medicaid - COVID	-	-	21,304	21,304
Medicaid - HIV/STD	7,900	7,900	6,447	(1,453)
Medicaid - IAP	23,000	23,000	21,431	(1,569)

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Medicaid Settlement - IT	500	-	-	-
Medicaid Settlement - Flu/Pneumonia	400	8,823	8,822	(1)
Medicaid Settlement - PrEP Clinic	25	57	57	-
Medicaid Settlement - TB	280	330	330	-
Medicaid Settlement - HIV/STD	2,500	3,167	3,167	-
Medicaid Settlement - IAP	25,000	18,316	18,315	(1)
Rowan County Health Department	40,344	40,344	39,895	(449)
Private Insurance - IT	20,000	20,000	15,810	(4,190)
Private Insurance - Flu/Pneumonia	14,000	14,000	10,518	(3,482)
Private Insurance - PrEP Clinic	1,600	1,600	1,335	(265)
Private Insurance - CD	-	-	130	130
Private Insurance - TB	1,500	1,960	2,162	202
Private Insurance - COVID	-	-	80,063	80,063
Private Insurance - HIV/STD	4,186	3,519	1,482	(2,037)
Private Insurance - IAP	69,000	81,500	87,145	5,645
Medicare - IT	-	526	526	-
Medicare - Flu/Pneumonia	50	125	116	(9)
Medicare - TB	50	-	142	142
Medicare - COVID	-	-	27,423	27,423
Medicare - IAP	1,000	1,700	1,686	(14)
Patient Fees - IT	30,000	30,000	24,826	(5,174)
Patient Fees - Flu/Pneumonia	700	765	815	50
Patient Fees - PrEP Clinic	4,000	4,000	2,867	(1,133)
Patient Fees - TB	11,000	11,000	10,380	(620)
Patient Fees - HIV/STD	12,500	12,500	12,092	(408)
Patient Fees - IAP	22,000	15,484	15,427	(57)
Miscellaneous Revenue - CD	2,200	2,200	1,782	(418)
Miscellaneous Revenue - PHP&R	-	651	232	(419)
Miscellaneous Revenue - COVID	-	-	6,168	6,168
Contribution from Cabarrus County - CD	736,846	1,106,386	736,846	(369,540)
Contribution from Cabarrus County - COVID	-	-	443,429	443,429
Total Communicable Disease	1,190,371	1,718,202	1,989,771	271,569

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Clinical Services:				
Maternal Health Grant	83,634	83,634	84,227	593
High Risk Maternity Clinic Grant	26,413	26,413	34,960	8,547
Family Planning Grant	90,295	119,702	121,622	1,920
TANF Grant	16,476	16,476	17,383	907
FP Long Acting Contraception Grant	14,200	14,200	14,200	-
Child Health Grant	26,785	26,785	25,270	(1,515)
Child Fatality Task Force Grant	1,389	1,389	1,389	-
BCCCP Screening Grant	51,000	56,670	73,710	17,040
DHHS - Division of Social Services FSI	132,910	132,910	129,129	(3,781)
Medicaid - Pediatric Primary Care	290,000	277,000	319,155	42,155
Medicaid - Adult Primary Care	19,500	16,750	19,613	2,863
Medicaid - Pregnancy Home	12,500	13,250	13,900	650
Medicaid - OB Clinic	23,900	33,400	40,011	6,611
Medicaid - GYN Clinic	650	231	207	(24)
Medicaid - Connections	164	539	516	(23)
Medicaid - PBH	13,000	14,193	16,498	2,305
Medicaid - Maternal Health	114,300	100,660	124,152	23,492
Medicaid - Family Planning	54,308	49,308	55,740	6,432
Medicaid - Child Health	304,000	294,000	329,472	35,472
Medicaid Settlement - PPC	140,000	196,620	196,619	(1)
Medicaid Settlement - APC	6,000	12,529	12,528	(1)
Medicaid Settlement - Pregnancy Home	50	8,202	8,202	-
Medicaid Settlement - OB Clinic	8,000	18,997	18,997	-
Medicaid Settlement - GYN Clinic	200	569	569	-
Medicaid Settlement - Connections	25	17	16	(1)
Medicaid Settlement - PBH	-	10,406	10,406	-
Medicaid Settlement - MH	56,000	87,478	87,477	(1)
Medicaid Settlement - FP	750	45,689	45,689	-
Medicaid Settlement - CH	165,000	216,376	216,376	-
Carolina Access Case Management	106,500	115,880	129,475	13,595
SJYDC	433,721	429,273	431,753	2,480
Private Insurance - PPC	24,000	27,366	27,510	144
Private Insurance - Adult Primary Care	2,400	2,200	2,360	160
Private Insurance - OB Clinic	100	100	(409)	(509)
Private Insurance - GYN Clinic	270	670	582	(88)
Private Insurance - Connections	75	165	165	-

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Private Insurance - PBH	2,800	5,800	6,275	475
Private Insurance - Maternal Health	13,975	10,975	13,050	2,075
Private Insurance - Family Planning	28,078	17,878	16,067	(1,811)
Private Insurance - Child Health	65,000	60,000	59,675	(325)
Medicare Reimbursement - MH	1,446	50	-	(50)
Patient Fees - Pediatric Primary Care	12,000	17,250	17,164	(86)
Patient Fees - Adult Primary Care	49,519	40,915	43,993	3,078
Patient Fees - OB Clinic	44,000	67,000	76,869	9,869
Patient Fees - GYN Clinic	19,147	29,147	31,651	2,504
Patient Fees - Connections	25	5	-	(5)
Patient Fees - PBH	400	200	275	75
Patient Fees - Maternal Health	10,577	6,577	7,465	888
Patient Fees - Family Planning	19,500	8,000	7,493	(507)
Patient Fees - Child Health	8,200	12,400	12,470	70
Cabarrus County Schools	-	780	780	-
Kannapolis City Schools	-	390	390	-
Miscellaneous Revenue - PPC	200	862	892	30
Miscellaneous Revenue - APC	50	570	570	-
Miscellaneous Revenue - Connections	-	60	60	-
Miscellaneous Revenue - MH	10,000	10,731	10,778	47
Miscellaneous Revenue - FP	50	103	178	75
Miscellaneous Revenue - CH	2,000	2,115	2,207	92
Northeast Medical Center - Peds	-	17,000	17,000	-
Susan G. Komen - BHOEP	60,824	60,824	40,664	(20,160)
Contribution from Cabarrus County	200,000	200,000	200,000	-
Total Clinical Services	2,766,306	3,019,679	3,175,433	155,754
Women, Infants, & Children (WIC):				
WIC - Client Services Grant	378,120	392,913	394,680	1,767
WIC - Nutrition Education Grant	117,850	131,291	130,931	(360)
WIC - Admin Grant	58,923	57,095	57,530	435
WIC - Breastfeeding Grant	34,355	30,062	29,618	(444)
WIC - Breastfeeding Grant - Peer Counsel	26,730	26,730	26,073	(657)
Cabarrus Partnership for Children	-	50,805	50,422	(383)
WIC - Johns Hopkins HPRIL	-	81,011	80,823	(188)
Total WIC	615,978	769,907	770,077	170
Total Revenues	24,628,655	22,048,300	21,651,130	(397,170)

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Expenditures:				
<i>Human Services:</i>				
Environmental Health:				
Salaries and Wages	625,006	600,955	592,191	8,764
Part Time >1000 hours	20,736	28,232	22,406	5,826
Part Time < 1000 hours	73,371	76,549	70,654	5,895
Temporary - Full and Part Time	6,000	6,000	3,392	2,608
Salary Adjustments	18,149	22,777	-	22,777
Social Security	44,250	48,676	41,290	7,386
Medicare	10,349	11,356	9,657	1,699
Group Hospital Insurance	71,773	77,416	61,710	15,706
Health Reimbursement Arrangement	14,256	15,826	12,128	3,698
Retirement	57,137	64,293	54,323	9,970
401k Match	3,594	4,813	4,087	726
Workers' Compensation	16,203	11,809	11,330	479
Office Supplies	1,000	2,900	957	1,943
Printing and Binding	50	100	97	3
Postage	2,000	2,050	2,075	(25)
Minor Office Equipment & Furniture	-	6,000	5,930	70
Automotive Supplies	300	465	490	(25)
Fuel	7,844	2,844	1,992	852
Other Operation Costs	16,500	16,424	12,301	4,123
Special Program Expense	596	1,246	1,109	137
Telephone	9,444	8,244	7,700	544
Auto and Truck Maintenance	2,900	6,375	7,328	(953)
Service Contracts	9,520	8,900	8,801	99
Mileage	546	546	457	89
Training and Education	8,274	2,706	1,899	807
Insurance and Bonds	8,922	7,049	6,694	355
Unemployment Compensation	1,801	1,242	1,176	66
Total Environmental Health	1,030,521	1,035,793	942,173	93,620
Information Technology Systems:				
Salaries and Wages	408,912	419,549	421,743	(2,194)
Part Time > 1000 hours	18,720	120	(120)	240
Contracted Personal Services	-	7,882	7,882	-
Salary Adjustments	13,104	-	-	-
Consultants	10,000	10,721	10,721	-
Social Security	27,326	27,326	25,513	1,813
Medicare	6,391	6,391	5,967	424

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Group Hospital Insurance	31,894	31,894	29,758	2,136
Health Reimbursement Arrangement	6,600	6,600	5,844	756
Retirement	39,622	39,622	37,195	2,427
401k Match	4,220	4,220	4,147	73
Workers' Compensation	1,322	942	-	942
Office Supplies	300	300	57	243
Postage	200	200	200	-
Hardware	134,000	74,000	65,788	8,212
Software	60,000	31,620	32,178	(558)
Telephone	250	-	-	-
Purchased Services	44,800	29,800	27,413	2,387
Service Contracts	179,000	161,500	169,858	(8,358)
Mileage	500	500	242	258
Training & Education	16,000	12,990	11,863	1,127
Insurance & Bonds	5,509	4,129	4,127	2
Unemployment Compensation	750	325	343	(18)
Equipment & Furniture	316,000	292,800	292,705	95
Total Information Tech Systems	1,325,420	1,163,431	1,153,424	10,007
General Administration:				
Salaries and Wages	1,663,978	1,430,924	1,437,502	(6,578)
Part Time > 1000 hours	79,357	81,357	84,460	(3,103)
Part Time < 1000 hours	33,373	33,408	36,794	(3,386)
Temporary - Full and Part Time	8,566	566	-	566
Contracted Personal Services	1,032	6,032	9,088	(3,056)
Salary Adjustments	29,525	-	-	-
Auditors	21,200	21,200	13,700	7,500
Legal Fees	46,364	53,000	65,874	(12,874)
Social Security	103,677	100,234	86,762	13,472
Medicare	24,247	23,556	21,705	1,851
Group Hospital Insurance	144,869	143,862	135,340	8,522
Health Reimbursement Arrangement	28,382	27,702	26,989	713
Retirement	150,229	145,636	133,401	12,235
401k Match	12,808	12,311	11,455	856
Workers' Compensation	5,018	4,169	448	3,721

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Other Benefits	50,000	107,462	115,033	(7,571)
Office Supplies	13,016	18,816	12,870	5,946
Employee Recognition	12,000	8,517	6,657	1,860
QA/QI	110	138	137	1
Printing and Binding	1,124	1,278	590	688
Imaging Expense	4,000	500	-	500
Postage	5,250	5,250	4,044	1,206
Tools & Minor Equipment	500	-	-	-
Minor Office Equipment & Furniture	3,000	9,786	9,786	-
Food	7,774	13,774	5,235	8,539
Automotive Supplies	50	740	233	507
Fuel	1,750	7,250	5,937	1,313
Other Operation Costs	25,734	42,713	3,031	39,682
Special Program Supplies	7,358	23,515	21,211	2,304
Pharmacy	100	100	-	100
Janitorial Supplies	10,000	10,000	10,135	(135)
Building & Equipment Rental	-	18,000	18,000	-
Bank Service Charges	20,000	21,000	21,970	(970)
Lights and Power	152,000	170,000	173,050	(3,050)
Telephone	12,000	9,500	5,929	3,571
Laundry & Dry Cleaning	1,300	1,300	1,102	198
Purchased Services	4,215,000	1,211,600	1,210,886	714
Contracted Services	626,820	173,662	126,998	46,664
Tuition Reimbursement	5,000	4,000	4,795	(795)
Bldg and Ground Maintenance	50,000	61,051	55,672	5,379
Auto & Truck Maintenance	1,400	1,900	1,870	30
Minor Equipment Maintenance	-	70	22	48
Service Contracts	47,000	67,705	52,393	15,312
Mileage	1,328	1,328	522	806
Property Tax	2,200	2,200	1,930	270
Board Travel/Meetings	1,200	1,200	1,200	-
Dues and Subscriptions	14,618	16,497	17,170	(673)
Training & Education	139,280	73,791	72,143	1,648
Insurance and Bonds	20,904	22,980	1,999	20,981
Unemployment Compensation	3,261	2,475	236	2,239
Public Relations	24,000	25,300	19,269	6,031
Recruitment	3,000	3,000	2,297	703
Equipment & Furniture	-	7,527	7,527	-
Total General Administration	7,834,702	4,229,882	4,055,399	174,483

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Family Care Coordination:				
Salaries and Wages	680,065	644,202	648,726	(4,524)
Part Time >1000 hours	32,664	82,252	80,158	2,094
Salary Adjustments	29,920	10,087	-	10,087
Social Security	44,368	45,085	43,379	1,706
Medicare	12,918	10,778	10,145	633
Group Hospital Insurance	80,231	78,725	77,495	1,230
Health Reimbursement Arrangement	22,767	15,278	15,763	(485)
Retirement	63,756	65,358	64,433	925
401k Match	9,810	5,814	5,122	692
Workers' compensation	2,214	2,107	1,606	501
Office Supplies	1,492	7,700	7,531	169
Patient Education Supplies	230	110	135	(25)
Printing and Binding	782	859	887	(28)
Postage	660	1,150	600	550
Minor Office Equipment and Furniture	60	1,200	1,179	21
Food	2,640	3,736	3,683	53
Other Operation Costs	3,644	116,716	116,225	491
Special Program Supplies	7,013	16,096	16,439	(343)
Telephone	11,374	9,172	10,964	(1,792)
Contracted Services	45,668	45,868	45,853	15
Mileage	11,632	7,574	6,264	1,310
Dues and Subscriptions	1,000	480	240	240
Training and Education	12,570	11,709	12,182	(473)
Insurance and Bonds	12,559	7,456	7,046	410
Unemployment Compensation	2,359	1,305	1,320	(15)
Total Family Care Coordination	1,092,396	1,190,817	1,177,374	13,443
School Health:				
Salaries and Wages	395,270	398,081	367,180	30,901
Part Time > 1000 hours	1,917,398	2,047,014	2,001,925	45,089
Part Time < 1000 hours	5,000	-	-	-
Temporary - Full and Part Time	18,387	48,387	41,818	6,569
Salary Adjustments	61,225	1,363	-	1,363
Social Security	151,982	155,091	140,922	14,169
Medicare	34,991	35,720	32,958	2,762
Group Hospital Insurance	216,894	299,394	219,955	79,439
Health Reimbursement Arrangement	44,970	50,090	45,451	4,639
Retirement	214,214	216,855	205,730	11,125
401k Match	13,982	15,561	14,031	1,530

