

Board of Health Meeting March 19, 2024

The Public Health
 Authority of Cabarrus
 County Board Meeting
 Agenda

March 19, 2024
 5:30 pm

A. CALL TO ORDER	Chairperson Lara Pons, MD
B. ADOPTION OF THE AGENDA B1. March 19, 2024, <i>Motion</i>	Chairperson Lara Pons, MD
C. APPROVAL OF THE MINUTES C1. January 16, 2024 Minutes, <i>Motion</i>	Chairperson Lara Pons, MD
D. INFORMAL PUBLIC COMMENTS	Chairperson Lara Pons, MD
E. HEALTH DIRECTOR OATH OF OFFICE	Chairperson Lara Pons, MD
F. REPORTS	
F1. Brown Mill Updates	Daniel O’Kelly, AIA, NCARB Project Architect
F2. 5 for 5 Division Reports: Support Services	
• Human Resources	Jamie Newman, Interim Human Resources Director
• Finance	Sue Yates, Chief Financial Officer
• Information Technology	Ryan McGhee, Chief Information Technology Officer
• Facilities	Mike Estes, Facilities Manager
F3. Finance Committee	Sue Yates, Chief Financial Officer
• Financial Summary Report	
• Snapshot Report	
• Annual Financial Report	
F4. Data Committee	Asma Warrich, Manager of Agency Performance Management
G. CONSENT AGENDA, <i>Motion</i>	
G1. Budget Revisions	Sue Yates, Chief Financial Officer
G2. Finance Policies	Sue Yates, Chief Financial Officer
H. BUSINESS AGENDA	
H1. Annual Board Member Legal Training	William C. Isenhour, Partner; Johnston, Allison, Hord
H2. By-laws Amendment Proposal , <i>Motion</i>	Erin Shoe, Public Health Director
H3. Board Member Designation Discussion , <i>Motion</i>	Chairperson Lara Pons, MD
H3. FY 2025 Benefit Package , <i>Motion</i>	Jamie Newman, Interim Human Resources Director
I. ANNOUNCEMENTS	Chairperson Lara Pons, MD
J. MOTION TO ADJOURN, <i>Motion</i>	Chairperson Lara Pons, MD



C. APPROVAL OF THE MINUTES

Chairperson Lara Pons, MD

January 16, 2024 Meeting Minutes



D. INFORMAL PUBLIC COMMENTS

Chairperson Lara Pons, MD



E. PUBLIC HEALTH DIRECTOR OATH OF OFFICE

Chairperson Lara Pons, MD



F1. Brown Mill Update

Daniel O'Kelly, AIA, NCARB Project Architect, Carlos Moore Architect, P.A.

F2. 5 for 5 Division Reports: Support Services

- **Human Resources** - *Jamie Newman, Interim Human Resources Director*
- **Finance** - *Sue Yates, Chief Financial Officer*
- **Information Technology** - *Ryan McGhee, Chief Technology Officer*
- **Facilities** - *Mike Estes, Facilities Manager*

F3. Finance Committee

Sue Yates, Chief Financial Officer

- Financial Summary Report
- CHA Snapshot
- Annual Financial Report

F4. Data Committee

Asma Warrich, Manager of Agency Performance Management

F. REPORTS



F1. Brown Mill Update

*Daniel O'Kelly, AIA, NCARB
Project Architect, Carlos
Moore Architect, P.A.*



F2. 5 for 5 Division Reports: Support Services

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- **Human Resources** - *Jamie Newman, Interim Human Resources Director*
- **Finance** - *Sue Yates, Chief Financial Officer*
- **Information Technology** - *Ryan McGhee, Chief Technology Officer*
- **Facilities** - *Mike Estes, Facilities Manager*



Human Resources

*Jamie Newman, Interim
Human Resources Director*



Human Resources Departmental Highlights

Jamie Newman

Interim Human Resources Director



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Human Resources Team



Jamie Newman
Interim HR Director



Marcus Misenheimer
Employee Health & Safety
Manager



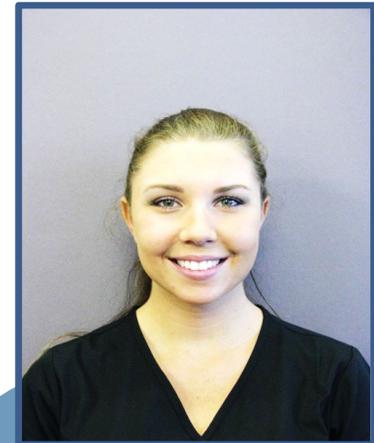
Denise Shreve
HR Coordinator



Rick Clark
Training & Development
Manager



Da'Sha Leach
Benefits Administrator



Celeste Green
Administrative Asst.

Current Human Resources Initiatives

- Job Class/Salary Structure Implementation
- Automation and Digitization
- Leadership Development
- Safety & Emergency Response Trainings

Our Year (so far!) in CHA Human Resources

July 1, 2023 – March 14, 2024

Number of Help Tickets: 1018

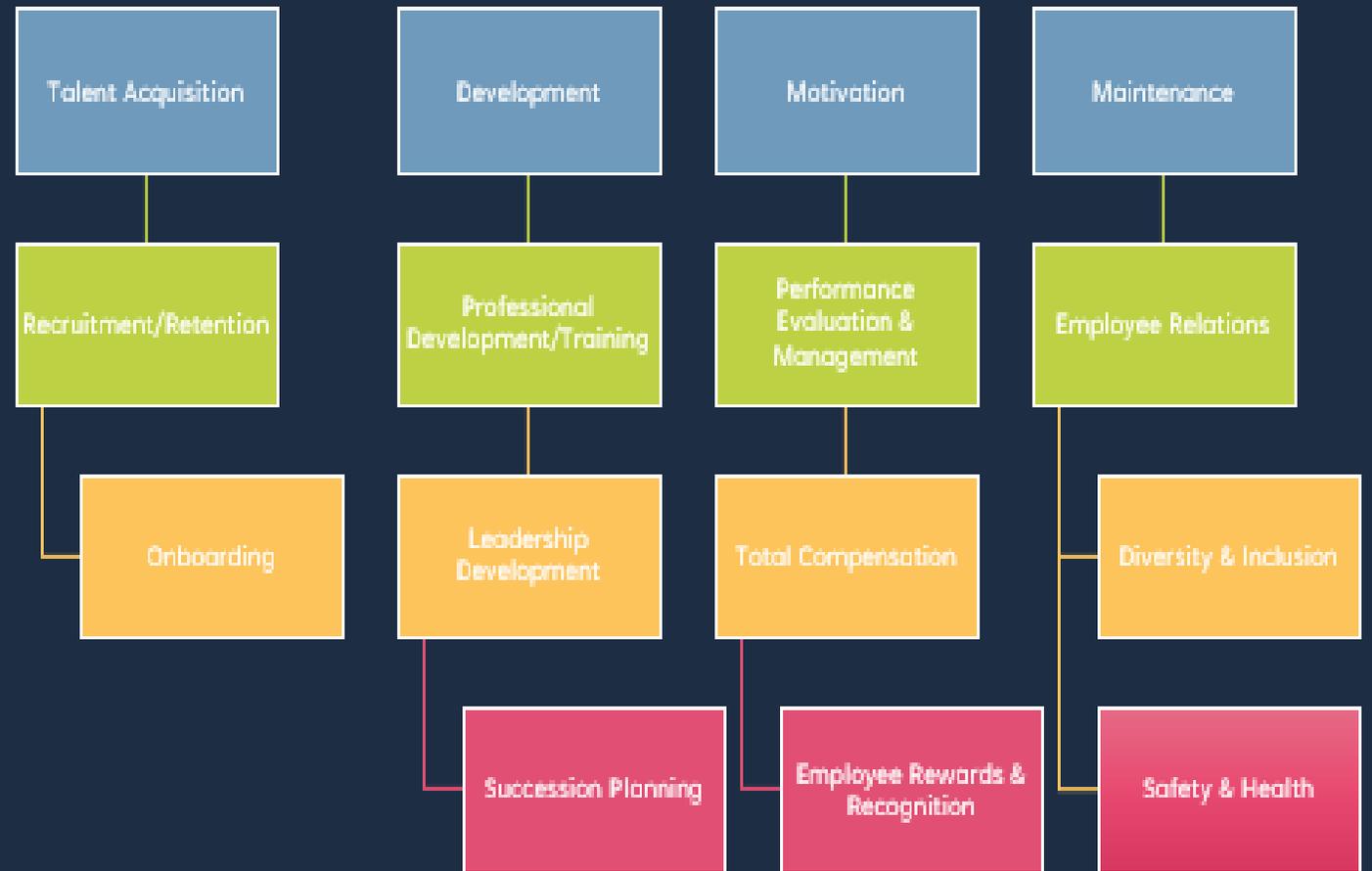
Top 5 Categories:

- Document Submittal (142)
- Benefit Inquiries (130)
- Hiring (84)
- Consultative Services (84)
- Reclasses (48)

Other Notable Staff Tickets:

- Training Requests (38)
- FMLA (35)
- Incident Reporting (18)
- Special Accommodations (11)

Overarching HR Duties



Employee Churn

	July 1, 2023 - Current
New Hires	52
Internal Transfers	14
Retirements	3
Resignations/Departures	49



Employee Demographics

Race/Ethnicity	Headcount	Percentage
White	155	54%
African American/Black	54	19%
Hispanic/Latino	51	18%
Unknown	20	7%
Asian	6	2%
Two or more	2	-
Native American	1	-
Total	289	100%

Employee Demographics

Generation	Headcount	Percentage
Baby Boomers (1946 - 1964)	30	10.38%
*Generation X (1965 - 1980)	104	35.99%
Millennials (1981 - 1994)	107	37.02%
Generation Z(1995 - 2010)	48	16.61%
<i>*Avg. age 43</i>	289	100%



The Asks

- Support Human Resources' continuing exploration of technology to improve efficiency
- Support enhancement of our benefits to advance and retention
- Support Human Resources in their professional development
 - SHRM, SPHR, Training Certifications, etc.