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Workers' Compensation	13,434	14,025	164	13,861
Office Supplies	2,000	2,000	1,656	344
Printing and Binding	800	800	153	647
Postage	200	200	200	-
Minor Office Equipment and Furniture	1,500	1,500	281	1,219
Other Operation Costs	2,000	3,000	2,212	788
Medical Supplies	800	1,800	1,027	773
Telephone	1,500	1,500	1,825	(325)
Contracted Services	6,750	6,750	6,701	49
Minor Equipment Maintenance	55	55	55	-
Mileage	2,750	3,700	3,308	392
Dues and Subscriptions	100	100	-	100
Training and Education	10,400	10,400	4,248	6,152
Insurance and Bonds	29,712	30,444	25,652	4,792
Unemployment Compensation	4,052	5,054	131	4,923
Total School Health	3,150,366	3,348,884	3,117,582	231,302
Health Initiatives:				
Salaries and Wages	715,016	811,735	786,176	25,559
Part Time > 1000 hours	96,014	100,957	116,751	(15,794)
Temporary - Full and Part Time	3,060	3,060	2,877	183
Contracted Personal Services	-	9,000	6,966	2,034
Salary Adjustments	2,041	356	-	356
Social Security	50,484	56,664	55,292	1,372
Medicare	12,379	14,428	12,931	1,497
Group Hospital Insurance	116,875	106,228	84,489	21,739
Health Reimbursement Arrangement	19,566	21,006	16,776	4,230
Retirement	74,322	83,335	79,886	3,449
401k Match	5,727	6,018	5,528	490
Workers' Compensation	2,675	2,879	1,965	914
Office Supplies	2,060	4,798	4,579	219
Printing and Binding	4,636	5,210	4,053	1,157
Postage	-	50	50	-
Minor Office Equipment and Furniture	-	4,625	2,375	2,250
Other Operation Costs	110,682	199,642	155,001	44,641
Special Program Supplies	73,860	89,876	21,237	68,639
Telephone	1,873	2,851	1,833	1,018
Contracted Services	195,681	469,533	502,407	(32,874)
Mileage	7,066	6,259	5,160	1,099
Training and Education	43,323	42,929	37,337	5,592

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Insurance and Bonds	10,418	11,174	8,673	2,501
Unemployment Compensation	2,778	2,491	1,383	1,108
Equipment & Furniture	-	-	34,330	(34,330)
Total Health Initiatives	1,550,536	2,055,104	1,948,057	107,047
Dental Public Health:				
Salaries and Wages	2,766,904	2,345,244	2,283,504	61,740
Part Time > 1000 hours	129,468	220,968	216,057	4,911
Part Time < 1000 hours	49,479	38,014	32,156	5,858
Contracted Personal Services	-	6,992	3,817	3,175
Salary Adjustments	67,388	-	-	-
Social Security	186,433	166,643	132,938	33,705
Medicare	43,601	39,521	35,447	4,074
Group Hospital Insurance	264,101	260,476	244,414	16,062
Health Reimbursement Arrangement	53,592	51,408	48,742	2,666
Retirement	268,655	244,586	221,895	22,691
401k Match	21,950	19,044	17,944	1,100
Workers' Compensation	9,567	8,242	1,003	7,239
Office Supplies	5,900	6,295	5,873	422
Laboratory Supplies	750	750	202	548
Printing and Binding	14,600	8,315	7,660	655
Postage	3,000	3,000	3,000	-
Minor Office Equipment and Furniture	28,000	41,616	40,354	1,262
Automotive Supplies	1,190	160	160	-
Fuel	3,400	1,185	633	552
Software	18,900	17,860	15,779	2,081
Dental Supplies	267,000	265,805	245,099	20,706
Janitorial Supplies	6,000	6,000	4,303	1,697
Building & Equipment Rental	80,800	80,800	76,556	4,244
Lights & Power	13,000	18,000	12,629	5,371
Meeting Expense	600	600	232	368
Telephone	5,500	5,987	6,091	(104)
Purchased Services	5,500	59,906	48,069	11,838
Contracted Services	26,000	50,249	48,508	1,741
Providers Meeting Expense	100	181	181	-
Building and Ground Maintenance	3,000	3,000	4,349	(1,349)
Auto and Truck Maintenance	1,000	2,106	3,316	(1,210)
Minor Equipment Maintenance	25,000	31,740	27,799	3,941
Service Contracts	9,700	11,520	9,875	1,645
Mileage	2,400	2,727	1,041	1,686

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Dues and Subscriptions	13,300	10,261	10,447	(186)
Training & Education	16,000	9,150	7,653	1,497
Insurance and Bonds	37,588	27,139	26,450	689
Unemployment Compensation	6,215	3,830	6	3,824
Equipment & Furniture	210,000	180,368	176,448	3,920
Total Dental Health	4,665,581	4,249,688	4,020,629	229,059
Vital Records:				
Salaries and Wages	39,493	39,493	39,137	356
Salary Adjustments	1,037	1,037	-	1,037
Social Security	2,513	2,513	2,196	317
Medicare	588	588	513	75
Group Hospital Insurance	6,686	6,686	6,474	212
Health Reimbursement Arrangement	1,320	1,320	1,276	44
Retirement	3,157	3,157	3,518	(361)
401k Match	405	405	391	14
Workers' Compensation	122	122	91	31
Office Supplies	500	500	432	68
Postage	-	-	93	(93)
Insurance and Bonds	507	507	406	101
Unemployment Compensation	150	150	97	53
Total Vital Records	56,478	56,478	54,625	1,853
Communicable Disease:				
Salaries and Wages	625,789	1,180,820	1,008,408	172,412
Part Time > 1000 hours	54,013	366,387	388,960	(22,573)
Part Time < 1000 hours	17,177	29,229	33,116	(3,887)
Temporary - Full and Part Time	-	1,200	910	290
Contracted Personal services	-	3,891	3,057	834
Salary Adjustments	19,271	5,921	-	5,921
Social Security	40,113	93,679	85,361	8,318
Medicare	9,966	22,784	20,046	2,738
Group Hospital Insurance	64,219	124,193	118,606	5,587
Health Reimbursement Arrangement	12,434	29,954	23,433	6,521
Retirement	53,546	136,541	125,431	11,110
401k Match	7,534	17,421	9,571	7,850
Workers' Compensation	2,333	3,133	2,385	748
Office Supplies	2,200	2,200	1,898	302
Printing and Binding	300	800	428	372
Postage	555	555	684	(129)

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
International Travel Vaccine	15,000	15,000	29,796	(14,796)
Minor Office Equipment & Furniture	100	100	-	100
Medical Records Supplies	272	272	157	115
Special Program Supplies	2,100	26,100	29,055	(2,955)
Medical Supplies	8,037	8,037	5,539	2,498
Pharmacy	159,789	159,789	156,870	2,919
Telephone	3,600	3,600	4,992	(1,392)
Purchased Services	60,032	60,032	118,731	(58,699)
Contracted Services	1,000	1,000	452	548
Minor Equipment Maintenance	1,500	1,500	-	1,500
Service Contracts	4,682	4,682	4,398	284
Mileage	2,100	2,400	2,889	(489)
Dues and Subscriptions	1,800	1,800	1,657	143
Training and Education	10,440	6,440	3,415	3,026
Insurance and Bonds	8,573	10,583	9,959	624
Unemployment Compensation	1,896	1,746	1,031	715
Total Communicable Disease	1,190,371	2,321,789	2,191,236	130,553
Clinical Services:				
Salaries and Wages	1,061,930	1,119,237	1,100,162	19,075
Part Time > 1000 hours	987,541	1,008,926	888,915	120,011
Part Time < 1000 hours	182,828	220,234	187,193	33,041
Temporary - Full and Part Time	7,777	8,777	3,454	5,323
Contracted Personal services	-	25,148	20,841	4,307
Salary Adjustments	58,270	9,740	-	9,740
Social Security	118,226	145,500	130,597	14,903
Medicare	33,053	33,533	30,773	2,760
Group Hospital Insurance	166,635	170,646	153,957	16,689
Health Reimbursement Arrangement	33,639	36,639	31,809	4,830
Retirement	197,371	194,321	177,289	17,032
401k Match	21,852	22,093	16,356	5,737
Workers' Compensation	7,010	7,065	4,764	2,301
Office Supplies	6,300	4,450	4,252	198
Patient Education Supplies	600	655	515	140
Printing and Binding	500	500	101	399
Postage	4,044	4,320	4,529	(209)
Food	12,580	12,580	12,944	(364)
Medical Records Supplies	700	1,400	763	637
Other Operational Costs	-	-	13	(13)
Special Program Supplies	6,610	11,030	11,912	(882)

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Medical Supplies	20,500	21,500	16,933	4,567
Pharmacy	47,050	55,050	46,248	8,802
Telephone	7,320	7,320	7,320	-
Purchased Services	79,128	105,575	81,224	24,351
Contracted Services	100,877	106,747	141,308	(34,561)
Child Fatality Task Force Expense	1,389	1,389	1,381	8
BCCCP Outreach Expense	-	-	60	(60)
Building and Ground Maintenance	-	4,900	4,378	522
Minor Equipment Maintenance	-	2,500	1,955	545
Service Contracts	7,499	7,499	6,700	799
Mileage	2,024	2,598	1,864	734
Dues and Subscriptions	5,000	5,000	2,710	2,290
Training and Education	26,062	19,963	11,251	8,712
Insurance and Bonds	28,492	28,702	21,130	7,572
Unemployment Compensation	4,268	4,312	3,481	831
Total Clinical Services	3,237,075	3,409,849	3,129,082	280,767

WIC:

Salaries and Wages	299,708	380,395	393,611	(13,216)
Part Time > 1000 hours	126,245	104,277	96,428	7,849
Part Time < 1000 hours	-	1,924	1,924	-
Temporary - Full and Part Time	-	15,659	18,348	(2,689)
Social Security	26,041	33,338	30,425	2,913
Medicare	6,091	9,895	7,116	2,779
Group Hospital Insurance	61,487	61,167	66,032	(4,865)
Health Reimbursement Arrangement	14,139	13,865	6,424	7,441
Retirement	35,861	41,533	43,859	(2,326)
401k Match	2,773	3,326	3,055	271
Workers' Compensation	1,638	1,149	166	983
Office Supplies	15,043	31,069	32,043	(974)
Breast Feeding Grant Expenses	1,834	4,909	4,910	(1)
Printing and Binding	1,200	1,439	1,448	(9)
Postage	3,600	2,695	4,265	(1,570)
Minor Office Equipment & Furniture	-	1,769	1,769	-
Other Operational Costs	-	12,247	12,264	(17)
Telephone	7,316	4,885	4,792	93
Contracted Services	1,200	21,355	20,560	795
Building and Ground Maintenance	-	250	250	-
Service Contracts	-	12,660	12,660	-
Mileage	1,200	1,124	1,013	111

Cabarrus Health Alliance, North Carolina
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2020

	2020			
	Original Budget	Revised Budget	Actual	Variance
Training & Education	4,075	2,813	2,813	-
Insurance and Bonds	5,251	4,942	740	4,202
Unemployment Compensation	1,276	1,222	215	1,007
Total WIC	<u>615,978</u>	<u>769,907</u>	<u>767,127</u>	<u>2,780</u>
<i>Total Human Services</i>	<u>25,749,424</u>	<u>23,831,622</u>	<u>22,556,709</u>	<u>1,274,913</u>
Total Expenditures	<u>25,749,424</u>	<u>23,831,622</u>	<u>22,556,709</u>	<u>1,274,913</u>
Excess (deficiency) of revenues over (under) expenditures before special item	<u>(1,120,769)</u>	<u>(1,783,322)</u>	<u>(905,579)</u>	<u>877,743</u>
Other financing sources (uses):				
Fund balance appropriated	<u>1,120,769</u>	<u>1,783,322</u>	<u>-</u>	<u>(1,783,322)</u>
Special item (see Note V.4)	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>
Total other financing sources	<u>1,120,769</u>	<u>1,783,322</u>	<u>-</u>	<u>(1,783,322)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(705,579)</u>	<u>\$ (705,579)</u>
Fund balance, July 1			<u>9,069,140</u>	
Fund balance, June 30			<u>\$ 8,363,561</u>	

Cabarrus Health Alliance, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Governmental funds capital assets:		
Furniture and Fixtures	\$ 391,287	\$ 383,760
Vehicles	536,452	415,416
Equipment	1,398,788	1,081,322
Leasehold Improvement	<u>600,505</u>	<u>600,505</u>
Total governmental funds capital assets	<u>\$ 2,927,032</u>	<u>\$ 2,481,003</u>
Investments in governmental funds capital assets by source:		
General fund	<u>\$ 2,927,032</u>	<u>\$ 2,481,003</u>

Cabarrus Health Alliance, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
June 30, 2020

<u>Function and Activity</u>	Furniture and Fixtures		Vehicles	Equipment	Leasehold Improvement	Total
Human Services:						
Administrative Services	\$ 376,747	\$ 66,981	\$ 759,876	\$ -	\$ 1,203,604	
Environmental Health	5,263	229,214	-	-	234,477	
Dental Health	-	240,257	517,424	600,505	1,358,186	
Communicable Disease	-	-	20,017	-	20,017	
Family Care Coordination	9,277	-	-	-	9,277	
Health Initiatives	-	-	-	-	-	
School Health	-	-	7,495	-	7,495	
Clinical Services	-	-	93,976	-	93,976	
Total governmental funds capital assets	<u>\$ 391,287</u>	<u>\$ 536,452</u>	<u>\$ 1,398,788</u>	<u>\$ 600,505</u>	<u>\$ 2,927,032</u>	

Cabarrus Health Alliance, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity
By Function and Activity
For the fiscal year ended June 30, 2020

<u>Function and Activity</u>	<u>Governmental Funds Capital Assets June 30, 2019</u>	<u>Additions</u>	<u>Decreases</u>	<u>Governmental Funds Capital Assets June 30, 2020</u>
Human Services:				
Administrative Services	\$ 914,725	\$ 300,232	\$ 11,354	\$ 1,203,603
Environmental Health	253,774	-	19,297	234,477
Dental Health	1,181,739	176,448	-	1,358,187
Communicable Disease	20,017	-	-	20,017
Family Care Coordination	9,277	-	-	9,277
Health Initiatives	-	34,330	34,330	-
School Health	7,495	-	-	7,495
Clinical Services	93,976	-	-	93,976
	<u>\$ 2,481,003</u>	<u>\$ 511,010</u>	<u>\$ 64,981</u>	<u>\$ 2,927,032</u>
Total governmental funds capital assets	<u>\$ 2,481,003</u>	<u>\$ 511,010</u>	<u>\$ 64,981</u>	<u>\$ 2,927,032</u>

This page is intentionally left blank.

Statistical Section

Statistical Section Contents

The information presented in this section is provided for additional analysis purposes only and has not been subjected to audit verification as presented. Information provided for either the Cabarrus Health Alliance (CHA) or Cabarrus County where appropriate.

Financial Trends - These tables contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.

Net Position by Component	(CHA)	Table 1
Changes in Net Position	(CHA)	Table 2
Fund Balances of Government Funds	(CHA)	Table 3
Changes in Fund Balances of Governmental Funds	(CHA)	Table 4

Revenue Capacity - These tables contain information to help the reader assess the government’s most significant local revenue sources.

Principal Sources of Revenue	(CHA)	Table 5
Intergovernmental Revenue by Source	(CHA)	Table 6
Clinical and Dental Health Revenue From Fees for Services	(CHA)	Table 7

Demographic and Economic Information - These tables offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.

Demographic and Economic Statistics	(County)	Table 8
Principal Employers	(County)	Table 9

Operating Information - These tables contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.