Finance

*Sue Yates, Chief Financial
Officer*



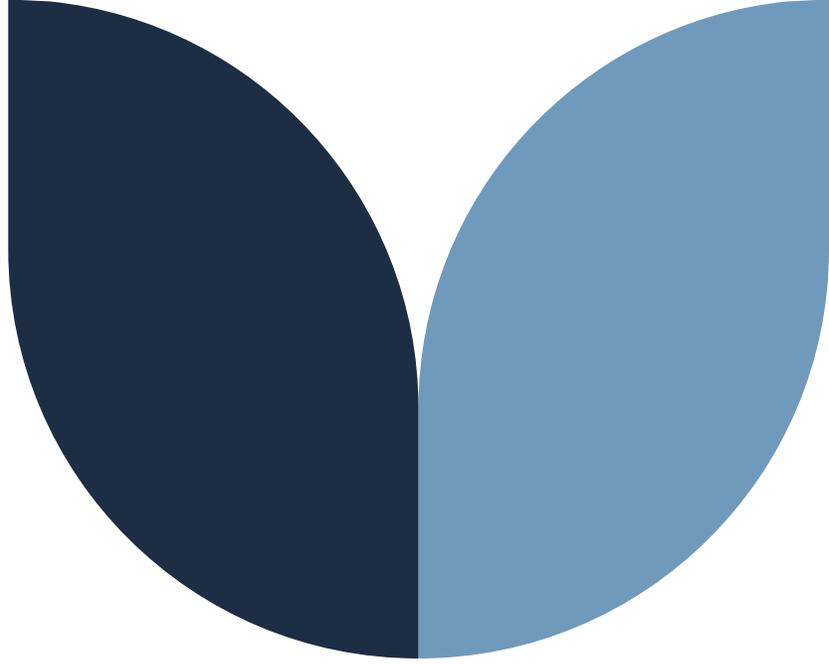
Finance

Sue Yates

Chief Financial Officer

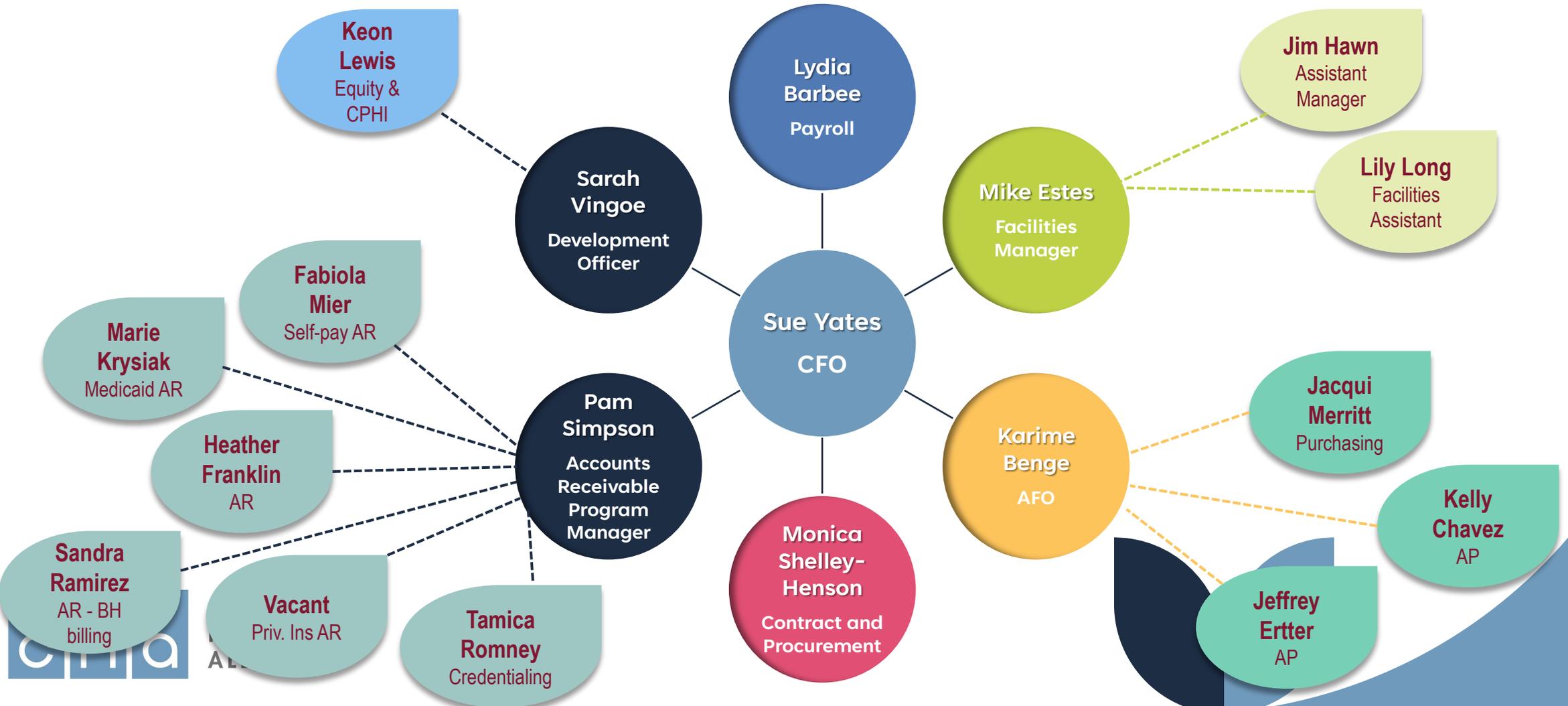
5 for 5 Division Report

March 19, 2024



CABARRUS
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Meet *our* 19 team members



FY 2024 Strategies & Accomplishments

Access to Financial Trainings and Knowledge Base

- 10 Additional Trainings developed and provided
- SharePoint implementation for Financial resources

Additional Accomplishments

- No weaknesses or compliance concerns identified on Annual Independent Audit
- GFOA Certificate of Excellence awarded
- NC Department of Revenue – only department they have audited with no errors
- State Cost Study Expert – billing is point on
- ADP transition for payroll

FY 2025 Initiatives

- Maximize Financial Software Capabilities to streamline and automate Finance Processes
- Adult Primary Care Exploration
- Annual Audit and Annual Comprehensive Financial Report
- Brown Mill Location Initiatives
- Kannapolis Renovations

A Month in the Life of CHA Finance

- We process an average of 405 invoices
- We submit documentation and request reimbursement from 60 funders
- We process an average of 2,588 claims from Clinic, Communicable Disease, and Behavioral Health
- We process approximately 1,370 claims for Dental
- We issue approximately 100 Purchase Orders
- We issue approximately 14 new contracts
- We have one audit from a program funder



Cabarrus Health Alliance Budget

CHA's Budget has grown 51% from
2019 to 2024

2019 - \$24,721,890

2024 - \$37,261,006



Thank you

Sue Yates

Sue.Yates@cabarrushealth.org

704-920-1212

www.cabarrushealth.org



Information Technology

*Ryan McGhee, Chief
Technology Officer*



Information Technology

5 for 5 Division Report – March 19, 2024



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The IT Team



Sherry Zeigler
Support Technician



Brandie Petraske
Support Analyst



Michael Dixon
Systems Administrator



Tim Hatton
IT Manager



Patrick Horsley
Business & Systems Analyst



Ryan McGhee
Chief Technology Officer



IT Strategy

Cloud

Getting out of the datacenter business to focus more of our IT resources on staff and clients.

Centralization

Staff, processes, and technology that serve multiple departments – for seamless customer experience.

Integration

Connect systems and data to better understand and meet the needs of those we serve.



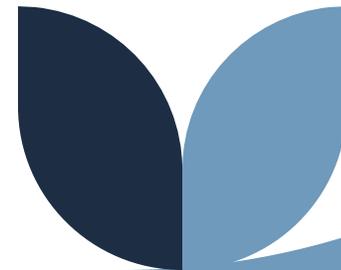
FY2024 Goals

- ✓ Deliver OneDrive and SharePoint training
- ✓ Begin migrating all files to OneDrive and SharePoint
- ✓ Deploy remote monitoring and management software for end-point automation
- Move clinical Electronic Health Record to the cloud
- Implement an agency-wide telemedicine app



FY2025 Goals

- Complete the OneDrive and SharePoint Migrations
- Implement electronic check-in for clinical patients
- Implement new backup and disaster recovery system
- Migrate to cloud-based dental Electronic Health Record with clinical EHR integration
- Centralized reporting across multiple systems



Our ask

Please support our funding request to the Cabarrus County Board of Commissioners.



Questions?

Ryan McGhee

Ryan.McGhee@CabarrusHealth.org

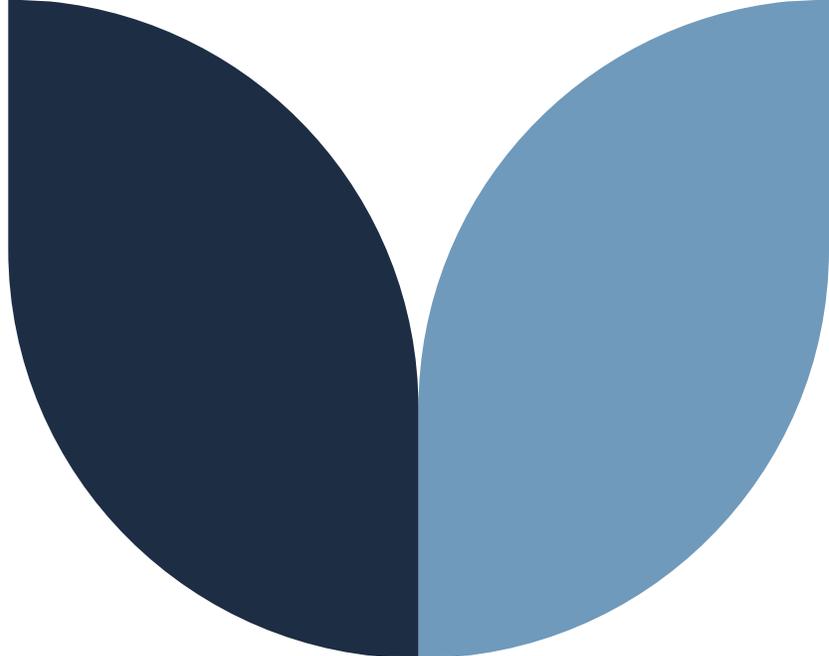
704-920-1010

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Facilities

*Mike Estes, Facilities
Manager*



Facilities Department

March 19, 2024



CABARRUS
HEALTH
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The Facilities Team



Mike Estes – Facilities Manager

Jim Hawn – Assistant Facilities Manager

Lily Long – Facilities Assistant

3 full-time staff responsible for all three locations

Fun Facts

- Over 500 BOSS tickets completed in FY 2024 to date
- Manage 30 fleet vehicles



Concord Dental Renovations

- ❖ New Acrovyn (protective wall covering) installed
- ❖ Refreshed paint and design in patient and reception areas
- ❖ All new furnishings in exam and procedure rooms
- ❖ Interior carpeting and flooring installation soon to be completed



Kannapolis Dental Expansion

- ❖ Expanding Dental area into underutilized space
- ❖ Three additional procedure bays
- ❖ Restructuring storage and office spaces



Ongoing Projects

- ❖ Brown Mill
 - Initial meetings underway with architect regarding expansion project
- ❖ LED Lighting Upgrade @ Kannapolis
 - Researching cost/benefit for full LED upfit
- ❖ Johnson Controls - HVAC Building Control System @ Kannapolis
 - Upgrade to current platform and correct existing system issues
- ❖ Security Update
 - Researching upgrade to camera system



Challenges We Face

Age of Kannapolis facilities, approaching 15 year mark

- Various plumbing, electrical, and HVAC components will be requiring attention/maintenance
- To keep up with growth of CHA, additional space needs
- Security Challenges
 - Camera system, alarm system
 - Thefts, staff area breaches, vandalism
- Ongoing Efforts to Control Cost and Enhance Efficiency
 - Power consumption/LED conversion



Questions?

Mike Estes

Mike. Estes@CabarrusHealth.org

704-920-1307

www.cabarrushealth.org



F4. Finance Committee

Sue Yates, Chief Financial Officer

- Financial Summary Report
- CHA Snapshot
- Annual Financial Report



Finance & Sustainability Committee

Met: March 11, 2024





Reviewed by Finance Committee:
03/11/2024

PUBLIC HEALTH AUTHORITY OF CABARRUS COUNTY FINANCIAL SUMMARY REPORT					FY24 7 Months ending January 31, 2024 ** 7 Month MEDICAID SETTLEMENT			
REVENUES	ACTUAL	ACTUAL	ACTUAL	ACTUAL	FY 2024	FY 2024	ACTUAL	Y-T-D %
	FY 2020	FY 2021	FY 2022	FY 2023	ORIGINAL BUDGET	BUDGET	01/31/24	COLLECTED
INTERGOVERNMENTAL REVENUES	\$ 17,440,650	\$ 19,463,540	\$ 24,443,947	\$ 28,216,196	\$ 25,684,734	\$ 27,761,041	\$ 13,346,618	48.08%
MEDICAID COST SETTLEMENT	\$ 1,846,623	\$ 2,693,197	\$ 3,098,145	\$ 2,118,045	\$ 2,819,900	\$ 2,449,458	\$ 2,063,591	84.25%
MANAGED CARE QUARTERLY PAYMENT	\$ -	\$ -	\$ -	\$ 529,831	\$ -	\$ 370,442	\$ 138,526	37.39%
PERMITS & FEES	\$ 216,482	\$ 285,057	\$ 340,160	\$ 363,658	337,519	337,519	\$ 139,613	41.36%
SALES & SERVICES	\$ 1,618,074	\$ 1,716,097	\$ 1,541,742	\$ 1,243,433	1,456,886	1,456,886	\$ 654,187	44.90%
INVESTMENT EARNINGS	\$ 104,186	\$ 4,223	\$ 15,223	\$ 298,825	271,075	271,075	\$ 225,448	83.17%
MISCELLANEOUS	\$ 47,320	\$ 73,147	\$ 67,453	\$ 76,531	766,764	769,764	\$ 36,596	4.75%
CONTRIBUTIONS & PRIVATE GRANTS	\$ 577,794	\$ 1,002,571	\$ 579,848	\$ 1,476,544	2,528,786	2,850,610	\$ 1,012,682	35.53%
FUND BALANCE APPROPRIATED	\$ -	\$ -	\$ -	\$ -	-	1,000,000	\$ -	0.00%
TOTAL	\$ 21,851,129	\$ 25,237,834	\$ 30,086,519	\$ 34,323,063	\$ 33,865,664	\$ 37,266,795	\$ 17,617,261	47.27%
EXPENDITURES	ACTUAL	ACTUAL	ACTUAL	ACTUAL	FY 2024	FY 2024	ACTUAL	Y-T-D %
	FY 2020	FY 2021	FY 2022	FY 2023	ORIGINAL BUDGET	BUDGET	01/31/24	SPENT
ENVIRONMENTAL HEALTH	\$ 942,173	\$ 1,124,681	\$ 1,429,941	\$ 1,735,411	1,849,405	1,849,405	882,858	47.74%
INFORMATION TECHNOLOGY SYSTEMS	\$ 1,153,424	\$ 951,084	\$ 1,158,973	\$ 1,092,401	1,077,468	1,116,784	657,429	58.87%
GENERAL ADMINISTRATION	\$ 4,055,399	\$ 2,779,340	\$ 3,235,818	\$ 4,665,661	5,344,675	6,455,631	3,498,194	54.19%
FAMILY CARE COORDINATION	\$ 1,177,374	\$ 1,109,438	\$ 1,251,648	\$ 1,582,220	1,778,371	1,447,371	727,563	50.27%
SCHOOL HEALTH	\$ 3,117,582	\$ 3,965,717	\$ 6,979,729	\$ 7,392,127	4,868,140	4,868,140	2,703,675	55.54%
COMMUNITY IMPACT	\$ 1,948,057	\$ 1,260,913	\$ 2,502,914	\$ 3,199,702	2,766,378	5,173,361	1,467,070	28.36%
DENTAL HEALTH	\$ 4,020,629	\$ 2,939,644	\$ 3,708,063	\$ 4,015,567	4,988,480	4,985,969	3,086,632	61.91%
VITAL RECORDS	\$ 54,625	\$ 57,632	\$ 70,154	\$ 72,346	75,660	75,660	41,782	55.22%
COMMUNICABLE DISEASE	\$ 2,191,236	\$ 4,657,174	\$ 4,145,338	\$ 5,158,646	4,973,320	4,952,831	2,233,511	45.10%
CLINICAL SERVICES	\$ 3,129,082	\$ 3,220,341	\$ 3,816,726	\$ 3,594,777	3,268,457	3,267,781	1,596,979	48.87%
BEHAVIORAL HEALTH	\$ -	\$ -	\$ 147,966	\$ 807,960	1,964,348	2,148,375	838,051	39.01%
WIC	767,128	832,770	811,156	880,309	910,962	925,487	487,821	52.71%
TOTAL	\$ 22,556,709	\$ 22,898,733	\$ 29,258,426	\$ 34,197,127	\$ 33,865,664	\$ 37,266,795	\$ 18,221,567	48.89%
Y-T-D FUND BALANCE INCREASE (DECREASE)	\$ (705,580)	\$ 2,339,100	\$ 828,093	\$ 125,936	\$ -	\$ -	\$ (604,306)	
					Fund Balance Allocation	\$ 1,000,000		
					Net of Prepaid Brown Mill Rent	\$ 395,694		