Full-time Equivalent Local Government Employees by Function	(CHA)	Table 10
Operating Indicators by Functional Area	(CHA)	Table 11
Capital Asset Statistics by Function	(CHA)	Table 12

Cabarrus Health Alliance, North Carolina
Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 1

	Fiscal Year									
	2011	2012	2013	2014 *	2015	2016	2017 *	2018	2019	2020
Governmental activities										
Net invested in capital assets	\$ 725,114	\$ 1,152,374	\$ 959,140	\$ 771,532	\$ 698,177	\$ 591,994	\$ 415,038	\$ 454,265	\$ 332,666	\$ 621,966
Restricted	2,936,461	4,077,601	982,679	900,338	1,768,998	2,079,353	2,496,308	889,823	3,097,700	1,175,395
Unrestricted	4,428,335	2,587,525	5,305,575	5,782,236	4,312,657	4,819,120	5,157,603	5,904,428	3,509,305	3,860,514
Total governmental activities net position	<u>\$ 8,089,910</u>	<u>\$ 7,817,500</u>	<u>\$ 7,247,394</u>	<u>\$ 7,454,106</u>	<u>\$ 6,779,832</u>	<u>\$ 7,490,467</u>	<u>\$ 8,068,949</u>	<u>\$ 7,248,516</u>	<u>\$ 6,939,671</u>	<u>\$ 5,657,875</u>

* Amount at end of year 2014 was adjusted due to GASB 68 implementation.

* Amount at end of year 2017 was adjusted due to GASB 75 implementation.

Cabarrus Health Alliance, North Carolina
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2
pg 1 of 2

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
Administrative Services	\$ 7,973,542	\$ 12,426,418	\$ 5,970,016	\$ 5,898,932	\$ 5,319,606	\$ 5,195,621	\$ 6,681,301	\$ 7,324,315	\$ 7,221,834	\$ 4,985,699
Environmental Health	732,633	677,122	720,909	785,703	879,761	898,265	1,164,693	1,144,787	1,177,326	1,250,930
Dental Health	2,077,887	1,954,068	2,279,009	2,490,669	2,839,574	2,929,599	3,200,294	3,717,865	3,989,916	4,183,756
Women, Infants, and Children	1,004,927	953,489	940,163	939,623	881,758	873,468	923,790	825,282	778,148	907,967
Communicable Disease	941,896	819,843	916,609	959,162	989,202	1,127,834	1,148,149	1,122,545	1,227,655	2,332,075
Clinical Services	3,298,894	3,215,255	3,431,642	2,774,493	2,622,297	2,865,430	3,458,530	3,539,216	3,351,255	3,551,599
Family Care Coordination	769,200	967,835	1,044,584	834,573	853,351	1,001,684	976,506	1,022,194	1,109,802	1,318,213
Health Initiatives	852,359	738,049	904,654	836,081	1,588,363	2,484,054	2,952,476	2,166,182	2,336,941	2,054,566
School Health	2,027,298	1,730,693	1,883,640	2,329,640	2,302,709	2,530,354	2,702,923	2,817,892	2,994,671	3,117,832
Total governmental activities	19,678,636	23,482,772	18,091,226	17,848,876	18,276,621	19,906,309	23,208,662	23,680,278	24,187,548	23,702,637
Program Revenues										
Governmental activities:										
Charges for services:										
Administrative Services	66,742	27,775	249,689	100,575	2,116,259	2,374,735	3,796,299	4,582,349	4,111,300	1,340,902
Environmental Health	134,355	141,157	164,353	169,520	191,891	200,365	236,375	246,785	203,853	216,482
Dental Health	2,148,088	2,720,341	2,917,617	3,046,369	3,004,364	3,614,742	4,243,091	4,134,845	4,360,905	3,706,258
Communicable Disease	256,713	342,786	325,160	382,902	337,654	320,002	313,517	306,246	279,071	402,382
Clinical Services	3,037,185	1,906,278	2,285,443	2,382,962	2,029,671	2,540,478	1,972,953	2,081,804	1,848,825	2,095,620
Family Care Coordination	342,101	918,353	690,633	652,654	747,659	739,070	757,380	763,718	808,448	677,498
Health Initiatives	12,769	3,996	250	-	-	-	-	-	-	-
School Health	889,703	937,787	5,399	10,649	22,566	70,780	78,276	18,838	24,977	19,667
Total charges for services	6,887,656	6,998,473	6,638,544	6,745,631	8,450,064	9,860,172	11,397,891	12,134,585	11,637,379	8,458,809
Capital grants and contributions:										
Administrative services	4,147,720	8,220,193	87,418	-	-	-	-	-	-	-
Total capital grants and contributions	4,147,720	8,220,193	87,418	-						
Operating grants and contributions:										
Administrative Services	3,579,193	2,504,682	3,975,759	4,077,734	3,276,664	2,538,893	2,199,560	2,635,180	2,697,556	2,801,229
Environmental Health	617,864	568,136	630,877	705,993	721,823	729,461	853,542	933,242	874,034	917,899
Dental Health	52,884	212,833	122,235	76,894	241,073	32,000	44,066	16,415	96,878	282,914
Women, Infants, and Children	988,946	932,991	932,182	940,372	863,562	857,157	846,912	737,292	711,948	770,077
Communicable Disease	278,556	558,375	662,049	643,538	661,518	735,926	758,224	753,143	872,417	1,587,388
Clinical Services	1,016,717	813,398	489,140	554,314	484,695	482,603	895,728	1,002,947	982,250	1,191,306
Family Care Coordination	558,735	466,182	401,406	278,830	230,540	329,266	299,185	307,706	291,955	332,421
Health Initiatives	811,096	751,946	875,179	885,885	1,534,880	2,530,597	3,056,789	2,230,852	2,504,272	1,835,042
School Health	626,351	766,973	1,851,310	2,328,117	2,204,597	2,454,824	3,340,532	2,832,120	2,983,554	3,149,445
Total operating grants and contributions	8,530,342	7,575,516	9,940,137	10,491,677	10,219,352	10,690,727	12,294,538	11,448,897	12,014,864	12,867,721
Total governmental activities program revenues	\$ 19,565,718	\$ 22,794,182	\$ 16,666,099	\$ 17,237,308	\$ 18,669,416	\$ 20,550,899	\$ 23,692,429	\$ 23,583,482	\$ 23,652,243	\$ 21,326,530

Cabarrus Health Alliance, North Carolina
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2
pg 2 of 2

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Governmental activities	(112,918)	(688,590)	(1,425,127)	(611,568)	392,795	644,590	483,767	(96,796)	(535,305)	(2,376,107)
Total governmental activities net (expense)/revenue	<u>(112,918)</u>	<u>(688,590)</u>	<u>(1,425,127)</u>	<u>(611,568)</u>	<u>392,795</u>	<u>644,590</u>	<u>483,767</u>	<u>(96,796)</u>	<u>(535,305)</u>	<u>(2,376,107)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Unrestricted investment earnings	4,479	2,176	12,948	2,033	6,283	18,393	34,710	95,743	180,096	104,186
Miscellaneous	167,482	414,004	842,073	816,247	21,333	47,652	60,005	55,723	46,364	(9,875)
Special item (see Note V.4)	-	-	-	-	-	-	-	-	-	1,000,000
Total governmental activities	<u>171,961</u>	<u>416,180</u>	<u>855,021</u>	<u>818,280</u>	<u>27,616</u>	<u>66,045</u>	<u>94,715</u>	<u>151,466</u>	<u>226,460</u>	<u>1,094,311</u>
Change in Net Position										
Governmental activities:										
Changes in Net Position	59,043	(272,410)	(570,106)	206,712	420,411	710,635	578,482	54,670	(308,845)	(1,281,796)
Total governmental activities	<u>\$ 59,043</u>	<u>\$ (272,410)</u>	<u>\$ (570,106)</u>	<u>\$ 206,712</u>	<u>\$ 420,411</u>	<u>\$ 710,635</u>	<u>\$ 578,482</u>	<u>\$ 54,670</u>	<u>\$ (308,845)</u>	<u>\$ (1,281,796)</u>

Cabarrus Health Alliance, North Carolina
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 3

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable:										
Prepaid items	\$ 50,482	\$ 70,326	\$ -	\$ 91,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for:										
Stabilization by State Statute	2,616,461	3,757,601	982,679	900,338	1,768,998	2,079,353	2,496,308	889,823	3,097,700	1,175,395
Future Equipment Purchases	320,000	320,000	-	-	-	-	-	-	-	-
Total Restricted	2,936,461	4,077,601	982,679	900,338	1,768,998	2,079,353	2,496,308	889,823	3,097,700	1,175,395
Assigned:										
Subsequent year's expenditures	10,000	135,439	102,819	185,000	241,458	215,000	301,581	1,038,299	1,120,769	901,167
Unassigned:	3,676,820	2,943,640	5,750,707	6,043,880	5,210,004	5,491,388	6,130,852	7,128,914	4,850,671	6,286,999
Total General Fund	\$ 6,673,763	\$ 7,227,006	\$ 6,836,205	\$ 7,220,310	\$ 7,220,460	\$ 7,785,741	\$ 8,928,741	\$ 9,057,036	\$ 9,069,140	\$ 8,363,561

Cabarrus Health Alliance, North Carolina
Changes in Fund Balances, General Fund
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 4

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Intergovernmental	\$ 12,512,641	\$ 13,152,433	\$ 14,343,742	\$ 14,560,281	\$ 14,284,166	\$ 16,549,263	\$ 18,101,093	\$ 16,966,106	\$ 17,295,311	\$ 17,817,152
Permits and fees	134,350	141,150	164,353	170,490	191,891	200,365	236,375	246,785	203,853	216,482
Sales and services	2,205,176	2,372,292	2,370,785	2,623,359	3,792,167	3,611,864	4,980,099	6,011,996	5,511,051	2,851,704
Investment earnings	4,479	2,176	12,948	2,033	6,283	18,393	34,710	95,743	180,096	104,186
Miscellaneous	38,896	37,543	59,561	52,934	69,854	73,868	74,533	71,982	65,673	47,321
Donations/Contributions	458,318	478,343	373,321	545,289	379,325	109,097	421,282	422,891	646,041	614,285
Total Revenues	15,353,860	16,183,937	17,324,710	17,954,386	18,723,686	20,562,850	23,848,092	23,815,503	23,902,025	21,651,130
Expenditures										
<i>Human Services:</i>										
Environmental Health	708,289	658,206	717,627	804,581	853,500	863,211	1,016,611	1,023,662	940,537	942,173
Information Technology Systems	1,287,438	864,318	907,659	1,024,725	862,220	686,960	713,288	838,463	958,323	1,153,424
General Administration	2,530,848	2,782,339	4,746,977	4,661,955	4,930,589	4,989,222	6,245,407	7,112,525	6,881,284	4,055,399
Family Care Coordination	767,123	965,971	1,042,419	841,031	847,335	982,591	936,255	978,968	1,040,588	1,177,374
School Health	2,025,221	1,728,829	1,881,475	2,327,439	2,298,548	2,513,116	2,664,527	2,825,137	2,994,421	3,117,582
Health Initiatives	848,206	736,185	902,489	833,880	1,584,202	2,466,816	2,914,080	2,124,811	2,268,964	1,948,057
Dental Public Health	2,019,558	2,150,667	2,183,911	2,389,765	2,854,397	2,757,956	2,982,327	3,523,777	3,723,191	4,020,629
Vital Records	37,512	39,577	47,271	48,026	50,098	50,755	51,579	62,420	65,439	54,625
Communicable Disease	949,816	811,109	907,273	949,754	977,061	1,091,130	1,109,753	1,081,174	1,159,678	2,191,236
Clinical Services	3,262,847	3,207,090	3,406,339	2,756,106	2,592,151	2,756,821	3,224,268	3,373,731	3,147,325	3,129,082
Women, Infants, & Children	996,620	946,032	933,666	933,019	873,435	838,991	846,997	742,540	710,171	767,128
Total Expenditures	15,433,478	14,890,323	17,677,106	17,570,281	18,723,536	19,997,569	22,705,092	23,687,208	23,889,921	22,556,709
Excess of revenues over (under)										
expenditures before special item	(79,618)	1,293,614	(352,396)	384,105	150	565,281	1,143,000	128,295	12,104	(905,579)
Transfers to other funds	-	(740,371)	(38,405)	-	-	-	-	-	-	-
Special item (see Note V.4)	-	-	-	-	-	-	-	-	-	200,000
Net change in fund balances	\$ (79,618)	\$ 553,243	\$ (390,801)	\$ 384,105	\$ 150	\$ 565,281	\$ 1,143,000	\$ 128,295	\$ 12,104	\$ (705,579)

Cabarrus Health Alliance, North Carolina
Principal Sources of Revenue
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 5

Fiscal Year	Intergovernmental Revenue	Permits & Fees	Sales & Services	Investment Earnings	Miscellaneous	Contributions	Total Revenue
2011	12,512,641	134,350	2,205,176	4,479	38,896	458,318	15,353,860
2012	13,152,433	141,150	2,372,292	2,176	37,543	478,343	16,183,937
2013	14,343,742	164,353	2,370,785	12,948	59,561	373,321	17,324,710
2014	14,560,281	170,490	2,623,359	2,033	52,934	545,289	17,954,386
2015	14,284,166	191,891	3,792,167	6,283	69,854	379,325	18,723,686
2016	16,549,263	200,365	3,611,864	18,393	73,868	109,097	20,562,850
2017	18,101,093	236,375	4,980,099	34,710	74,533	421,282	23,848,092
2018	16,966,106	246,785	6,011,996	95,743	71,982	422,891	23,815,503
2019	17,295,311	203,853	5,511,051	180,096	65,673	646,041	23,902,025
2020	17,817,152	216,482	3,051,704	104,186	47,321	614,285	21,851,130

Cabarrus Health Alliance, North Carolina
Intergovernmental Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 6

Fiscal Year	State & Federal Grants	Medicaid & Medicare Revenue	Medicaid Settlement	Cabarrus County Contributions	Other Local Governmental Contributions	Total Revenue
2011	3,849,663	2,815,003	1,625,612	4,147,969	74,394	12,512,641
2012	2,840,104	4,017,496	2,044,932	4,242,711	7,190	13,152,433
2013	3,997,405	4,020,473	1,072,270	5,249,177	4,417	14,343,742
2014	3,394,552	3,670,013	1,574,036	5,907,933	13,747	14,560,281
2015	3,499,698	4,257,245	793,072	5,713,868	20,283	14,284,166
2016	4,476,165	4,223,454	1,675,719	6,011,824	162,101	16,549,263
2017	5,076,783	4,913,410	1,231,391	6,343,345	536,164	18,101,093
2018	3,831,610	4,578,145	1,297,066	6,729,671	529,614	16,966,106
2019	3,953,382	4,029,767	1,599,316	7,035,312	677,534	17,295,311
2020	3,498,771	3,678,756	1,846,623	7,969,798	823,204	17,817,152

Cabarrus Health Alliance, North Carolina
Clinical and Dental Health Revenue From Fees for Services
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 7

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Clinical Services										
Medicaid	\$ 1,000,633	\$ 1,458,757	\$ 1,302,977	\$ 1,122,145	\$ 1,106,085	\$ 1,131,722	\$ 1,280,059	\$ 1,153,785	\$ 989,180	\$ 987,830
Medicare	2,633	1,658	2,899	4,831	2,955	1,173	2,957	2,670	4,159	29,893
Private Insurance	170,213	210,997	238,099	252,271	251,760	264,710	233,585	226,692	275,792	323,919
Patient Fees	228,778	226,269	269,023	296,851	290,247	301,488	332,447	299,927	292,533	286,653
Total Clinical Services	1,402,257	1,897,681	1,812,998	1,676,098	1,651,047	1,699,093	1,849,048	1,683,074	1,561,664	1,628,295
Dental Services										
Medicaid	1,542,520	1,846,641	1,705,951	1,744,358	2,211,208	2,221,649	2,569,061	2,529,382	2,126,063	1,854,458
Private Insurance	415,588	430,212	447,610	433,045	396,609	511,239	582,438	684,298	690,539	647,087
Patient Fees	72,993	122,443	215,680	218,218	212,059	212,049	237,279	262,506	298,167	278,762
Total Dental Services	2,031,101	2,399,296	2,369,241	2,395,621	2,819,876	2,944,937	3,388,778	3,476,186	3,114,769	2,780,307
Total Fees for Services	\$ 3,433,358	\$ 4,296,977	\$ 4,182,239	\$ 4,071,719	\$ 4,470,923	\$ 4,644,030	\$ 5,237,826	\$ 5,159,260	\$ 4,676,433	\$ 4,408,602

Cabarrus Health Alliance, North Carolina
Cabarrus County Demographic and Economic Statistics
Last Ten Fiscal Years

Table 8

<u>Year</u>	<u>Population⁽¹⁾</u>	<u>Personal Income⁽²⁾</u>	<u>Per Capita Personal Income⁽²⁾</u>	<u>Public School Enrollment⁽³⁾</u>	<u>Unemployment Rate⁽⁴⁾</u>	<u>Number of Building Inspections Performed⁽⁵⁾</u>
2011	180,794	6,057,692	33,926	34,096	10.10%	23,241
2012	183,806	6,453,148	35,561	34,588	9.20%	26,565
2013	186,446	7,025,450	38,079	35,125	8.80%	30,780
2014	187,226	7,301,723	39,000	34,763	6.00%	42,541
2015	192,103	7,399,908	38,521	34,609	5.50%	46,267
2016	196,762	8,286,025	41,103	35,376	4.60%	55,741
2017	201,590	9,085,784	43,920	36,669	3.90%	57,485
2018	206,872	9,556,853	45,220	33,877	3.80%	61,400
2019	211,342	*	*	32,955	4.00% **	64,131
2020	216,453	*	*	33,579	3.60% **	71,036

* Information not yet available. Information for calendar year 2019 will be available November 16, 2020.