Cabarrus Health Alliance Snapshot

January 31, 2024

Target Percentage 58.33%

Reviewed by Finance
Committee:
03/11/2024

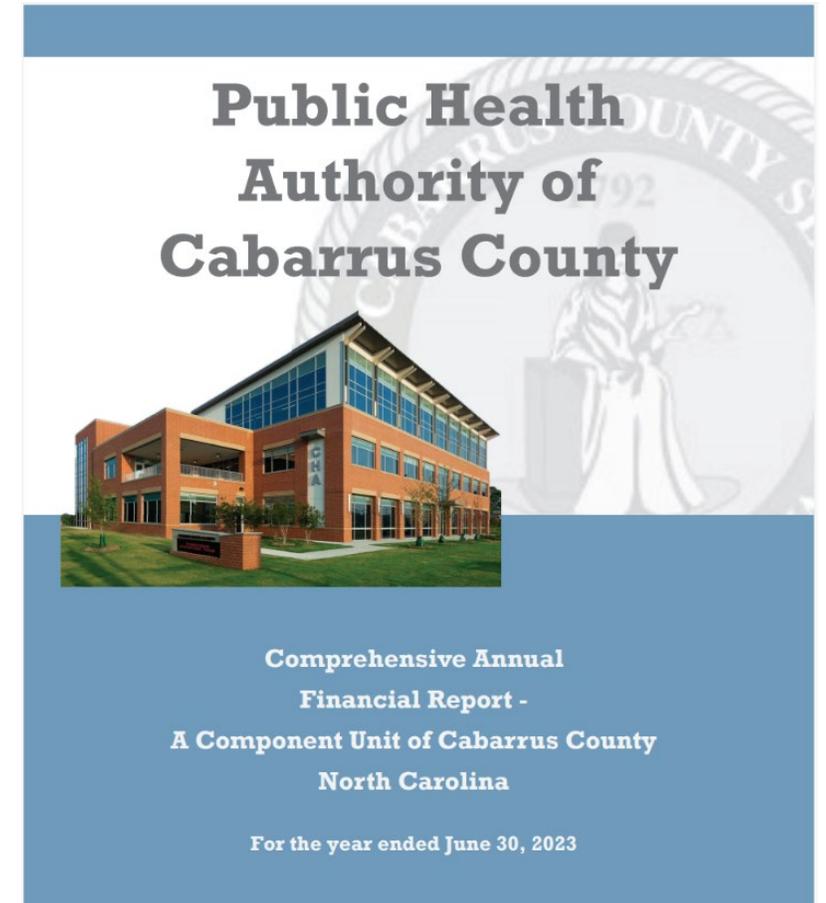
	Budget	Actual	YTD Percentage		Comments
Environmental Health					
Revenue	1,849,405	1,009,449	54.58%		
Expense	1,849,405	882,858	47.74%		
Information Technology					
Revenue	814,079	483,461	59.39%		
Expense	1,116,784	657,429	58.87%		
General Administration					
Revenue	5,628,443	1,873,117	33.28%		
Expense	6,455,631	3,498,194	54.19%		
Family Care Coordination					
Revenue	1,447,763	730,289	50.44%		
Expense	1,447,371	727,563	50.27%		
School Health					
Revenue	4,868,140	2,302,725	47.30%		
Expense	4,868,140	2,703,675	55.54%		Reimbursed one month after expense
Community Impact					
Revenue	5,173,361	1,248,180	24.13%		
Expense	5,173,361	1,467,070	28.36%		Reimbursed one month after expense
Dental Health					
Revenue	6,065,862	1,948,985	32.13%		
Expense	4,985,969	3,086,632	61.91%		Cost Study allocation is not included
Vital Records					
Revenue	75,660	44,135	58.33%		
Expense	75,660	41,782	55.22%		
Communicable Disease					
Revenue	4,955,299	2,106,543	42.51%		
Expense	4,952,831	2,233,511	45.10%		
Clinical Services					
Revenue	3,264,921	1,456,286	44.60%		
Expense	3,267,781	1,596,979	48.87%		Cost Study and quarterly allocation is not included
Behavioral Health					
Revenue	2,198,375	810,369	36.86%		
Expense	2,148,375	838,051	39.01%		
WIC					
Revenue	925,487	417,450	45.11%		
Expense	925,487	487,821	52.71%		Reimbursed one month after expense



Annual Financial Report

Reviewed by Finance
Committee:
03/11/2024

- State law requires that all general-purpose local governments publish an Annual Financial Report within six months of the close of each fiscal year
- Annual report includes auditors reports by Potter & Company
- Report was submitted successfully on 10/27/2023



[Link to full report](#)

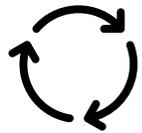


F4. Data Committee

*Asma Warrich, Manager of
Agency Performance
Management*



February Data Committee Met on: February 27, 2024



Centralized Services & Internal Referrals



Outbreak Update



PHAB Re-Accreditation





G. CONSENT AGENDA

F1. Budget Revisions

F2. Finance Policies

- Reserve Policy
- Community Based Behavioral Health Eligibility Policy



G1. Budget Revisions

Sue Yates, Chief Financial Officer



Budget Revisions, *Motion*

Reviewed and recommended for approval by Finance Committee:
03/11/2024

Summary	Amount Increase or (Decrease)
1. To budget for Food and Lodging Grant funds and reduce budget for Association of Food and Drug Official funding change. Funds will be from National Environmental Health Association.	\$30,516
2. To budget for Supporting Women's Health Services Grant.	\$108,585
3. To reduce budget for Expanding Lab Capacity (COVID) Grant Carryover.	\$(18,966)
4. To budget for Medicaid Cost Study estimate.	\$391,460
5. To budget for additional funding for Infectious Disease Regional Support Team.	\$10,000

Requested action: approve budget revisions
Link to full documentation in appendices



G2. Finance Policies

Sue Yates, Chief Financial Officer



Finance Policy, *Motion*

Summary: *No changes.*

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

Full policies reviewed and recommended for approval by Finance Committee 03/11/2024

Policies	Policy Overview
<p><i>RESERVE POLICY</i></p> <p>Link to full documentation in appendices</p>	<p>POLICY STATEMENT: The Public Health Authority of Cabarrus County dba Cabarrus Health Alliance shall maintain an appropriate reserve in the fund balance to meet state statutes and sustain operations during unanticipated emergencies and disasters.</p> <p>General 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.</p> <p>Cabarrus Health Alliance will maintain an undesignated fund balance that exceeds eight percent (8%) of general fund expenditures in accordance with the North Carolina Local Government Commission’s (LGC) recommendation.</p> <p>Based on historical cash flow analysis, 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.</p>

Requested action: approve finance policies



Finance Policy, *Motion*

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

Full policies reviewed and recommended for approval by Finance Committee: 03/11/2024

Policies	Policy Overview
Community Based Behavioral Health Eligibility Policy <i>Link to full documentation in appendices</i>	Added “Adult clients that have insurance and or Medicaid, that place a restriction on the use of their health plan, are not eligible for fee waiver” and “Adult clients, restricting the use of their insurance and or Medicaid, are responsible for paying in full at the time of service. Client will need to sign the Notice to Restrict Billing Insurance form”; as well as a few minor changes such as changing the word patient to client

Requested action: approve finance policies



H. BUSINESS AGENDA

H1. Annual Board Member Legal Training

William C. Isenhour, Partner; Johnston, Allison, Hord

H2. By-laws Amendment Proposal

Erin Shoe, Health Director

H3. Board Member Designation Discussion

Chairperson Pons

H3. FY 2025 Benefit Package

Jamie Newman, Interim Human Resources Director



H1. Annual Board Member Legal Training

*William C. Isenhour,
Partner; Johnston, Allison,
Hord*



H2. By-laws Amendment Proposal

*Erin Shoe, Health
Director*

Propose amending the designation for seat (b) as a result of not being able to identify someone to fill the infectious disease role

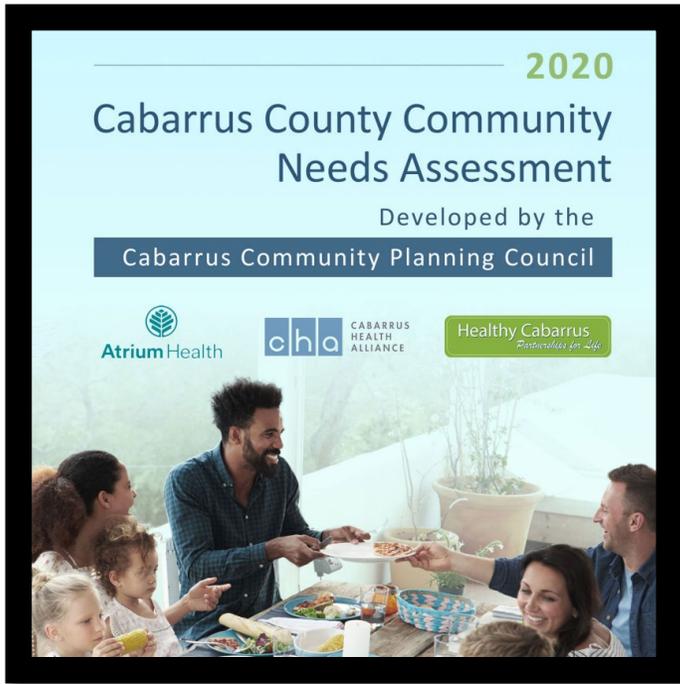
(3) The Commission has historically and in accordance with its Articles been composed of members representing certain fields or organizations. Due to the passage of time and changes in such organizations, many of these organizations no longer exist. The matters engaged in by the Authority have also changed over time. Therefore, in consideration of these factors, the Commission shall now consist of members representing the following fields or organizations:

- (a) One (1) member who is a practicing dentist or has previously practiced dentistry in Cabarrus County.
- (b) One (1) member: (i) with significant knowledge, expertise and professional experience in the field of infectious diseases; or (ii) with significant knowledge, expertise and professional experience in such other field identified by the Commission as a community need after a formal discussion and a majority vote of the Commissioners.
- (c) One (1) member who is a currently or previously practicing physician in the field of family medicine, internal medicine or community health whose primary practice is/was located in Cabarrus County.
- (d) One (1) representative of the Cabarrus County School System or Kannapolis City School System, which shall alternate no less often than every two (2) terms.
- (e) One (1) member of the Board of Commissioners of Cabarrus County.
- (f) One (1) member appointed by the local governing or advisory board of the main hospital located in Concord, currently known as Atrium Health-Cabarrus.
- (g) Three (3) public members with significant interest, knowledge, expertise or professional experience in the fields or businesses generally engaged in by the Authority, and especially the fields of community health, mental health, and/or other areas of community concern as identified by the periodic community needs assessment conducted by the Authority along with its community partners.