**Fiscal Year 2020 is as of June 30, 2020

Notes:

(1) United States Census Bureau

(2) Bureau of Economic Analysis, U. S. Department of Commerce. Figures are for the prior calendar year

(3) Public Schools of North Carolina/State Board of Education reported the County Official Statements

(4) N. C. Employment Security Commission, Annual Average for prior calendar year.

(5) Total number of inspections performed by Cabarrus County Inspections Department. Does not include inspections by municipalities.

**Cabarrus Health Alliance, North Carolina
Cabarrus County Principal Employers
Current Year and Nine Years Ago**

Table 9

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Atrium Health (formerly Carolinas HealthCare)	4,269	1	4.14%	4,500	1	5.35%
Cabarrus County Schools	3,964	2	3.85%	3,800	3	4.52%
Amazon	2,500	3	2.43%	-	-	-
Wal-Mart	1,200	4	1.16%	-	-	-
Cabarrus County Government	1,196	5	1.16%	975	4	1.16%
City of Concord	1,078	6	1.05%	925	5	1.10%
Shoe Show	1,000	7	0.97%	700	9	0.83%
Food Lion	750	8	0.73%	-	-	0.00%
Kannapolis City Schools	724	9	0.70%	750	8	0.89%
Corning	650	10	0.63%	-	-	-
Concord Mills Mall	-	-	-	4,000	2	4.76%
Tele Tech (formerly Connexions or Optum)	-	-	-	900	6	1.07%
State of North Carolina	-	-	-	771	7	0.92%
Hendricks Motorsports	-	-	-	500	10	0.59%
Total	17,331		16.83%	17,821		21.19%

Source:

NC Employment Security Commission, Cabarrus County Economic Development Corporation and FY 2010 CAFR

Cabarrus Health Alliance, North Carolina
Full-time Equivalent Local Government Employees by Function
Last Ten Fiscal Years

Table 10

Function/Program	Full-time Equivalent Employees as of June 30									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Administrative Services	30	31	43	46	46	27	30	29	26	25
Environmental Health	9	9	10	11	11	12	14	12	15	13
Dental Health	20	25	25	26	26	29	27	39	35	37
Women, Infants, and Children	21	22	19	18	18	16	15	13	11	14
Communicable Disease	11	9	12	10	10	10	14	9	9	14
Clinical Services	52	57	50	43	43	38	36	40	39	42
Family Care Coordination	11	15	13	13	13	12	13	14	13	14
Health Initiatives	9	9	13	21	21	19	23	21	18	16
School Health	<u>50</u>	<u>50</u>	<u>49</u>	<u>49</u>	<u>49</u>	<u>48</u>	<u>49</u>	<u>53</u>	<u>53</u>	<u>60</u>
Total	<u>213</u>	<u>227</u>	<u>234</u>	<u>237</u>	<u>237</u>	<u>211</u>	<u>221</u>	<u>230</u>	<u>219</u>	<u>235</u>

Source: Cabarrus Health Alliance Finance Department
 Breakdown of Function/Program established 2004 by Local Government Commission.

Note: Vacant positions are included in the above numbers.
 Full time personnel work 2,080 hours per year (less vacation and sick leave).

Cabarrus Health Alliance, North Carolina
Operating Indicators by Functional Area/Project
Last Ten Fiscal Years

Table 11

<u>Functional Area</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Administrative Activities										
Human Resources - retention rate (% resignations)	10.3%	10.5%	10.4%	8.2%	7.5%	8.6%	11.1%	7.4%	3.9%	9.0%
Finance - accounts payable checks issued	2,505	2,492	2,839	3,084	3,057	3,185	4,001	3,624	3,762	3,081
Environmental Health										
Environmental health - permits and/or inspections	3,159	1,996	2,732	1,742	1,887	1,927	2,062	2,101	2,076	1,858
Food & Lodging - inspections and/or consultation	2,403	3,119	3,328	3,463	3,520	3,610	3,727	2,756	3,734	3,122
Dental Health										
Smart Start Dental - # of children served	1,125	3,187	3,419	3,663	2,612	20	10	11	18	6
Dental Clinic - # encounters	15,411	16,471	18,157	18,889	20,099	20,764	22,668	24,676	23,321	19,415
Women, Infants, and Children										
Avg participation of state assigned caseload/mo	4,658	4,826	4,730	4,521	4,235	4,062	3,661	3,251	2,900	3,220
Communicable Disease										
STD - # of clients seen for STDs	1,404	1,397	1,067	1,046	929	973	1,087	916	1,707	1,377
AIDS Case Management - # case mgmt clients	93	**25	n/a							
International Travel - # of clients seen	317	305	471	494	380	483	573	307	513	302
Flu/Pneumonia - # doses given	2,402	1,810	2,028	1,958	1,885	1,968	2,199	1,956	1,945	1,966
Tuberculosis - # of skin tests given	734	831	958	858	757	705	772	647	994	555
Clinical Services										
Maternal Health - # of client visits	7,379	5,747	5,416	4,616	3,395	4,006	4,188	4,481	4,183	3,147
BCCCP/WW - # of clients served	235	281	233	347	347	341	299	345	309	190
Family Planning - # of clients served	1,954	2,090	2,051	970	971	1,130	1,081	1,097	974	915
Child Health - # of clients served	2,532	2,270	2,362	2,071	2,398	2,460	2,550	2,947	2,972	3,147
Family Care Coordination										
Intensive Home Visiting - # of visits	1,974	1,008	1,085	850	-	250	235	105	102	111
Mat Care Coordination - # of units (4 units/hr)	*2,280	n/a								
Child Service Coordination - # of units	*2,025	n/a								
Care Coordination for Children - # of direct patient centered interaction:	***106	3,878	7,381	7,902	4,248	5,170	4,382	4,398	6,393	1,718^
Pregnancy Care Management - # of direct patient centered interactions	***104	1,876	6,189	6,033	3,249	3,445	3,607	3,606	6,937	1,347^
Health Initiatives										
TRAIL - # participants reached per year	n/a	n/a	n/a	n/a	n/a	77	1,684	1,131	1,200	n/a
Teen Tobacco Use Prevention & Cessation - # of middle school participants receiving Project TNT 10-day course	2,133	2,431	n/a							
TPPI - # participants reach per year	n/a	108	137	107	111	212	236	162	140	105
Triple P - # provider training slots filled	n/a	n/a	40	50	51	79	29	30	20	3
REACH - # participants reached per year	n/a	n/a	n/a	n/a	90,678	90,800	98,437	102,102	n/a	n/a
STARS - # participants reached per year	n/a	n/a	n/a	n/a	87	210	402	n/a	n/a	n/a
Healthy PALS - # participants reached per year	n/a	n/a	n/a	n/a	n/a	n/a	118,140	36,791	27,614	n/a
Other Services										
School Health - # of students seen by nurse	118,813	110,523	120,139	110,217	111,953	123,220	145,592	141,127	144,664	103,676
Day Care - # children served	3,847	n/a								

Source: Cabarrus Health Alliance Departments

Notes: n/a - program/project no longer needed or not budgeted for that particular year

*Program ended 2/28/2011

**Program ended 2/29/2012

***Program started 3/1/2011

^Program reporting changed from #patient tasks to #centered interactions

Cabarrus Health Alliance, North Carolina
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 12

<u>Function</u>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Administrative Services										
Furniture and Fixtures	5	9	9	9	10	11	11	12	12	13
Vehicles	12	12	11	11	10	10	8	7	6	6
Equipment	13	16	16	17	19	19	20	18	19	29
Land	-	-	-	-	-	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-	-	-	-	-
Environmental Health										
Vehicles	9	9	9	11	10	15	10	14	14	12
Furniture and Fixtures	-	-	-	-	-	1	1	1	1	1
Dental Health										
Vehicles	1	1	1	1	2	2	2	2	1	2
Equipment	12	40	40	40	45	45	46	46	46	48
Leasehold Improvements	3	3	3	3	3	3	3	3	3	3
Communicable Disease										
Equipment	5	5	5	5	5	5	3	3	2	2
Clinical Services										
Equipment	6	10	10	10	10	10	10	10	10	10
Health Initiatives										
Equipment	1	-	-	-	-	-	-	-	-	4
Family Care Coordination										
Furniture and Fixtures	-	-	-	1	1	1	1	1	1	1
School Health										
Equipment	-	-	-	-	-	-	-	1	1	1
	67	105	104	107	114	121	114	118	116	132

Compliance Section



POTTER & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

**Report On Internal Control Over Financial Reporting And On Compliance and Other Matters
Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing
Standards***

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cabarrus Health Alliance
Kannapolis, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities and each major fund of the **Cabarrus Health Alliance**, a component unit of Cabarrus County, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprises the Cabarrus Health Alliance's basic financial statements, and have issued our report thereon dated October 19, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the **Cabarrus Health Alliance's** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the **Cabarrus Health Alliance's** internal control. Accordingly, we do not express an opinion on the effectiveness of the Alliance's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the **Cabarrus Health Alliance's** financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do

not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

October 19, 2020
Monroe, North Carolina

A handwritten signature in cursive script that reads "Pette & Company". The signature is written in dark ink and is positioned to the right of the date and location text.



POTTER & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; In Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cabarrus Health Alliance
Concord, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the **Cabarrus Health Alliance's**, a component unit of Cabarrus County, North Carolina, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the **Cabarrus Health Alliance's** major federal programs for the year ended June 30, 2020. The **Cabarrus Health Alliance's** major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the **Cabarrus Health Alliance's** major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the **Cabarrus Health Alliance's** compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the **Cabarrus Health Alliance's** compliance.

Opinion on Each Major Federal Program

In our opinion, the **Cabarrus Health Alliance** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the **Cabarrus Health Alliance** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the **Cabarrus Health Alliance's** internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Alliance's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

October 19, 2020
Monroe, North Carolina





POTTER & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; In Accordance With OMB Uniform Guidance; and the State Single Audit Implementation Act

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cabarrus Health Alliance
Concord, North Carolina

Report on Compliance for Each Major State Program

We have audited the **Cabarrus Health Alliance's**, a component unit of Cabarrus County, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the **Cabarrus Health Alliance's** major state programs for the year ended June 30, 2020. The **Cabarrus Health Alliance's** major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs..

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the **Cabarrus Health Alliance's** major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and applicable sections of Title 2 *US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the **Cabarrus Health Alliance's** compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the **Cabarrus Health Alliance's** compliance.

Opinion on Each Major State Program

In our opinion, the **Cabarrus Health Alliance** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the **Cabarrus Health Alliance** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the **Cabarrus Health Alliance's** internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Alliance's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

October 19, 2020
Monroe, North Carolina

Potte & Company

CABARRUS HEALTH ALLIANCE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

Section I. Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses yes X none reported

Noncompliance material to financial statements noted yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses yes X none reported

Noncompliance material to federal awards yes X no

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) yes X no

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
93.297	Teen Pregnancy Prevention Program
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? X yes no

State Awards

Internal control over major State programs:

- Material weakness(es) identified? yes X no

**CABARRUS HEALTH ALLIANCE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020**

-
- Significant deficiency(s) identified that are not considered to be material weaknesses _____ yes X none reported

Noncompliance material to State awards _____ yes X no

Type of auditors' report issued on compliance for major State programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act _____ yes X no

Identification of major State programs:

Program Name
CHA/CHIP Peer Review (General Aid)
Minority Diabetes Prevention Program

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings and Questioned Costs

None reported.

Section IV - State Awards Findings and Questioned Costs

None reported.

Section V - Corrective Action Plan

None reported.

Section VI - Summary Schedule of Prior Year Findings

None reported.

Cabarrus Health Alliance
Schedule of Expenditures of Federal and State Awards
Public Health Programs
June 30, 2020

	<u>Federal Expenditures</u>	<u>State Expenditures</u>
Federal Awards:		
<u>U.S. Department of Transportation</u>		
passed through NC Dept. of Transportation		
National Highway Traffic Safety Administration		
Government highway safety program	20.600	142,681
		-
Total U.S. Department of Transportation	142,681	-
 <u>U.S. Department of Treasury</u>		
passed-through the Office of State Budget		
and Management:		
NC Pandemic Recovery Office		
passed-through Cabarrus County:	21.019	443,429
Coronavirus Relief Fund 6		-
Total U.S. Department of Treasury	443,429	-
 <u>U.S. Department of Agriculture</u>		
passed through NC Dept. of Health and Human Services		
Division of Public Health		
Special Supplemental Nutrition Program for		
Women Infant and Children	10.557	638,076
		-
Total U.S. Department of Agriculture	638,076	-
 <u>U.S. Department of Health and Human Services</u>		
passed through NC Dept. of Health and Human Services		
Division of Public Health		
Hospital Preparedness Program (HPP) and Public		
Health Emergency Preparedness (PHEP) Aligned		
Cooperative Agreements	93.074	49,633
		-
COVID-19 - Hospital Preparedness Program (HPP)		
and Public Health Emergency Preparedness (PHEP)		
Aligned Cooperative Agreements	93.074	148,104
		-
Project Grants and Cooperative Agreements for		
Tuberculosis Control Programs	93.116	50
		-
Injury Prevention and Control Research and State and		
Community Based Programs	93.136	50,000
		-

Family Planning Services	93.217	86,389	-
Immunization Grants	93.268	31,010	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	30,000	-
Temporary Assistance for Needy Families	93.558	16,476	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	42,900	-
HIV Prevention Activities_Health Department Based	93.940	28,000	-
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.98	100	-
Preventive Health and Health Services Block Grant	93.99	30,921	-
Maternal and Child Health Services Block Grant	93.99	345,062	15,054
Office of Adolescent Health			
passed through NC Dept. of Health and Human Services			
Office of Adolescent Health			
Teen Pregnancy Prevention Program	93.297	542,692	-
		<hr/>	<hr/>
Total U.S. Department of Health & Human Services		2,182,093	15,054

State Awards:

N.C. Department of Health and Human Services

Division of Public Health

Other Receipts / State Supported Expenditures

Food and Lodging Fees	-	55,256
CHA/CHIP Peer Review	-	125,791
General Communicable Disease Control	-	10,734
Minority Diabetes Prevention Program	-	230,105
Triple P	-	2,232
Child Health	-	6,581
Gonorrhea Partner Services	-	37
Healthy Community Activities	-	3,785
STD Drugs	-	2,357
Breast and Cervical Cancer Control	-	30,345
TPPI - Adolescent Parenting Program	-	78,000
TPPI - Adol. Pregnancy Prevention Program	-	75,000
School Nursing Funding Initiative	-	50,000
PCM for Women Ineligible for Medicaid	-	39,269
Family Planning - State	-	9,739
Maternal Health	-	76,524
High Risk Maternity Clinics	-	26,413
Women Health Service Fund	-	14,200
TB Control	-	5,144
	<hr/>	<hr/>

Total N.C. Department of Health and Human Services	-	841,512
--	---	---------

Total Federal and State awards

3,406,279

856,566

Notes to the Schedule of Expenditures of Federal and State Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Cabarrus Health Alliance under the programs of the federal government and the State of North Carolina for the year ended June 30, 2018. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Cabarrus Health Alliance, it is not intended to and does not present the financial position, changes in net position or cash flows of Cabarrus Health Alliance.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Cabarrus Health Alliance has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



For Information:

Office of the Finance Director
Cabarrus Health Alliance
300 Mooresville Road
Kannapolis, NC 28081
704-920-1212



POTTER & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

October 19, 2020

Board of Directors
Cabarrus Health Alliance
Kannapolis, North Carolina

In planning and performing our audit of the financial statements of Cabarrus Health Alliance as of and for the year ended June 30, 2020 and 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Cabarrus Health Alliance's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

This communication is intended solely for the information and use of the Board of Directors, management, and others within the Organization, and is not intended to be and should not be used by anyone other than these specified parties.