H3. Board Member Designation Discussion

Chairperson Pons



2020 Identified Priority Needs

The top three priorities and one foundational issue identified through this Community Health Needs Assessment process and outlined in this report are:

- 1

Housing
- 2

Mental and behavioral health
- 3

Early childhood education and development

Foundational Issue: Equity

Progress:

- Housing
- Mental & Behavioral Health
- Early Childhood Education

Emerging:

- Aging & Older Adults
- Sex Trafficking

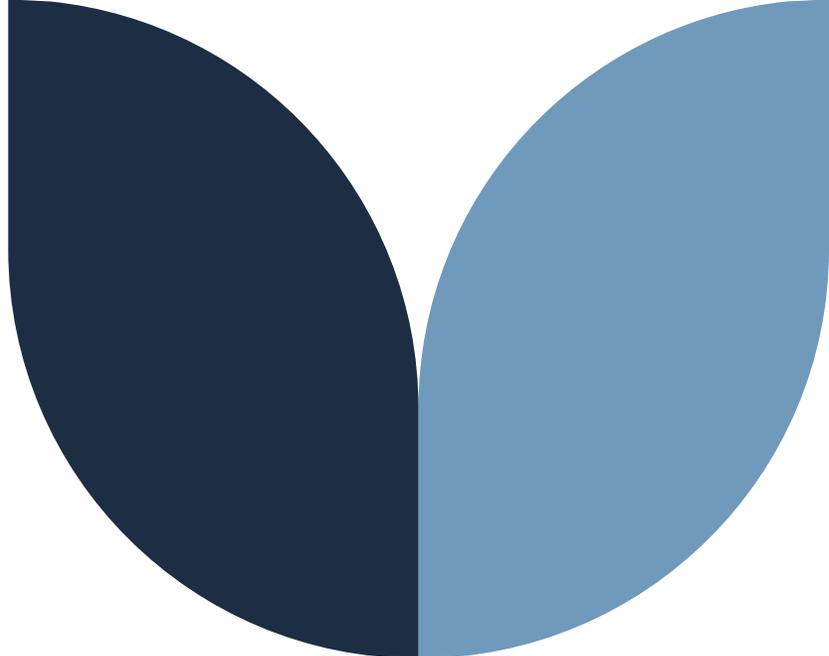
Cabarrus Health Alliance Strategic Plan  CABARRUS HEALTH ALLIANCE 				
MISSION: To Achieve the Highest Level of Individual and Community Health through Collaborative Action. VISION: Cabarrus Health Alliance is dedicated to enhancing the quality of life for the Cabarrus County community.				
Strategic 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

- Expanding Mental & Behavioral Health services based on community need and demand



H4. FY 2025 Benefit Package

*Jamie Newman, Interim
Human Resources
Director*



Human Resources Benefit Update & Proposal

Jamie Newman, Interim Human Resources Director



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Open Enrollment FY25



CABARRUS
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ALLIANCE

Challenges

- CHA faced a high health insurance renewal for the new plan year due to the high utilization this year.
 - Medical loss ratio: 133%
 - Initial renewal quote: 40% increase
 - Two companies declined to quote a renewal for CHA
- Required a major change in health insurance plans offered to staff.



Health Insurance

Effective April 1, 2024

- CHA continues to pay 100% of employee only premiums
- Maintain a health reimbursement arrangement to keep deductible and co-insurance costs low
- Base plan: High performance network plan (Atrium-centric)
- Buy-up: Blue Cross Blue Shield 1-2-3 (former base plan)

Financial Impact to CHA: 6% Increase



Blue High Performance Network

The Blue High Performance Network (BlueHPNSM) is designed to deliver both outstanding care and cost savings. Participating providers are committed to and accountable for improving care quality.

The benefits of BlueHPN start on the local level with in-network access to top providers. It is available to employees living in the following counties:



Charlotte Market

- Anson
- Cabarrus
- Cleveland
- Gaston
- Lincoln
- Mecklenburg
- Rowan
- Stanly
- Union
- York, SC

Key Hospitals

- Atrium Health
- Carolina Neurosurgery & Spine
- Charlotte Eye Ear Nose & Throat Association
- Metrolina Nephrology
- OrthoCarolina
- Tryon Medical Partners

Winston-Salem Market

- Davidson
- Davie
- Forsyth
- Guilford
- Randolph
- Stokes
- Wilkes
- Yadkin

Key Hospitals

- Baptist Medical Center
- CareNet
- Cornerstone Health Care
- Davie Medical Center
- High Point Medical Center
- Lexington Medical Center
- Wake Forest University Physicians
- Wilkes Medical Center

Triangle Market

- Caswell
- Chatham
- Durham
- Granville
- Orange
- Person
- Wake

Key Hospitals

- Duke Connected Care
- Duke Primary Care
- Duke Raleigh Hospital
- Duke Regional Hospital
- Duke University Hospital
- Granville Health System

Hickory Statesville Market

- Alexander
- Catawba
- Iredell

Key Hospitals

- Atrium Health
- Atrium Health Wake Forest Baptist
- Frye Regional Medical Center (under Duke LifePoint)
- Iredell Health System
- OrthoCarolina



Proposed Changes

- Part-time (30-39hr):
 - \$0 premium for employee only coverage for all staff 30 hours/week and over
 - Only 12 staff fall into this category. They will now have the same cost of coverage for themselves and dependents as 40 hour staff.
- Dependent coverage:
 - Tiers saw hefty increases with renewal even on the smaller network plan.
 - To keep the coverage affordable for dependent coverage, CHA will pay \$100 per month toward dependent coverage.
 - This is critical as dependent coverage cost has always been the main complaint with our benefits package and impacts recruiting and retention.





Health Plan Rates

HEALTH - BlueCross BlueShield

30 – 40 Hour Employees

BASE PLAN (Blue HPN)

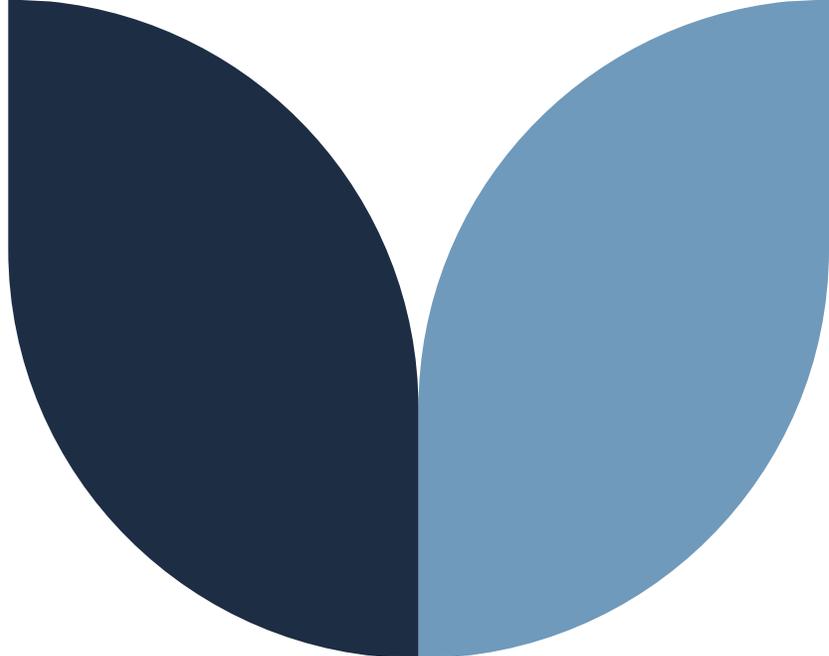
	<u>Monthly Employee Contribution</u>	<u>24 Payroll Deductions</u>
Employee Only:	\$0.00	\$0.00
Employee & Spouse:	\$592.84	\$296.42
Employee & Child:	\$152.62	\$76.31
Employee & Children:	\$450.36	\$225.18
Employee & Family:	\$1,147.66	\$573.83

Buy-Up Plan (Blue Options)

	<u>Monthly Employee Contribution</u>	<u>24 Payroll Deductions</u>
Employee Only:	\$167.84	\$83.92
Employee & Spouse:	\$1,043.28	\$521.64
Employee & Child:	\$486.96	\$243.48
Employee & Children:	\$863.20	\$431.60
Employee & Family:	\$1,735.38	\$867.69

Ancillary Benefits

- Change in dental provider
 - Minor increase
- All other benefits remained unchanged



Additional Benefit Proposal for FY25



CABARRUS
HEALTH
ALLIANCE

Vacation Time

Comparing with other local government employers

CHA's Current Accrual Schedule

Years of Aggregate Service	Leave Earned Yearly (accrual total at 40 hours per week)
Less than 5 years	10 days
5 but less than 10 years	13 days
10 but less than 15 years	15 days
15 years but less than 20 years	17 days
20 years plus	20 days

Comparison Counties: We surveyed 12 surrounding counties and municipalities (full data – next slide).

Years of Aggregate Service	Leave Earned Yearly (accrual total at 40 hours per week)
Less than 5 years	<ul style="list-style-type: none">• 10 start with 12 to 15 days at 0 years.• 10 increase accruals after 2 years instead of 5 years.• 12 increase to 12 to 18 days at year 3.
5 but less than 10 years	<ul style="list-style-type: none">• 11 increase to between 15 and 21 days at 5 years.
10 but less than 15 years	<ul style="list-style-type: none">• 12 increase to between 18 and 24 days at 10 years.
15 years but less than 20 years	<ul style="list-style-type: none">• 12 increase to between 21 and 27 days at 15 years.
20 years plus	<ul style="list-style-type: none">• 12 increase to between 24 and 31 days at 20 years.

On average, CHA is approximately three days less than surrounding counties.