Potter & Company, P.A.
Monroe, North Carolina



POTTER & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

October 19, 2020

To the Board of Directors
Cabarrus Health Alliance
Kannapolis, North Carolina

We have audited the financial statements of the governmental activities and each major fund of the **Cabarrus Health Alliance**, a component unit of Cabarrus County, North Carolina, for the year ended June 30, 2020, and have issued our report thereon dated October 19, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 24, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the **Cabarrus Health Alliance** are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2020. We noted no transactions entered into by the **Cabarrus Health Alliance** during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the **Cabarrus Health Alliance's** financial statements were:

1. Accounts receivable
2. Accounts payable

Management's estimate of accounts receivable is based on the amounts management expects to collect on funds due at fiscal year end. Management's estimate of accounts payable is based on invoices received related to the fiscal year under audit but not yet paid as of fiscal year end. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures were material, either individually or in the aggregate, to the opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter date October 19, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Alliance's financial statements or determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the government unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, the Schedule of Changes in the Total OPEB Liability and Related Ratios, and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

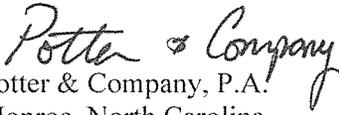
We were engaged to report on budgetary schedules and the schedule of expenditures of federal and state awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board and management of the **Cabarrus Health Alliance**, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,


Potter & Company, P.A.
Monroe, North Carolina

PUBLIC HEALTH AUTHORITY OF CABARRUS COUNTY
FINANCIAL SUMMARY REPORT
FY 2021 **4 months ending** **10/31/2020**

GENERAL FUND								
	ACTUAL FY 2017	ACTUAL FY 2018	ACTUAL FY 2019	ACTUAL FY 2020	FY 2021 BUDGET	ACTUAL 10/31/20	Y-T-D % COLLECTED	
REVENUES								
INTERGOVERNMENTAL REVENUES	\$ 21,610,099	\$ 21,490,440	\$ 21,168,562	\$ 19,287,274	\$ 19,469,235	\$ 5,586,446	28.69%	
PERMITS & FEES	236,375	\$ 246,785	\$ 203,853	\$ 216,482	168,000	\$ 58,850	35.03%	
SALES & SERVICES	1,461,455	\$ 1,491,663	\$ 1,785,752	\$ 1,618,074	1,668,162	\$ 322,693	19.34%	
INVESTMENT EARNINGS	34,710	\$ 95,743	\$ 180,096	\$ 104,186	10,000	\$ 1,404	14.04%	
MISCELLANEOUS	88,171	\$ 71,980	\$ 65,673	\$ 47,320	50,272	\$ 30,638	60.94%	
CONTRIBUTIONS & PRIVATE GRANTS	417,283	\$ 418,892	\$ 498,089	\$ 577,794	560,578	\$ 252,576	45.06%	
FUND BALANCE APPROPRIATED	-	\$ -	\$ -	\$ -	1,371,171	\$ -	0.00%	
TOTAL	\$ 23,848,092	\$ 23,815,503	\$ 23,902,025	\$ 21,851,130	\$ 23,297,418	\$ 6,252,606	26.84%	
	ACTUAL FY 2017	ACTUAL FY 2018	ACTUAL FY 2019	ACTUAL FY 2020	FY 2021 BUDGET	ACTUAL 10/31/20	Y-T-D % SPENT	
EXPENDITURES								
ENVIRONMENTAL HEALTH	\$ 1,016,611	\$ 1,023,662	\$ 940,537	\$ 942,173	1,077,463	292,654.01	27.16%	
INFORMATION TECHNOLOGY SYSTEMS	713,288	\$ 838,463	\$ 958,323	\$ 1,153,424	1,127,543	351,137.19	31.14%	
GENERAL ADMINISTRATION	6,245,407	\$ 7,112,525	\$ 6,881,284	\$ 4,055,399	2,963,314	972,298.64	32.81%	
FAMILY CARE COORDINATION	936,255	\$ 978,968	\$ 1,040,588	\$ 1,177,374	1,124,446	310,727.24	27.63%	
SCHOOL HEALTH	2,664,527	\$ 2,825,137	\$ 2,994,421	\$ 3,117,582	4,022,821	1,083,844.58	26.94%	
HEALTH INITIATIVES	2,914,080	\$ 2,124,811	\$ 2,268,964	\$ 1,948,057	1,344,649	375,235.34	27.91%	
DENTAL HEALTH	2,982,327	\$ 3,523,777	\$ 3,723,191	\$ 4,020,629	3,992,553	918,667.19	23.01%	
VITAL RECORDS	51,579	\$ 62,420	\$ 65,439	\$ 54,625	62,288	16,480.98	26.46%	
COMMUNICABLE DISEASE	1,109,753	\$ 1,081,174	\$ 1,159,678	\$ 2,191,236	2,958,926	1,061,908.30	35.89%	
CLINICAL SERVICES	3,224,268	\$ 3,373,731	\$ 3,147,325	\$ 3,129,082	3,796,389	992,536.68	26.14%	
WIC	846,997	742,540	710,171	767,128	827,026	303,354.13	36.68%	
TOTAL	\$ 22,705,092	\$ 23,687,208	\$ 23,889,921	\$ 22,556,709	\$ 23,297,418	\$ 6,678,844	28.67%	
Y-T-D FUND BALANCE INCREASE (DECREASE)	\$ 1,143,000	\$ 128,295	\$ 12,104	\$ (705,580)	\$ -	\$ (426,238)		

ESTIMATED NET Y-T-D BALANCE 9/30/2020 **\$ (426,238)**

****PLUS 4 MOS MEDICAID SETTLEMENT - (\$1,275,706)** **\$ 425,235**

\$ (1,003)

Variance Analysis Year-to-Date

	YTD					Comments
	VARIANCE ANALYSIS					
	2021 BUDGET	2021 ACTUAL	2020 ACTUAL	2021 BUD vs ACT	YOY ACTUAL	
Revenue						
Environmental Health	1,077,463	381,646	372,071	35.42%	9,575	
Information Technology Sy	1,127,543	235,016	224,934	20.84%	10,082	
General Administration	2,845,755	756,139	2,120,697	26.57%	(1,364,558)	The NCTN project was sold last year
Family Care Coordination	1,124,446	338,538	256,891	30.11%	81,647	
School Health	4,022,821	668,284	461,563	16.61%	206,721	Percentage is low due to school starting in mid-August
Public Health Solutions	1,340,418	668,722	358,813	49.89%	309,910	Walmart & DFC Grants have paid prior to expenditures
Dental Health	4,488,113	843,312	1,532,365	18.79%	(689,052)	Due to COVID-19 Revenues are down
Vital Records	62,288	20,758	16,333	33.33%	4,425	
Communicable Disease	2,958,926	997,771	405,932	33.72%	591,839	Additional funding received for COVID-19
Clinical Services	3,422,619	1,127,475	804,820	32.94%	322,655	Community Care of Southern Piedmont funds received
WIC	827,026	289,671	255,484	35.03%	34,187	
Total Revenue	23,297,418	6,327,333	6,809,901	27.16%	(482,568)	
Expense						
Environmental Health	1,077,463	292,654	281,365	27.16%	11,289	
Information Technology Sy	1,127,543	351,137	271,763	31.14%	79,374	
General Administration	2,963,314	972,299	2,131,074	32.81%	(1,158,775)	The NCTN project was sold last year
Family Care Coordination	1,124,446	310,727	399,513	27.63%	(88,785)	
School Health	4,022,821	1,083,845	755,679	26.94%	328,166	Percentage is low due to school starting in mid-August
Public Health Solutions	1,344,649	375,235	545,143	27.91%	(169,908)	
Dental Health	3,992,553	918,667	1,344,666	23.01%	(425,999)	Due to COVID-19 we are not refilling positions
Vital Records	62,288	16,481	16,697	26.46%	(216)	
Communicable Disease	2,958,926	1,061,908	411,879	35.89%	650,029	Additional COVID-19 expenses
Clinical Services	3,796,389	992,537	908,683	26.14%	83,854	
WIC	827,026	303,354	230,646	36.68%	72,708	
Total Expense	23,297,418	6,678,844	7,297,108	28.67%	(618,263)	
Discussion						
Our Year to Date Percentage should be around 33.33% for October 2020.						
COVID-19 is affecting Dental and Communicable Disease the most. We are receiving funding for the response through December.						
Revenue is higher than the CHA Report due to Duke Endowment fund, Community Care of Southern Piedmont, and Walmart funds. These funds have been received but not yet earned. They are reduced in the CHA Financial Report, however, they are reported here as they are received.						

Cabarrus Health Alliance Snapshot

October 31,2020 Targert Percentage 33.33%

	Budget	Actual	YTD Percentage		Comments
Environmental Health					
Revenue	(1,077,463)	(381,646)	35.42%		
Expense	1,077,463	292,654	27.16%		
Information Technology					
Revenue	(1,127,543)	(235,016)	20.84%		
Expense	1,127,543	351,137	31.14%		
General Administration					
Revenue	(2,845,755)	(756,139)	26.57%		
Expense	2,963,314	972,299	32.81%		
Family Care Coordination					
Revenue	(1,124,446)	(338,538)	30.11%		
Expense	1,124,446	310,727	27.63%		
School Health					
Revenue	(4,022,821)	(668,284)	16.61%		Due to schedule percent should be around 25%. Revenue is received one month after expenses.
Expense	4,022,821	1,083,845	26.94%		
Public Health Solutions					
Revenue	(1,340,418)	(668,722)	49.89%		
Expense	1,344,649	375,235	27.91%		
Dental Health					
Revenue	(4,488,113)	(843,312)	18.79%		Continuing to monitor budget and realign expenses with revenues.
Expense	3,992,553	918,667	23.01%		
Vital Records					
Revenue	(62,288)	(20,758)	33.33%		
Expense	62,288	16,481	26.46%		
Communicable Disease					
Revenue	(2,958,926)	(997,771)	33.72%		Response efforts are in Communicable Disease. We are monitoring budget closely.
Expense	2,958,926	1,061,908	35.89%		
Clinical Services					
Revenue	(3,422,619)	(1,127,475)	32.94%		
Expense	3,796,389	992,537	26.14%		
WIC					
Revenue	(827,026)	(289,671)	35.03%		WIC has funding that must be expended by September 30th.
Expense	827,026	303,354	36.68%		



Human Resource Strategic Plan

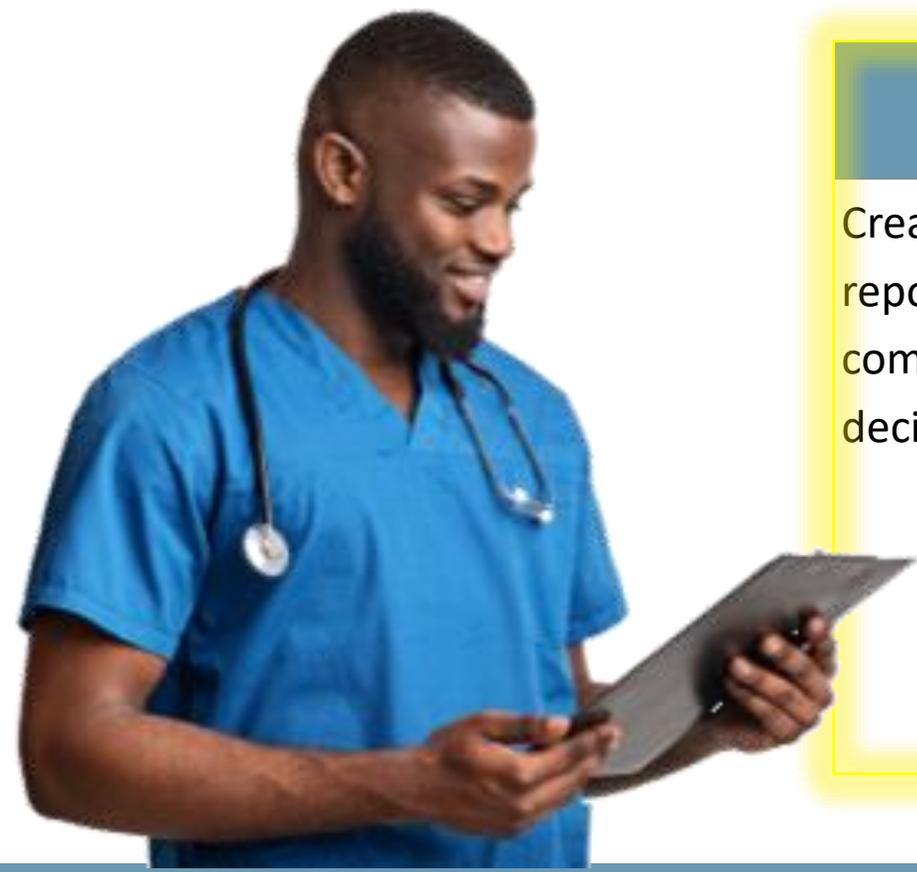
October 21, 2020



CABARRUS
HEALTH
ALLIANCE



Use Data to Improve Health



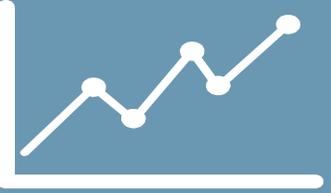
Goal 1	Goal 2	Goal 3
Create a public facing data repository to inform the community and enhance decision making	Use an equity lens for data collection, analysis, use and dissemination	Make strategic decisions and create work environments that foster the data integration, sharing, and analysis necessary to support better health outcomes



Use Data to Improve Health

Goal 1: Create a public facing data repository to inform the community and enhance decision making

Objectives	Action Steps	Metric/Measure	Champion	Deadline
Development of HR Scorecard	<ul style="list-style-type: none"> HR & Asst. Directors create five (5) HR areas to be determined 	<ul style="list-style-type: none"> 95% of grievances/complaints are resolved (within 30 days) HR 95% customer satisfaction survey score 70% Response Rate Turnover <17% Time to fill – 45 days or less from posting to in the door, unless out of our control Cost to fill ≤ or \$4000 	Steve Cathcart	FY 2021



Use Data to Improve Health

Internal Services- Finance Department

*Gray block depict this program is not associated with population accountability



Program

Finance Department

Performance Measures

- Customer Service
- % vital records reports completed on time
- % grant reports completed on time
- % of departments operating within budget

Goal 1

Create a public facing data repository to inform the community and enhance decision making

Reported every six months unless indicated otherwise

Objective: By December 2020 the Dental Department will have a “live” complete RBA scorecard to inform the community and enhance decision making.