Comparison County	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tier 7
City of Kannapolis	Less than 5=14 days	5 < 10=17 days	10 < 15=20 days	15 but less than 20=23 days	Over 20=26 days	n/a	n/a
Cabarrus County	Less than 2 =10 days	2 < 5 years=12 days	5 < 10 years=15	10 but less than 15 years=18 days	15 years or more= 21 days	n/a	n/a
Union County	0>2 years=12 days	2 < 5 years=14 days	5 but less thand 10 years=17days	10 but less than 15 years=20 days	15 but less than 20 years=23 days	20 years or more=26 days	n/a
Cumberland County	0-2 years=12 days	2 < 5 years=15 days	5 years=18 days	10 years=21 days	15 years=24 days	20 years=27 days	n/a
Burke County	0-2 years=12 days	2-4 years=15 days	5-9 years=18 days	10-14 years=21 days	15-19 years=24 days	20+years=27 days	n/a
Lincoln County	0-2 years=10 days	2-5 years=12 days	5-10 years=15 days	10-15 years=17 days	15-20 years=21 days	More than 20 years=24 days	n/a
Iredell County	0-2 years=12 days	2 <5 years=14 days	5 but less than 10=17 days	10 but less than 15=20 days	15 but less than 20 years=23 days	20 or more years=26 days	n/a
Gaston County	0-2 years=12 days	2 < 5=14 days	5+ but less than 10 years=17 days	10+, less than 15=20 days	15+, less than 20=23 days	20+ years=26 days	n/a
Caldwell County	0-2 years=15 days	2 < 5=18 days	5 but less than 10=21 days	10 but less than 15=24 days	15 but less than 20=27 days	20 but less than 30=30 days	30 + =33 days
Mecklenburg County	0-2 years= 14 days	2-4 years=16 days	5-9 years=19 days	10-14 yeas=24 days	15-19 years=27 days	20+ years=31 days	
Rowan County	0-2 years=10 days	2-5 years= 12 days	5-10 years=15 days	10-15 years=18 days	15+ years=21 days	n/a	n/a
CHA – Current	0-5 = 10 days	5 < 10 = 13 days	10 but less than 15 = 15 days	15 but less than 20 = 17 days	20 + = 20 days		
CHA – Proposed	0-2 years = 10 days*	2 to 5 years = 13 days	5 to 10 years = 15 days	10 to 15 years = 18 days	15 to 20 years = 21 days	20 + = 24 days	

**CHA proposes giving new staff 2 days of vacation upon hire equating to 12 days. The 2 days is not accrued; those hours are front-loaded to assist with time needed when new.*

Vacation Time

Comparing with other local government employers

CHA's Current Accrual Schedule

Years of Aggregate Service	Leave Earned Yearly (accrual total at 40 hours per week)
Less than 5 years	10 days
5 but less than 10 years	13 days
10 but less than 15 years	15 days
15 years but less than 20 years	17 days
20 years plus	20 days

Proposed Accrual Schedule

Years of Service	Leave Earned Yearly (accrual total at 40 hours per week)
0 to 2 years	10 days*
2 to 5 years	13 days
5 to 10 years	15 days
10 to 15 years	18 days
15 to 20 years	21 days
20 years plus	24 days

- Adds additional tier for 0 to 2 years.
- Aligns with the low end of the range surveyed, and Cabarrus County's benefit.



Vacation Time

Comparing with other local government employers

This proposal does not increase the number of days earned in accruals for the 0 to 2 year staff.

In place of increasing the new hire accrual rate, we propose giving new hires two (2) sick and two (2) vacation days on their first day of employment (front-loaded, not accrued).

- Data shows that a significant number of new hires incur leave without pay in their first six (6) months of employment.
- Insufficient of paid time off during the first year of employment is a common complaint we hear from new hires.

Proposed Accrual Schedule

Years of Service	Leave Earned Yearly (accrual total at 40 hours per week)
0 to 2 years	10 days*
2 to 5 years	13 days
5 to 10 years	15 days
10 to 15 years	18 days
15 to 20 years	21 days
20 years plus	24 days



Vacation Time

Comparing with other local government employers

- Adding these four (4) days brings the number of paid days off to an average of twelve (12) during the first two years of employment, aligning with most other counties.
- Adding the two (2) sick and two (2) vacation days separate from other accruals reduces the liability for CHA, as these days will not pay out upon separation as regularly accrued vacation time does.

Proposed Accrual Schedule

Years of Service	Leave Earned Yearly (accrual total at 40 hours per week)
0 to 2 years	10 days*
2 to 5 years	13 days
5 to 10 years	15 days
10 to 15 years	18 days
15 to 20 years	21 days
20 years plus	24 days



Floating Holiday

We would like to add a floating holiday to support diversity and inclusion, and offer flexibility for a day significant to the employee.

- Floating holidays acknowledge the diverse backgrounds and beliefs of employees.
- This inclusivity fosters a more welcoming and equitable work environment, where employees feel valued and respected.
- Half of the surveyed organizations offer a floating holiday, in addition to accruals earned.



Comparison County	Floating Holiday
Cabarrus County	Yes
City of Kannapolis	No
Union County	Yes
Cumberland County	Yes
Burke County	No
Lincoln County	Yes
Iredell County	No
Gaston County	No
Caldwell County	No response
Mecklenburg County	No response
Rowan County	No





I. ANNOUNCEMENTS

Chairperson Lara Pons, MD



J. Motion to Adjourn

Chairperson Lara Pons, MD



Supplementary Documents Linked to Agenda Items



Public Health Authority of Cabarrus County
Board Meeting Minutes
January 16, 2024

A regular meeting of The Public Health Authority Board was held on Tuesday, January 16, 2024.

Board members attended in-person at CHA.

Members Present: Lara Pons, MD, Chair
Mark Spitzer, Vice-Chair
Cecilia Plez
Daryle Adams
Kimberly Dehler, DDS
Asha Rodriguez

Members Absent: Steve Morris, Chip Buckwell, Ed.D

Staff Present: Erin Shoe, Rolanda Forehand, Sue Yates, Dr. Alicia Primus, Tamara Lunsford-Key, Branisha Smith, Sonja Bohannon-Thacker, Sarah Vingoe, Dr. Steve Cathcart, Megan Easterday.

Guests and Members of Public Present: Geraldine Gardner

CALL TO ORDER

Chairperson Lara Pons called the meeting to order at 5:41 pm.

ADOPTION OF THE AGENDA

Chairperson Lara Pons requested a motion to adopt the agenda. Kimberly Dehler moved. Vice-Spitzer Mark Spitzer seconded. Motion and approval carried unanimously.

APPROVAL OF THE MINUTES

Chairperson Lara Pons asked for a motion to approve the October 17, 2023 meeting and closed session minutes. Cecilia Plez moved. Vice-Chair Mark Spitzer seconded. Motion and approval carried unanimously.

INFORMAL PUBLIC COMMENTS

No public comments.

REPORTS

5 for 5 Division Report: Behavioral Health

Sonja Bohannon-Thacker presented an overview of the Behavioral Health Division. The FY24 Budget is \$2,651,465 and has grown from five to 14 funding streams within the year. Sonja's overview included staffing, a review of service delivery and prevention programs, along with their workforce development plan involving interns. In addition, Sonja shared FY24 goals for both staff and programs. Sonja's ask of the Board of Health for Behavioral Health are to: combat myths regarding mental illness and substance use disorder in their circle of influence; advocate for CHA's behavioral health services as it relates to funding opportunities and partnerships; and to use their knowledge and connections to educate and inform us of needs and opportunities to develop our current services. A brief discussion on our ability to pay competitively and respond to the whole person followed.

5 for 5 Division Report: Clinical Services

Dr. Megan Easterday presented an overview of the Clinical Services Division. Dr. Easterday shared staffing information per department, the clinical leadership structure, FY23 patient data with number of unduplicated patients and patient encounters, and FY24 goals & progress. Dr. Easterday's ask for Board of Health support includes: keeping us aware of how we can expand to serve more adults and the impact of Medicaid expansion; sharing funding opportunities for individuals and families who are under or uninsured; advocacy for interoperability of technology; and education around harm reduction to support our patients.

Committee Report-Outs

- *Finance Committee* – Sue Yates presented the following reports:
 - *Financial Summary Report as of 11/30/23* – Sue shared the Financial Summary that includes revenues and expenditures, actuals for past and present fiscal year, and the year-to-date collected percentages.
 - Sue noted the \$1,000,000 fund balance allocation for Brown Mill that was approved in October. Sue advised net revenue will amount to approximately \$10,365 without the Brown Mill allocation.
 - *CHA Snapshot Report as of 11/30/23* – Sue shared the CHA Snapshot that shows the budget, actuals, and year-to-date percentage collected for each department.

Health Director's Report

Erin Shoe presented the Health Director's Report and provided a few highlights.

- Since Oct 2023, CHA has been awarded three (3) grants totaling \$904,981 to provide bilingual Integrated Behavioral Healthcare for Women's Health, jail-based and transition peer support for individuals at risk of overdose, and for Walk Cabarrus. Grants came from NC Dept of Public Health and Atrium Health Invests.
- Information Technology filled one of two vacant positions and is working on filling the second in the upcoming month.
- Dental welcomed a new dental hygienist in December! With this addition, we expect to be able to reduce wait time for hygiene appointments and start accepting new patient adults for comprehensive care within the year.
- During the first semester of the 2023-24 school year, school nurses documented 45,402 total visits in SNAP, our School Health electronic medical record. This number does not include visits that were documented on paper (diabetes, specialized healthcare procedures, and some minor visits).
- With the help of volunteers from local Lions Clubs, almost 5,000 vision screenings were completed during the first semester.
- Environmental Health has new leadership. Jennifer Hatley is the new EH Director; Jacob Snyder is the Asst. Director.
- Recruitment efforts for Healthy Cabarrus Executive Director role still continues.
- Communications Manager/Public Information Officer, April Sloop, joined the CHA team on January 12th!
- The Community Health Worker team hosted Winter Warm with Cannon Pharmacy on December 9, 2023. As a result of volunteer and sponsor support, the collective provided jackets and services to 80 families.