CABARRUS
HEALTH
ALLIANCE



Use Data to Improve Health

Goal 1

Create a public facing data repository to inform the community and enhance decision making

Internal Services- Finance Department

*Gray block depict this program is not associated with population accountability

Program

Finance Department

Performance Measures

- 95% of grievances/complaints are resolved (within 30 days)
- HR 95% customer satisfaction survey score
- 70% Response Rate
- Turnover <17%
- Time to fill – 45 days or less from posting to in the door, unless out of our control
- Cost to fill < or \$4000

Quarterly

Objective: By December 2020 the Dental Department will have a “live” complete RBA scorecard to inform the community and enhance decision making.



CABARRUS
HEALTH
ALLIANCE



Develop Internal and External Practices, Programs, and Policies that Achieve Equity



Goal 1	Goal 2	Goal 3
Ensure equitable access to services, programs, opportunities, and information	Transform our workplace to be inclusive and equitable for employees from marginalized and underrepresented communities.	Integrate diversity, equity, and inclusion within our work to continuously improve the health of our community



Develop Internal and External Practices, Programs, and Policies that Achieve Equity

Goal 1: Ensure equitable access to services, programs, opportunities, and information

Objectives	Action Steps	Metric/Measure	Champion	Deadline
Hire Director of Equity	Workplan <ul style="list-style-type: none"> • Job description • DEI training • DEI Committee 	<ul style="list-style-type: none"> • Onboarding of Director of Equity • Completed job description on file 	Steve Cathcart	FY 2021
External resource list focused on diversity, equity, and inclusion for community partners.	<ul style="list-style-type: none"> • Vendor contracts • Partners 	<ul style="list-style-type: none"> • 100% of vendor contracts reviewed to see if there are qualified minority/women owned vendors for services 	Steve Cathcart	FY 2022
Hire Employee Relations & Training Manager	<ul style="list-style-type: none"> • Leadership Development • Employee Complaint and Grievance Review 	<ul style="list-style-type: none"> • Employee Relations & Training Manager 	Steve Cathcart	Completed October, 2020



Develop Internal and External Practices, Programs, and Policies that Achieve Equity

Goal 2: Transform our workplace to be inclusive and equitable for employees from marginalized and underrepresented communities.

Objectives	Action Steps	Metric/Measure	Champion	Deadline
Re-structure CHA hiring panels to ensure equitable hiring practices	<ul style="list-style-type: none"> Select staff to serve on hiring panels/selection committee Conduct supervisor training in interviewing best practices Enforce hiring/interviewing guidelines 	<ul style="list-style-type: none"> Hiring panels developed 100% of staff trained in interviewing best practices (rosters) 100% adherence to guidelines reported 	Jamie Newman Denise Shreve	FY 2021
Implement Supervisor Compliance Training	<ul style="list-style-type: none"> Develop compliance training for supervisors Host training sessions 	<ul style="list-style-type: none"> CHA Compliance training modules 	Steve Cathcart\ Rolanda Patrick	January 2021
Equitable compensation of bi-lingual support staff is ensured.	<ul style="list-style-type: none"> Implement salary and classification study with an equity lens particular among bi-lingual employees. 	<ul style="list-style-type: none"> # of bi-lingual employees being paid more than prior year. 	Steve Cathcart	FY 2022



Develop Internal and External Practices, Programs, and Policies that Achieve Equity

Goal 2: Transform our workplace to be inclusive and equitable for employees from marginalized and underrepresented communities.

Objectives	Action Steps	Metric/Measure	Champion	Deadline
Internal assessment of needs regarding diversity, equity, and inclusion in CHA departments.	<ul style="list-style-type: none"> Compare demographics of CHA with the community we serve Organization Cultural Assessment Instrument (OCAI) Equitable compensation of staff 	<ul style="list-style-type: none"> Completion of the assessment Implement agency-wide salary and classification study 	Steve Cathcart	January 30, 2021
Focus on recruitment methods to find a more diverse pool of talent.	<ul style="list-style-type: none"> Create “Pipelines” to diverse recruitment sources Increase public recruiting presence 	<ul style="list-style-type: none"> Create/maintain career services contact list for 17 minority serving colleges and universities in North Carolina Maintain a presence on at least one job board that focuses on DEI Participate in 2 external job fairs per year Host 1 job fair per year 	Jamie Newman Denise Shreve	FY 2023



Build and Sustain Collaborative Systems that Address Social Determinants of Health



Goal 1	Goal 2	Goal 3	Goal 4
Lead the development of CHIP based on the identified priority needs	Align program and services with the Community Health Improvement Plans (CHIP) to ensure staff are engaged and actively involved in the plan development	Expand and maximize community partnerships to effectively address social determinants of health	Align and integrate public health programs to address social determinants of health



Transform Agency Capacity, Culture and Practices to Achieve Excellence



Goal 1	Goal 2	Goal 3	Goal 4	Goal 5
Adopt Public Health 3.0 strategies as guiding principles to ensure CHA is prepared to respond to community needs this decade	Maintain a culture of quality improvement to advance departmental performance	Adapt and adopt staffing models and funding sources that reduce the number of positions and programs that are short-term and grant funded	Expand CHA capacity to include alternative service delivery and outreach models that improve access to care	Enhance the existing workforce development plan and program



Transform Agency Capacity, Culture and Practices to Achieve Excellence

Goal 2: Maintain a culture of quality improvement to advance departmental performance

Objectives	Action Steps	Metric/Measure	Champion	Deadline
Review & Update Progressive discipline policy and Employee Code of Conduct	<ul style="list-style-type: none">• Training<ul style="list-style-type: none">• PE Tool• PD and Code of Conduct	<ul style="list-style-type: none">• 100% of staff are trained in progressive discipline & employee code of conduct	Jamie Newman Steve Cathcart	June 30, 2021
Review & update Performance Evaluation Processes	<ul style="list-style-type: none">• Research & selection electronic evaluation tool• Research & selection of compatible Learning Management System (LMS) & Onboarding tool	<ul style="list-style-type: none">• 100% of staff are trained in the new tool• 100% of staff utilize tool	Steve Cathcart Rolanda Patrick	FY 2022
Workflow is enhanced/made more efficient through the expansion of current systems.	<ul style="list-style-type: none">• Staff are correctly defined as exempt or non-exempt• Implement clock in/out via Executime for non-exempt staff.	<ul style="list-style-type: none">• 100% of staff utilize attendance system.	Steve Cathcart	January 31, 2021



Transform Agency Capacity, Culture and Practices to Achieve Excellence

Goal 5: Enhance the existing workforce development plan and program

Objectives	Action Steps	Metric/Measure	Champion	Deadline
Provide formalized professional development opportunities and training for all staff	<ul style="list-style-type: none"> HR determines # of completed hours/CEU's for each staff to complete Supervisors selects department specific trainings and submit to HR Conduct supervisor-specific training 	<ul style="list-style-type: none"> 90% of CHA staff completes 25 hours of professional development trainings 100% of departments have yearly trainings on file with HR 	Steve Cathcart Rolanda Patrick	FY 2022
Identify initiatives to motivate and retain qualified staff members.	<ul style="list-style-type: none"> Help supervisors identify high potential employees Help supervisors with succession planning 	<ul style="list-style-type: none"> 100% of supervisors have an employee specific training planning for all direct reports 100% of supervisors understand and implement the succession planning process 	Jamie Newman Dianne Berry Rolanda Patrick	FY2023
Cross training within departments to ensure agency capacity.	<ul style="list-style-type: none"> Identify specific areas that need cross training 	<ul style="list-style-type: none"> 100% of identified areas cross trained 	Steve Cathcart Jamie Newman Rolanda Patrick	FY2024



CHA Public Health Director's Report

November 10, 2020

CHA Activities/Accomplishments for October 2020:

Awards/Recognition:

- Abraya Johnson who serves G.W. Carver Elementary School received the 2020 School Nurse of the Year Award. Abraya recognized the need to spend additional time and effort to provide health education and healthy living initiatives for students and staff. Her work also extended to the greater Kannapolis community. This is a state level award and was particularly competitive which makes this award even more meaningful.
- Sonja Bohannon-Thacker – North Carolina Public Health Association, Outstanding Contributions to Social Work in Public Health Award.
- The WIC Program was awarded the North Carolina Child Recognition Award from the GlaxoSmithKline Foundation for \$10,000 for using the online appointment system to improve customer satisfaction and retention of children in the program.
- The Minority Diabetes Prevention Program was awarded the John Bowdish Community Award from the North Carolina Diabetes Advisory Council for improvements in overall health and wellness for minorities across CHA's 10-county service area.
- Greg Stewart, CHA Public Health Educator, presented a Wellness Session on "Mindfulness and Stretching" at the American Public Health Association's National Conference on October 26th, 2020. His session was streamed live for all virtual conference attendees and has been added to their video library for later viewing.

Human Resources

- Salary Study Project Kickoff Wed 11/04
- Personnel Policy Review Complete by 11/15

Finance/Grants

1. A federal award was received from the Bureau of Justice Assistance for nearly \$750,000 to STOP School Violence. CHA will reduce school violence through a series of innovative trainings and follow-up technical assistance opportunities that focus on universal and intensive classroom-based approaches found effective in improving school climate. Trainings will target 4th, 5th, and middle school educators and disciplinary staff at both KCS and CCS, and achieve a level of training saturation that will ensure a permanent shift in school culture towards trauma-informed, restorative approaches. This award is for three years and covers 1.5 FTE.
2. The KEYS program was funded, but the award was not accepted.

Clinical Services

Dental

- Dental revenues are beginning to trend upward and expenses remaining below budget.
- Total # of staff currently on furlough is 7 with 2 additional working in COVID response.

Medical

- On October 20th and 22nd CHA provided immunizations at A.L. Brown High School and Kannapolis Middle School this was coordinated with the school nurses for each school.
- On Sunday October 25th CHA held a drive through immunization clinic with the assistance of volunteers from the Afton Chapter of The Rotary Club in Concord. We immunized 106 students.
- We have given 60 flu vaccines to employees. 25 have declined and 27 have received it elsewhere. We are still trying to provide opportunities for our staff to receive the flu shot since this is only 25% of CHA employees. Our employee/safety nurse is now scheduling employee appointments for flu.

School Health

- Throughout the summer, the School Health Administrative team worked with school leaders and the COVID department to plan mitigation strategies to promote a safe return to campus for students and staff. Prior to student return to school nurses facilitated the education of school-based teams to implement these plans to ensure a successful transition to in-person learning which occurred on October 19th.
- The School Health team continues to work with school partners to ensure the health and safety of our community by actively monitoring the use of mitigation strategies in the school setting to evaluate compliance with the Strong School Toolkit. School nurses are working closely with school administrators and our COVID department to ensure that staff and students who are linked to COVID are following protocols for quarantine or isolation with the goal of keeping all students and staff as safe possible.

COVID Response

- Our biggest challenge right now is identifying funding for January – June; CARES money must be spent by mid-December. This leaves approximately 14 COVID staff un-funded. The total to continue these individuals is approximately \$565,000.
- Regional Prevention Team is fully staffed and will begin working with congregate care facilities in our 11-county region to prevent the spread of COVID-19.

Cabarrus Public Health Interest

N/A

Healthy Living Programs:

- Culinary Innovations has partnered with the North Carolina Research Campus to offer a live cooking class in Spanish at no cost to the public. The class will be offered by the end of the year.
- MDPP (Minority Diabetes Prevention Program) will host their site visitors on November 3, 2020 and has launched their first virtual Hispanic cohort class.
- With the support of Children WIN, 5210 was funded to record an assembly program launch video at the Cannon Ballers Stadium for all 5210 locations within the Atrium Health footprint. Students from KCS and CCS were the only students to be included in the production and will serve as the program's example of 5210 Youth Champions.

Environmental Health

- Onsite Waste Water inspections approximately five weeks out; working on creative ways to decrease that time down to two weeks.
- New Food & Lodging staff began Friday, November 6th which leaves one vacancy in Food & Lodging area.
- No feedback from the public on recent fee increases.

Healthy Cabarrus/Marketing

- Hosted first Healthy Cabarrus Advisory Board Meeting following the 2020 Community Needs Assessment.
- Daycare sites have been identified for the Walmart Health Food Access Initiative: Dixon Academy, First Assembly, North Kannapolis. This program will work with Meals on Wheels and UNCC to evaluate the effectiveness and sale of healthy, prepared meals sold at day care centers. CHA Environmental Health is involved.

Performance/Quality Improvement and Accreditation:

- Strategic planning - Agency-wide plan is complete, and every department/program has created their respective department strategic plan.
- Accreditation - Submission of the Public Health Accreditation Board (PHAB) annual report was completed.
- Data/Metrics - Population Health Analyst CDC PHAP has joined the team and will be focusing on building scorecards
- Quality Improvement - Restructure of QI Council based on the updated organization chart was completed.
- Diversity, Equity & Inclusion (DEI) Initiative
 - Core Team was created, and creation of workgroups focused on topic areas:
 - Conexion Latina
 - LGBTQI+
 - Black/African American Affairs (AAA)
 - Data/Policy
 - Community (REC)
 - DEI Affairs
 - Equity scorecard created (proclamation metric creation for scorecard in progress)

BOH activities

Rounding with CHA Staff:

- November – Mark Spitzer
- December – Dr. Chip Buckwell

National/State/Local Updates

- Immunization deadline to avoid exclusion from school extended by state until December 30, 2020.

2021 Goals and Objectives Review - Next update January 2021



Cabarrus Health Alliance Board Agenda

Meeting Date: November 10, 2020

Name of Item: Budget Revision Request

Submitted by: Sue K Yates

Brief Summary: Budget revisions are being requested due changes in revenues and expenses. These changes are due to either an increase or decrease in a funding source, new source of funding, or realignment of revenues and/or expenses.

Requested Action: Approval of budget revisions

1. Budget for grant received from Kannapolis City Schools to cover Mental Health Services for KCS students - \$36,457
2. To align IPC Regional Teams budget based on actuals - \$0
3. To budget for the funds received from the Cabarrus Public Health Interest from City of Kannapolis for COVID relief for families affected by the pandemic - \$9,000
4. To budget for funds received from GlaxoSmithKline Local Health Department Recognition Award - \$10,000
5. To align budget with actuals for Environmental Health based on changes due to fee increases and lowered temporary food establishment fees. - \$8,117
6. To adjust budget for declination of the KEYS Grant- \$(135,101)
7. To align budget with actuals for WIC. - \$0
8. To adjust budget for additional funding for Immunization Action Plan. - \$23,685
9. To adjust budget for additional funding for Preparedness for the Bright Ideas Grant. - \$14,801
10. To adjust budget to actuals for Child Health. - \$0
11. To adjust budget for funds received for the Syringe Exchange Program. - \$50

Previous Action/Discussion on Item: ____Yes No

If yes, explain

Items Reviewed by:

Bonnie Coyle, MD, Health Director
Sue K. Yates, Chief Financial Officer

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#1

Date: 11/10/2020

Amount: \$ 36,457

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To budget for funds received from KCS to cover Mental Health Services for KCS students.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265845-6676-378	SchoolSafetyGrant-KCS	\$ -	\$ 36,457	\$ -	\$ 36,457
00295845-9101-378	Salaries & Wages-SSG-KCS	\$ -	\$ 4,652	\$ -	\$ 4,652
00295845-9102-378	Part Time>1000 Hrs-SSG-KCS	\$ -	\$ 2,000	\$ -	\$ 2,000
00295845-9201-378	Social Security-SSG-KCS	\$ -	\$ 412	\$ -	\$ 412
00295845-9202-378	Medicare-SSG-KCS	\$ -	\$ 96	\$ -	\$ 96
00295845-9205-378	Group Hospital Ins-SSG-KCS	\$ -	\$ 311	\$ -	\$ 311
00295845-9206-378	HRA-SSG-KCS	\$ -	\$ 61	\$ -	\$ 61
00295845-9210-378	Retirement-SSG-KCS	\$ -	\$ 679	\$ -	\$ 679
00295845-9211-378	401K Match-SSG-KCS	\$ -	\$ 133	\$ -	\$ 133
00295845-9230-378	Workers' Comp-SSG-KCS	\$ -	\$ 20	\$ -	\$ 20
00295845-9640-378	Insurance & Bonds-SSG-KCS	\$ -	\$ 83	\$ -	\$ 83
00295845-9659-378	Unemployment Comp-SSG-KCS	\$ -	\$ 10	\$ -	\$ 10
00295845-9447-378	Contracted Services-SSG-KCS	\$ -	\$ 28,000	\$ -	\$ 28,000

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#2

Date: 11/10/2020

Amount: \$ -

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To align budget with actuals for the IPC Regional Teams grant.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00295865-9101-50544	Salaries & Wages-IPC RT	\$ 45,000	\$ 15,000	\$ -	\$ 60,000
00295865-9201-50544	Social Security-IPC RT	\$ 4,030	\$ 1,000	\$ -	\$ 5,030
00295865-9202-50544	Medicare-IPC RT	\$ 943	\$ 750	\$ -	\$ 1,693
00295865-9205-50544	Group Hospital Ins-IPC RT	\$ 18,504	\$ 5,000	\$ -	\$ 23,504
00295865-9206-50544	HRA - IPC RT	\$ 3,520	\$ 750	\$ -	\$ 4,270
00295865-9210-50544	Retirement-IPC RT	\$ 6,630	\$ 3,025	\$ -	\$ 9,655
00295865-9211-50544	401K Match-IPC RT	\$ 1,300	\$ 590	\$ -	\$ 1,890
00295865-9230-50544	Workers' Comp-IPC RT	\$ 195	\$ 194	\$ -	\$ 389
00295865-9640-50544	Insurance & Bonds-IPC RT	\$ 813	\$ 806	\$ -	\$ 1,619
00295865-9659-50544	Unemployment Comp-IPC RT	\$ 400	\$ 300	\$ -	\$ 700
00295865-9301-50544	Office Supplies-IPC RT	\$ 200	\$ 41,800	\$ -	\$ 42,000
00295865-9320-50544	Printing & Binding-IPC RT	\$ 100	\$ 9,900	\$ -	\$ 10,000
00295865-9355-50544	Other Operational-IPC RT	\$ -	\$ 43,960	\$ -	\$ 43,960
00295865-9635-50544	Training & Education-IPC RT	\$ -	\$ 200	\$ -	\$ 200
00295865-9447-50544	Contracted Services-IPC RT	\$ 118,275	\$ -	\$ 118,275	\$ -
00295865-9107-50544	Contracted Personal Serv-IPC RT	\$ 5,000	\$ -	\$ 5,000	\$ -

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#3

Date: 11/10/2020

Amount: \$ 9,000

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To budget for funds received from Cabarrus Public Health Interest from City of Kannapolis for COVID relief for families affected by the pandemic.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265832-6803-513	Miscellaneous Rev - COVID Relief	\$ -	\$ 9,000	\$ -	\$ 9,000
00295832-9356-513	Special Program Supplies-CRCK	\$ -	\$ 9,000	\$ -	\$ 9,000

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#4

Date: 11/10/2020

Amount: \$ 10,000

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To budget for funds received from GlaxoSmithKline Local Health Department

Transfer Between Programs

Recognition Award.

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265880-6803-508	Miscellaneous Revenue	\$ -	\$ 10,000	\$ -	\$ 10,000
00295880-9356-508	Special Program Supplies	\$ -	\$ 5,500	\$ -	\$ 5,500
00295880-9635-508	Training & Education-WICH	\$ 2,000	\$ 1,500	\$ -	\$ 3,500
00295880-9308-508	Patient Education Materials	\$ -	\$ 3,000	\$ -	\$ 3,000

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#5

Date: 11/10/2020

Amount: \$ 8,117

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To align budget with actuals for Environmental Health based on changes due to fee increases and lowered temporary food establishment fees.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265805-6510-47520	Temp Food Est Fees-F&L	\$ 25,000	\$ -	\$ 19,000	\$ 6,000
00265805-6508-47510	Environmental Health Fees	\$ 143,000	\$ 27,117	\$ -	\$ 170,117
00295805-9520-47510	Auto & Trck Mntnce-Env Hlth	\$ 3,246	\$ 4,617	\$ -	\$ 7,863
00295805-9230-47510	Workers' Comp-Env Hlth	\$ 757	\$ 3,500	\$ -	\$ 4,257
00295805-9230-47520	Workers 'Comp F&L	\$ 1,546	\$ 5,000	\$ -	\$ 6,546
00295805-9331-47520	Minor Office Equipment & Furn	\$ 2,478	\$ 4,000	\$ -	\$ 6,478
00295805-9355-47520	Other Operation Costs-F&L	\$ 21	\$ 25	\$ -	\$ 46
00295805-9570-47520	Service Contracts-F&L	\$ 8,900	\$ 345	\$ -	\$ 9,245
00295805-9109-47520	Salary Adjustments-F&L	\$ 7,546	\$ -	\$ 7,546	\$ -
00295805-9659-47520	UnempComp-F&L	\$ 5,832	\$ -	\$ 1,824	\$ 4,008

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#6

Date: 11/10/2020

Amount: \$ (135,101)

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To adjust budget for declination of the KEYS Grant.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265845-6341-369	NCDOT-KEYS	\$ 156,336	\$ -	\$ 135,101	\$ 21,235
00295845-9101-369	Salaries & Wages-KEYS	\$ 63,408	\$ -	\$ 49,801	\$ 13,607
00295845-9201-369	Social Security-KEYS	\$ 3,867	\$ -	\$ 3,031	\$ 836
00295845-9202-369	Medicare-KEYS	\$ 905	\$ -	\$ 710	\$ 195
00295845-9205-369	Group Hospital Ins-KEYS	\$ 7,285	\$ -	\$ 5,806	\$ 1,479
00295845-9206-369	HRA-KEYS	\$ 1,424	\$ -	\$ 1,140	\$ 284
00295845-9210-369	Retirement	\$ 6,362	\$ -	\$ 4,979	\$ 1,383
00295845-9211-369	401K Match-KEYS	\$ 624	\$ -	\$ 578	\$ 46
00295845-9230-369	Workers' Comp-KEYS	\$ 188	\$ -	\$ 151	\$ 37
00295845-9301-369	Office Supplies-KEYS	\$ 360	\$ -	\$ 221	\$ 139
00295845-9320-369	Printing & Binding-KEYS	\$ 750	\$ -	\$ 750	\$ -
00295845-9355-369	Other Operation Costs-KEYS	\$ 42,250	\$ -	\$ 42,250	\$ -
00295845-9447-369	Contracted Services-KEYS	\$ 10,000	\$ -	\$ 6,950	\$ 3,050
00295845-9611-369	Mileage-KEYS	\$ 500	\$ -	\$ 500	\$ -
00295845-9635-369	Training & Education-KEYS	\$ 1,875	\$ -	\$ 1,875	\$ -
00295845-9640-369	Insurance & Bonds-KEYS	\$ 780	\$ -	\$ 614	\$ 166
00295845-9659-369	Unemployment Comp-KEYS	\$ 158	\$ -	\$ 145	\$ 13
00295845-9356-369A	SpecProgSup - KEYS Indirect	\$ 15,600	\$ -	\$ 15,600	\$ -

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#7

Date: 11/10/2020

Amount: \$ _____ -

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To adjust budget with actuals for WIC.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265880-6200-54030	CHA Grant - WIC CS	\$ 417,888	\$ 13,022	\$ -	\$ 430,910
00265880-6200-54040	CHA Grant - WIC NE	\$ 159,282	\$ -	\$ 17,709	\$ 141,573
00265880-6200-54050	CHA Grant - WIC Admin	\$ 56,249	\$ -	\$ 3,827	\$ 52,422
00265880-6200-54090	CHA Grant - WIC BF	\$ 44,718	\$ 8,514	\$ -	\$ 53,232
		\$ -	\$ -	\$ -	\$ -
00295880-9104-54030	Temporary-PT & Full Time-WICCS	\$ 3,919	\$ 5,000	\$ -	\$ 8,919
00295880-9206-54030	HRA - WIC CS	\$ 7,764	\$ 2,414	\$ -	\$ 10,178
00295880-9301-54030	Office Supplies - WIC CS	\$ 61,133	\$ 2,000	\$ -	\$ 63,133
00295880-9320-54030	Printing - WIC CS	\$ 740	\$ 500	\$ -	\$ 1,240
00295880-9325-54030	Postage - WIC CS	\$ 4,580	\$ 1,000	\$ -	\$ 5,580
00295880-9101-54040	Salaries & Wages - WICNE	\$ 79,125	\$ -	\$ 5,000	\$ 74,125
00295880-9102-54040	Part Time > 1000 Hours WICNE	\$ 27,102	\$ -	\$ 3,000	\$ 24,102
00295880-9205-54040	Group Hospital Ins WICNE	\$ 14,927	\$ -	\$ 2,004	\$ 12,923
00295880-9205-54090	Group Hospital Ins - WICBF	\$ 4,766	\$ -	\$ 910	\$ 3,856

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#8

Date: 11/10/2020

Amount: \$ 23,685

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To adjust budget for additional funding for Immunization Action Plan.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265865-6200-57150	CHA Grant - Immun Action Plan	\$ 31,010	\$ 23,685	\$ -	\$ 54,695
00295865-9101-57150	Salaries & Wages - Imm Action	\$ 88,168	\$ 11,000	\$ -	\$ 99,168
00295865-9205-57150	Group Hospital Ins - Imm Act	\$ 10,671	\$ 1,065	\$ -	\$ 11,736
00295865-9206-57150	HRA - Imm Action Plan	\$ 1,835	\$ 456	\$ -	\$ 2,291
00295865-9210-57150	Retirement - Imm Act	\$ 7,885	\$ 1,557	\$ -	\$ 9,442
00295865-9211-57150	401K Match	\$ 223	\$ 411	\$ -	\$ 634
00295865-9640-57150	Insurance & Bonds-IAP	\$ 957	\$ 146	\$ -	\$ 1,103
00295865-9659-57150	UnempComp-IAP	\$ 244	\$ 50	\$ -	\$ 294
00295865-9365-57150	Pharmacy-IAP	\$ 121,666	\$ 9,000	\$ -	\$ 130,666

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#9

Date: 11/10/2020

Amount: \$ 14,801

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To adjust budget for additional funding for Bright Ideas Funding for PHP&R.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265865-6200-45140	CHA Grant-Bioterrorism	\$ 49,633	\$ 14,801	\$ -	\$ 64,434
00295865-9356-45140	Special Program Sup-Bioterror	\$ 1,397	\$ 14,795	\$ -	\$ 16,192
00295865-9659-4510A	UnemployComp - CD Rowan	\$ 18	\$ 6	\$ -	\$ 24

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#10

Date: 11/10/2020

Amount: \$ -

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To adjust budget for actuals for Child Health.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265875-6200-5351A	CHA Grant - Child Health	\$ 26,782	\$ 3	\$ -	\$ 26,785
00265875-6803-5351A	Misc Revenue-CH	\$ 3,203	\$ -	\$ 3	\$ 3,200
00295875-9331-5351A	Minor Office Equip - CH	\$ -	\$ 300	\$ -	\$ 300
00295875-9630-5351A	Dues & Subscriptions - CH	\$ 1,300	\$ 300	\$ -	\$ 1,600
00295875-9635-5351A	Training & Education - CH	\$ 4,500	\$ -	\$ 600	\$ 3,900

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#11

Date: 11/10/2020

Amount: \$ 50

Type of Adjustment:

Health Director: Dr. Bonnie Coyle

Internal Transfer Within Program

Purpose of Request: To adjust budget for funds received for the Syringe Exchange Program.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265845-6803-906	Miscellaneous Revenue-SEP	\$ 12,000	\$ 50	\$ -	\$ 12,050
00295845-9355-906	Other Operation Costs-SEP	\$ 24,000	\$ 50	\$ -	\$ 24,050

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____
 Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____



Cabarrus Health Alliance Board Agenda

Meeting Date: November 11, 2020

Name of Item: Finance/CHA Policy Review & Revisions

Submitted by: Sue Yates, CFO

Brief Summary: Policies are reviewed at least annually for accreditation purposes and revisions are made when necessary.

Requested Action: To approve the following reviewed/revised policies:

- Dental Clinic Eligibility Policy (reviewed, no changes)
- Donation Policy (reviewed, no changes)
- Donation Policy - Cabarrus Public Health Interest (reviewed, no changes)

Previous Action/Discussion on Item: Yes No

If yes, explain: The reviewed/revised policies were approved at a prior Board Meeting(s).

Items Reviewed by:

Sue K Yates, Chief Finance Officer

SUBJECT: DENTAL CLINIC ELIGIBILITY POLICY

EFFECTIVE DATE: January 2004

REVISION DATE(S): November 2006; November 13, 2007; June 17, 2008; July 22, 2009; July 26, 2010; December 20, 2011; January 30, 2013; February 28, 2014; September 29, 2014; April 6, 2016; May 9, 2017; April 18, 2018; March 11, 2019; September 24, 2019;

DATE OF LAST REVIEW: November 2006; November 13, 2007; June 17, 2008; July 22, 2009; July 26, 2010; December 20, 2011; January 30, 2013; February 28, 2014; September 29, 2014; December 30, 2015; April 6, 2016; May 9, 2017; April 18, 2018; March 11, 2019; September 24, 2019; October 29, 2020

POLICY STATEMENT: The purpose of this policy is to determine the financial and residency requirements for patients requesting dental health services from the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA). This policy covers dental health services only.

CHA shall assure that no person, on the grounds of race, color, age, religion, sex, marital status, immigration status, national origin or otherwise qualified handicapped individual, solely by reason of his/her handicap (unless otherwise medically indicated), be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity.

1. FINANCIAL REQUIREMENTS:

Patients with no payor source or third party reimbursement are encouraged, but not required, to apply for Medicaid prior to determining eligibility for dental services.

The following forms of reimbursement are accepted:

1. Medicaid
2. Health Choice (subject to copay as indicated on card)
3. Private Insurance (Clients are responsible for balance of what insurance does not cover. Sliding scale will apply to balance if eligible.)
4. Patients who are uninsured will be placed on the sliding scale according to their income and family size. Dental utilizes the 100-200% poverty scale. A sliding fee scale will apply to those below 100% of federal poverty level. This scale will not slide to zero. The scale will slide to a minimum fee at 40% of each procedure. Anyone below 100% of federal poverty level who is unable to pay the minimum fee will not be refused services.
5. Patients who are uninsured and above 100% of federal poverty level will be charged the CHA Dental fee schedule. Clients must make arrangements for payment prior to services being rendered.