CONSENT AGENDA

Budget Revisions

Sue Yates presented an overview of the Budget Revisions. There are currently nine (9) revisions that were reviewed by both the Executive and Finance Committee at an earlier meeting. The revisions include the following departments and programs:

1. *STOP Grant*
2. *Workforce Development*
3. *Drug Free Communities*
4. *Prevention Drug Overdose*
5. *COSSAP*
6. *Bridge Access for Vaccines*
7. *SUN*

8. *Office of Rural Health*
9. *Innovative Approaches*

Financial Policies

Sue Yates advised there were ten (10) Finance Policies reviewed by the Finance Committee and Legal Counsel. The Credit Card Processing Policy, CHA Subaward Policy, Travel Policy, and NC Debt Set-Off Procedures Policy had minor changes. The Primary Care & Dental Services False Claims and Fraud Prevention Policy, the Primary Care & Dental Services Billing Policy, Donation Policy, Cabarrus Public Health Interest, Primary Care Services Debt Management Policy, and Dental Clinic Debt Management Policy had no changes.

These policies are reviewed annually for accreditation purposes and revisions are made when necessary. The Finance Committee was able to review these policies at an earlier meeting.

Chairperson Lara Pons asked for a motion to approve the Consent agenda. Daryle Adams moved. Vice-Chair Mark Spitzer seconded. Motion and approval carried unanimously.

BUSINESS AGENDA

Auditor Selection

Sue Yates requested approval of a five-year contract with Potter & Company, P.A. for the annual audit services for fiscal years FY24 through FY28 and shared the costs associated. They were the only firm to respond to our public RFP. Their pricing is comparative to what CHA is currently paying. Services include: a preliminary audit, field work, review of financial report, camera ready financial statements, notes and completion and delivery of the final audit report by October 31st.

Chairperson Lara Pons asked for a motion to approve the Auditor Selection. Vice-Chair Mark Spitzer moved. Cecilia Plez seconded. Motion and approval carried unanimously.

Compensation & Classification Study

Dr. Steve Cathcart and Jamie Newman provided information about the consulting agency used, the Compensation and Classification process and proposed recommendations for the Board to approve. Gallagher is a global leader in insurance, risk management & consulting services. They used a clearly defined and validated compensation model (Decision Band Model®) to assist CHA in reducing job grades/bands from 115 to 26 and our job classes from 104 to 70. We developed an additional job band to include our medical providers (mid-level, doctors and dentists). In addition, a list of hard to fill positions were shared. Lastly, Dr. Cathcart informed the Board that moving forward salary studies will be completed in cycles beginning with clinical staff and aging our salary tables in 2025 or 2026. The Board was asked to adopt 1.) the Compensation and Classification schedule requiring adjustment of outlier employees to the new minimum levels at a cost of \$11,495 and 2.) the Time in Seat (time in current role) to address compression at 2% adjustment per year in seat at a cost of \$34,930.

Chairperson Lara Pons asked for a motion to approve the Compensation & Classification Study recommendations. Vice-Chair Mark Spitzer moved. Asha Rodriguez seconded. Motion and approval carried unanimously.

Mission, Vision, Values

Geraldine Gardner, Executive Director at Centralina Regional Council, reviewed the objectives, timeline, and activities completed along with sharing an Executive Summary associated with the Mission, Vision, Values process. She highlighted the results from the three staff focus groups and the themes that emerged from these discussions and wrapped the presentation up by defining the Mission, Vision and Values along with key components needed for each. Erin Shoe shared the agency's current Mission and Vision and shared the proposed new Mission and Vision. New Mission: "to improve individual and community health through services, education and collaborative action" and new Vision: "we envision a thriving community where people make healthy choices in healthy environments" and asked the Board of Health for feedback. Lastly, Erin presented the four (4) core Values the agency will adopt: 1.) collaboration 2.) compassion 3.) integrity and 4.) adaptability.

Chairperson Lara Pons asked for a motion to accept the Mission, Vision, Values recommendations. Vice-Chair Mark Spitzer moved. Asha Rodriguez seconded. Motion and approval carried unanimously.

Primary Care Expansion

Erin Shoe led a brief discussion for situational awareness concerning CHA returning to the adult primary care space. Erin informed the Board that CHA provided adult primary care until 2003 in which we had clinicians and provided services at the Logan Community Center. She informed the Board that CHA give adult primary care up when we phased out to focus on county mandated services versus clinical services. With Medicaid expansion, our leadership team is discussing and researching if we are a good fit to become a Federally Qualified Health Center (FQHC). The three pathways for consideration: 1.) expand adult primary care through the public health channel 2.) complete a competitive grant application with assistance of a consultant or 3.) a FQHC Look-Alike in which you function as a FQHC and don't receive the federal award funding, but receive the same benefits as FQHCs and bonus points to apply when the grant opportunity arises. Research shows there is a significant underserved population in Kannapolis. Plans to provide additional information at the next Board meeting in March as Leadership conversations continue.

ANNOUNCEMENTS

Lara Pons thanked Alicia Primus for running the slides, thanked Geraldine Gardner for her hard work and thanked all presenters for their time.

MOTION TO ENTER INTO CLOSED SESSION

Chairperson Lara Pons asked for a motion to enter into Closed Session. Cecilia Plez moved. Asha Rodriguez seconded. Motion and approval carried unanimously.

Chairperson Lara Pons asked for a motion to exit out of Closed Session. Cecilia Plez moved. Daryle Adams seconded. Motion and approval carried unanimously.

MOTION TO ADJOURN

No further business to come before the Board.

Chairperson Lara Pons requested a motion to adjourn the meeting. Kim Dehler moved. Daryle Adams seconded the motion. Motion and approval carried unanimously.

The meeting was adjourned at 7:31pm.

The next meeting of the Board will be March 19, 2024 at 5:30pm.

Lara Pons, MD, Chair
Public Health Authority Board of Commissioners

ATTEST

Erin Shoe, MPH
Public Health Director

Minutes Taken by Rolanda Patrick Forehand

Public Health Authority of Cabarrus County



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

For the year ended June 30, 2023



CABARRUS
HEALTH
ALLIANCE

Public Health Authority of Cabarrus County

A Component Unit of Cabarrus County,
North Carolina

Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2023

Prepared By

Cabarrus Health Alliance Finance Department

Finance Director

Sue K. Yates



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**Cabarrus Health Alliance, North Carolina
Annual Comprehensive Financial Report
For the Year Ended June 30, 2023**

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Introductory Section

October 26, 2023

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 Annual Comprehensive Financial Report of the Public Health Authority of Cabarrus County (dba Cabarrus Health Alliance) for the fiscal year ended June 30, 2023.

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, 2023, 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, 2023, 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 Annual Comprehensive 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 "CPHI"); 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 26 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 3.3%. This is a decrease from last year’s 3.4%. The County population has increased by 25.94% and the per capita income increased by 37.6% in the last eight years.

The Alliance received an annual contribution from Cabarrus County, which as of June 30, 2023, represented 31.12% 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 FY23, Cabarrus County received ARPA funding for the COVID-19 response, and Cabarrus County contributed a portion of those funds for Cabarrus Health Alliance’s response initiatives.

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 (20 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 approaches 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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. This was the twenty-third 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 Annual Comprehensive Financial Report. 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 Annual Comprehensive Financial Report 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,