2. RESIDENCY REQUIREMENTS:

The CHA Dental Clinic will give priority to Cabarrus County and Kannapolis City residents and may restrict services to out of county residents at any time based on demand for service and capacity of clinic. The Dental Director or designee will impose this restriction as necessary.

Proof of Residency:

Proof of residency (with patient's name, parent or guardian if minor) will be required at time of eligibility process for Dental Health services. Patients and or additional family members may be requested to provide proof of residency. The following sources may be used:

- Current utility bill (current – within past two months) with their name and address (bills printed off the internet are not acceptable); or
- Driver's license; or
- Official ID issued by NCDMV; or
- Current rent receipt or rental agreement on official company form with address (current – within past two months); or
- Official Cabarrus County school enrollment/registration form with child(ren)'s address; or
- Matricula Consular may be used for proof of address; or
- DSS correspondence

3. ASSESSMENT OF FAMILY SIZE & INCOME:

Determining family size (economic unit):

To use the Poverty Income Guidelines, the family size must be calculated. A family is defined as a group of related or non-related individuals who are living together as one economic unit. Individuals are considered members of a single family or economic unit when their production of income and consumption of goods are related.

A key rule to apply to all participants, including minors, is that an economic unit must have its own source of income. For example, a teenager with no income must be considered part of a larger economic unit that provides him/her support. Also, groups of individuals living in the same house with other individuals may be considered a separate economic unit. For example, two sisters and their respective children who live in the same house are separate economic units if each sister supports herself and her children.

A pregnant woman is counted as two in determining family size. This increased family size may be used to certify her or any other categorically eligible family members. If multiple births are expected, family size should be increased by the number of expected births. Proof of multiple births is not required.

In some cases, counting a fetus in determining family size conflicts with the client's cultural, religious, or personal beliefs. In these situations, this policy can be waived and the family size would not be increased.

Other examples of economic units are:

- a foster child assigned by DSS is a family of one with income considered to be that paid to the foster parent for support of the child. A foster child cannot confer adjunct income eligibility on family members.
- a patient (i.e. Student) maintaining a separate residence and receiving most of her/his support from her/his parents or guardians may be counted as a dependent of the family. A self-supporting patient (i.e. student) maintaining a separate residence would be a separate economic unit.
- an individual or family in an institution is considered a separate economic unit. For example, if a mother and her children were staying in a shelter for battered women, the income of the other residents is not included.

Determining Income:

In determining income, it is important to remember that a person's income must be counted if he/she is counted as a family member. Gross income shall be used in fee determinations and shall be defined as the combined cash income received by the economic unit (all members in household contributing to the family unit) from the sources listed below.

Documentation of Income:

Documentation of Income is required for Dental Health Services.

SOURCES OF INCOME:

Income from the following sources should be counted:

- Salaries, wages, overtime pay, commissions, fee, tips
- Earnings from self-employment
- Interest earned on investments
- Public assistance money
- Unemployment compensation
- Alimony and child support payments
- Military allotments
- Social Security benefits
- Veteran's Administration benefits
- Retirement and pension payments
- Worker's Compensation
- Educational stipends in excess of the cost of tuition and books
- Income tax refunds (annual – not quarterly)
- Allowances paid for basic living expenses
- Regular contributions from individuals not living in the household
- All other sources of cash income except those specifically excluded
- Supplementary Security Income (SSI) benefits
- Prize winnings
- Bank statements (only use for SSI benefits)
- Cash earnings, contributions received
- Disability
- Dividends

Income from the following should not be counted:

- Irregular income that a child earns from babysitting, lawn mowing, or other tasks
- Proceeds from the sale of an asset
- Withdrawals from a bank account
- Gifts
- Inheritances
- Life insurance proceeds or one time settlements
- Military housing benefits (on base or off)
- Payments under the Low Income Energy Assistance Act
- Assistance to child or families for Free Lunch and Food Stamps
- Payments received under the Job Training Partnership Act
- Payments to volunteers under Title I (VISTA) and Title II (RSVP, foster grandparents and others) of the Domestic Volunteer Service Act of 1973

TIME FRAME:

To determine gross income, agency staff should consider the income of the family for the past 12 months, the family’s current income or the family’s income from the past six months; whichever best reflects the family’s status. Current income is defined as the income received by the household during the month (4.3 weeks) prior to application. One check stub can be used to figure current income if it is for a 40 hour week. If not showing 40 hours, will need additional check stubs to best determine current income. The six month formula must be used to determine eligibility of unemployed persons. Income will be determined six months back and six months forward to total 12 months. There may be other sources of income to consider from the prior months (e.g., unemployment compensation, and child support) in determining income.

Following are some examples in which annual income must be used rather than current income:

- self-employed persons, including any business or seasonally employed persons whose income fluctuates throughout the year.
- patients that provide services or goods for cash would be considered self-employed and would need to provide proof of current taxes.
- a family member on temporary leave of absence (maternal, paternal, family leave, or extended vacation).
- teachers paid on a 10-month basis, who are temporarily on leave during the summer months.

COMPUTING INCOME:

To determine annual or monthly income when you have hourly wages, weekly wages, bi-weekly wages or bi-monthly wages, use the following approach.

(hourly wage)	x	(hours worked/ weekly)	x	(52)	=	(Annual Income)
(hourly wage)	x	(hours worked/ biweekly)	x	(26)	=	(Annual Income)
(hourly wage)	x	(hours worked/ bimonthly)	x	(24)	=	(Annual Income)
(hourly wage)	x	(hours worked/ weekly)	x	(4.3)	=	(Average Monthly Income)
(hourly wage)	x	(hours worked/ biweekly)	x	(2.15)	=	(Average Monthly Income)
(hourly wage)	x	(hours worked/ bimonthly)	x	(2)	=	(Average Monthly Income)

To convert net income to gross income multiply by 1.25. Multiply gross income by .25 and deduct amount to obtain net income.

When computing income, amounts will not be rounded until data is entered in the computer system.

ZERO INCOME:

If the applicant reports zero or very little income, the application must include an explanation of what the family is actually living on. In most cases, a statement of zero income would be acceptable only when the applicant lives on income from sources not counted (see list above).

Applicant reporting no income must have a Third-Party Confirmation Letter completed by a reliable third party knowledgeable of the applicant's family income. Reliable third parties are limited to staff of a social service agency, church, relief organization, shelter, legal aid society, school counselor or nurse. Relatives of the applicant, members of the economic unit or CHA employees cannot be third party verifiers. The Third-Party Confirmation Letter must be signed, dated, include a telephone number and on official letterhead. This letter will be scanned into the patient management system.

Telephone confirmation of past employment termination dates from previous employers may be required to determine income for clients stating no employment or recent job terminations. Employment Security Commission and other databases may be used to verify income of applicants or members of their household unit. We reserve the right to verify by telephone any information needed to help in determining eligibility such as employment, verification of household members and income information. Medical release and assignment of benefits form will be given to patients to sign when presenting for services.

INSURANCE:

The patient management system should include the following information about the patient's health insurance coverage:

- Insurance company name
- Policy number
- Insurance company address and telephone number and copy of patient's insurance card if available.
- Whether or not the patient is covered by the policy
- Whether or not the coverage is an HMO or prepaid plan
- Any known waiting period requirements or benefit exclusions
- Whether or not there are any out-of-network benefits with their HMO plan

Patients with insurance should provide the clinic with insurance information prior to services being rendered. Fees which the patient will be responsible for will be determined at the time services are rendered.

Patients who receive dental services will be certified and placed on the sliding scale fee and charged accordingly for services not covered by their insurance with the exception of any applicable copays. Copays are the patient responsibility and will not be placed on a sliding scale fee. Payment for any deductibles not met or coinsurance determined according to their eligibility

percentage rate is due at the time of service. However, anyone below 100% of federal poverty level cannot be refused services if unable to pay. Only the Dental Director or designee can determine exemption from paying any fees for those above the 100% of federal poverty level that are due at the time of service or charges not covered by insurance.

VERIFICATION OF INCOME:

An applicant's reported income can be verified several ways by looking at the applicant's:

- W-2 Form (if represents total income)
- Income Tax Form - use the adjusted gross income from income tax forms for self-employed workers (If annual income is used they must be validated by a stamp of the tax preparer or an email confirmation for an on-line verification if prepared electronically.)
- Earnings Statement (pay stub)

An applicant's income will be reported on the financial eligibility for public health services. Notation of where documentation can be found will be noted on the agency income verification form. Income information may be obtained from the financial screen used for program services if current.

An Income Statement should be completed at the annual income screening, or whenever a change has occurred in the income status of the family/household unit. This statement also includes an authorization giving CHA the right to verify this information. The eligibility screening will be good for one year unless there has been a change in the income status and confirmation will be required at each visit.

Note: An applicant will be required and told to bring income information on the date of service or they will be certified at 100% on the sliding scale fee or have the option to be rescheduled when able to bring in proof of income except for dental emergencies. Dental emergencies will be allowed up to 5:00 p.m. within 3 business days to produce necessary documentation of income. With the exception of dental emergencies income eligibility will not be retroactive if income information is brought in at a later date. An applicant should not be certified if unwilling or unable to provide verification of income. They should be placed at 100% pay category and may reapply later when they are able to produce verification of their income. If a patient refuses to be certified or does not bring appropriate information to complete certification, this will be noted on the Income Verification form for documentation of refusal/lack of appropriate information. Anyone found giving false information will be recertified for services and changes noted on eligibility worksheet. All patients must present their health insurance or Medicaid card at each visit.

Cabarrus Health Alliance Board Chairman

Date

SUBJECT: DONATION POLICY

EFFECTIVE DATE: November 14, 2017

REVISION DATE(S): November 2, 2017

DATE OF LAST REVIEW: November 2, 2017, October 29, 2018; September 25, 2019;
October 29, 2020

POLICY STATEMENT: The primary objective of this policy is to establish guidelines, standards, and procedures for real and/or monetary donations (federal, state and or local) administered by and/or passed through the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA).

1. DONATION ACCEPTANCE AND DISPERSION

- 1.1. According to **G.S. 153A-11** (counties); **G.S. 160A-11** (municipalities), CHA has the authority to acquire and hold any property and rights of property, real and personal, that may be devised, sold, or in any manner conveyed, dedicated to, or otherwise acquired by the CHA.
- 1.2. Donations for a specific purpose can be distributed or dispersed without prior Board approval assuming the CHA has statutory authority to use/spend the donation for the purposes(s) that is intended. Such dispersion of funds will be brought to the attention of the Board at the following board meeting for informational purposes.
- 1.3. The CHA Board of Directors hereby delegates authority to formally receive donations of real or monetary value to the Chief Executive Officer (CEO) and Chief Financial Officer (CFO).
- 1.4. The CHA has the right to reject an offered donation if it does not have the statutory authority to engage in the activity or purpose(s) to which the donation is directed. At the discretion of the Board, the CHA has the right to reject a donation for any reason, even if it has statutory authority.
- 1.5. Donations of significant value should contain a receipt containing the following:
 - 1.5.1. Name of local unit and legal status under state law (county, municipality, etc.).
 - 1.5.2. Amount donated (if cash or cash equivalent) or description of the property donated.
 - 1.5.3. Purpose to which donation will be used.
 - 1.5.4. Date the donation was received.
 - 1.5.5. Either a statement that “no goods or services were received in return for the donation” or, if the donation was \$75 or more, a good faith estimate of the value of goods/services provided in exchange for the donation (if the goods/services were more than insubstantial benefit).
 - 1.5.6. A statement indicating that the donor should consult with a tax professional about the tax implications of the donation under both state and federal law.
- 1.6. Monetary donations collected or received by a CHA employee must be deposited daily in an official depository in accordance with **G.S. 159-32**.

- 1.7. Donated funds will be recognized as revenue in the annual budget ordinance (or a project/grant ordinance) and appropriated to a particular department, function, or project for expenditure before funds are disbursed as per **G.S. 159-8; G.S. 159-13.**

Cabarrus Health Alliance Board Chairman

Date

SUBJECT: DONATION POLICY

EFFECTIVE DATE: November 14, 2017

REVISION DATE(S): November 2, 2017

DATE OF LAST REVIEW: November 2, 2017, October 29, 2018; September 25, 2019;
October 29, 2020

POLICY STATEMENT: The primary objective of this policy is to establish guidelines, standards, and procedures for real and/or monetary donations (federal, state and or local) administered by and/or passed through the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance's (CHA) not-for-profit organization, the Cabarrus Public Health Interest (CPHI).

GENERAL

- The CPHI will serve as a regulating body for the solicitation, receipt, management, and disbursement of all funds and/or other negotiable assets acquired by the Interest through fundraising efforts.
- The CPHI solicits and accepts gifts only for purposes that will help the organization further and fulfill its mission.
- The CPHI Board of Directors hereby delegates authority to formally receive donations of real or monetary value to the Chief Executive Officer (CEO) and Chief Financial Officer (CFO).
- Donations for a specific purpose can be distributed or dispersed without prior Board approval. Such dispersion of funds will be brought to the attention of the Board at the following board meeting for informational purposes.
- The CPHI Board has the right to reject an offered donation for any reason.
- Donations of significant value should contain a receipt containing the following:
 - Name of local unit and legal status under state law (county, municipality, etc.).
 - Amount donated (if cash or cash equivalent) or description of the property donated.
 - Purpose to which donation will be used.
 - Date the donation was received.
 - Either a statement that "no goods or services were received in return for the donation" or, if the donation was \$75 or more, a good faith estimate of the value of goods/services provided in exchange for the donation (if the goods/services were more than insubstantial benefit).
 - A statement indicating that the donor should consult with a tax professional about the tax implications of the donation under both state and federal law.
- Monetary donations collected or received by a CHA employee will be deposited daily in an official depository.
- The CPHI will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:
 - Gifts of securities that are subject to restrictions or buy-sell agreements.
 - Documents naming the CPHI as trustee or requiring the CPHI to act in any fiduciary capacity.
 - Gifts requiring the CPHI to assume financial, legal, or other obligations.
 - Transactions with potential conflicts of interest.

- Gifts of property which may be subject to environmental or other regulatory restrictions.

Restrictions on Gifts

- The CPHI will not accept gifts that:
 - a) Would result in the CPHI violating its corporate charter,
 - b) Would result in the CPHI losing its status as an IRC § 501(c)(3) not-for-profit organization,
 - c) Are too difficult or too expensive to administer in relation to their value,
 - d) Would result in any unacceptable consequences for CPHI, or
 - e) Are for purposes outside CPHI's mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors Chairman, in consultation with the Chief Executive Director (CEO).

Gifts Generally Accepted Without Review

- *Cash*. Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must complete the Donation Form and provide the card type (e.g., Visa, MasterCard), card number, expiration date, and name of the card holder as it appears on the credit card.
- *Marketable Securities*. Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by CPHI. In some cases, marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift. In such instances, the decision whether to accept the restricted securities shall be made by the Board.
- *Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans*. Donors are encouraged to make bequests to the CPHI under their wills, and to name the CPHI as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- *Charitable Remainder Trusts*. The CPHI will accept designation as a remainder beneficiary of charitable remainder trusts.
- *Charitable Lead Trusts*. The CPHI will accept designation as an income beneficiary of charitable lead trusts.

Gifts Accepted Subject to Prior Review

- Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to prior review include, but are not limited to:
 - *Tangible Personal Property*. The Board shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further the organization's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?
 - *Life Insurance*. The CPHI will accept gifts of life insurance where the CPHI is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

- *Real Estate.* All gifts of real estate are subject to review by the Board. Prior to acceptance of any gift of real estate other than a personal residence, the CPHI shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include: Is the property useful for the organization's purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property? Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?

Cabarrus Public Health Interest Board Chairman

Date