Erin Shoe, MPH
Director of Public Health/Chief Executive Officer



Sue K. Yates
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

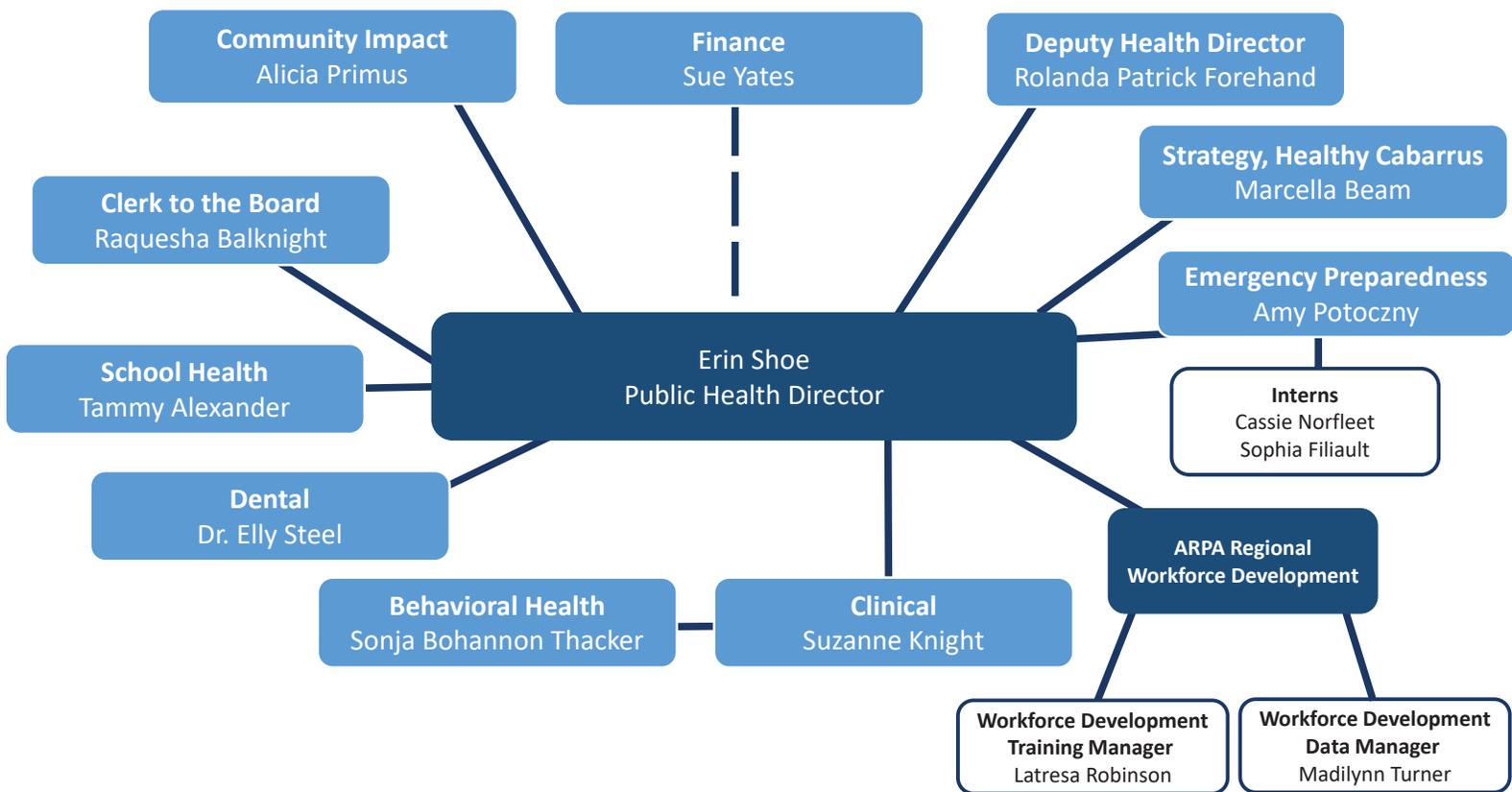
**Public Health Authority of Cabarrus County
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



**List of Appointed Officials
As of June 30, 2023**

Cabarrus Health Alliance Board

Chairperson Atrium Health – Medical Staff	Lara Pons, MD
Member or Designee, Atrium Health – Infectious Disease Specialist	Dan Hagler, M.D.
Member or Designee, Cabarrus County Board of Commissioners	Stephen M. Morris
Member or Designee, Atrium Health – Regional COO	Asha Rodriguez, Facility Director
Member or Designee, Public Member	Cecilia Plez
Member or Designee, Cabarrus County and Kannapolis City Schools Systems	Daryle Adams
Member or Designee, Dental Health	Kimberly Dehler, DDS
Public Member	Mark J. Spitzer
Public Member	Chip Buckwell, EdD

**Cabarrus Health Alliance
Management/Leadership**

CEO, Public Health Director	Erin K. Shoe, MPH
Deputy Public Health Director	Rolanda Patrick Forehand, MPH
Chief Finance Officer	Sue K. Yates
Chief Clinical Director	Suzanne M. Knight, RN, MPH
Chief Technology Officer	Ryan J. McGhee
Human Resources Director	Steve M. Cathcart, EdD., SPHR
Quality Improvement & Accreditation Program Manager	Asma M. Warrich, MPH
Dental Program Director	Elly A. Steel, DMD, MPH
Environmental Health Program Director	Chrystal L. Swinger, RHES
Chief Community Health Officer/ Public Information Officer	Marcella A. Beam
Latino Engagement and Relations Coordinator/ Team At-Large Member	Sandra L. Torres, MPA
Clerk to the Board	Raquesha R. Balknight
Director of School Health	Tammy S. Alexander, MSN, RN, NCSN
Community Impact Director	Alicia M. Primus, DHA, MPH, CHES
Development Officer	Sarah S. Vingoe
Behavioral Health Program Director	Sonja J. Bohannon-Thacker, MSW, LCSW, PMH-C
Healthy Living Director	Nina M. Beech
Licensed Clinical Social Worker	Laura M. Pierce-Crayton, MSW, LCSW
School Health Asst. Director	Wendy G. Harsch, RN, BSN NCSN
Assistant Director of Clinical Services	Julia C. Patterson, RN, BSN

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Financial Section



INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

Opinion

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, 2023, 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.

In our opinion, the accompanying 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, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the **Cabarrus Health Alliance**, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management's for the Audit of 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a

guarantee that an audit conducted in accordance with GAAS and *Governmental Auditing Standards* will always detect material statement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that , individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 12 through 19, and the Other Postemployment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios on page 53, and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and Contributions, on pages 54 and 55, 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 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 combining and individual fund financial statements, budgetary schedules and 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.

Such information is the responsibility of management and was 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory information and the statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance on thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2023, 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 the effectiveness of **Cabarrus Health Alliance's** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Cabarrus Health Alliance's** internal control over financial reporting and compliance.

Potter & Company, P.A.

October 26, 2023
Concord, 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, 2023. 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.

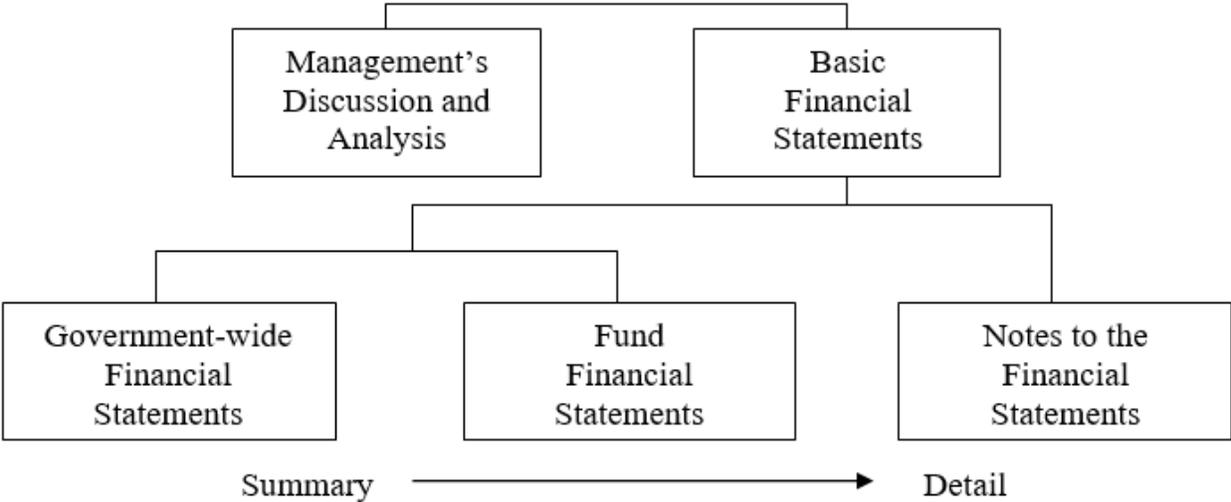
Financial Highlights

- 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 \$6,639,977 (*net position*)
- The Alliance’s total net position decreased by \$1,611,445, primarily due to an increase in pension expense.
- As of the close of the current fiscal year, the Cabarrus Health Alliance’s governmental funds reported combined ending fund balances of \$11,656,692 after a net increase in fund balance of \$125,936. Approximately 19.3 percent of this total amount, or \$2,250,238 is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$9,406,454 or 27.5 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, changes to final budget and the actual resources and changes.

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 28 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 50 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 \$6,639,977 as of June 30, 2023. The Alliance's net position decreased by \$1,611,445 for the fiscal year ended June 30, 2023. One portion of the net position, \$1,159,138 (17.46%) 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, \$2,250,238 (33.89%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$3,230,601 (48.65%) is unrestricted.

Cabarrus Health Alliance's Net Position		
	Governmental Activities	
	2023	2022
Current and other assets	\$ 13,892,853	\$ 14,409,759
Note receivable (see Note V.4)	200,000	400,000
Capital and right to use	1,635,157	748,536
Total assets	<u>15,728,010</u>	<u>15,558,295</u>
Deferred outflows of resources related to pensions	8,562,350	4,749,918
Deferred outflows of resources related to OPEB	191,554	303,203
Total deferred outflows of resources	<u>8,753,904</u>	<u>5,053,121</u>
Long-term liabilities outstanding	15,799,932	6,562,652
Other liabilities	1,843,777	1,597,232
Total liabilities	<u>17,643,709</u>	<u>8,159,884</u>
Deferred inflows of resources related to pensions	59,091	4,185,734
Deferred inflows of resources related to OPEB	139,137	14,376
Total deferred inflows of resources	<u>198,228</u>	<u>4,200,110</u>
Net position:		
Net investment in capital assets	1,159,138	748,536
Restricted	2,250,238	3,136,129
Unrestricted	3,230,601	4,366,757
Total net position	<u>\$ 6,639,977</u>	<u>\$ 8,251,422</u>

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

- The General Fund had an original budgeted fund balance appropriation of \$-0- that was not used during the fiscal year.
- Alliance departments were conservative in their spending and expenditures at June 30, 2023 were \$3,469,970 under budget.
- Accounts receivable decreased by \$623,800 due to receiving state and county reimbursement for June funds prior to year-end.
- Deferred outflows of resources related to pensions increased by \$3,812,432 and deferred inflows of resources related to pensions decreased by \$4,126,643.

Cabarrus Health Alliance's Changes in Net Position		
	Governmental Activities	
	2023	2022
Revenues:		
Program revenues:		
Charges for services	\$ 8,636,464	\$ 9,513,438
Operating grants and contributions	24,818,871	20,060,871
General revenues:		
Investment earnings	298,825	15,223
Other	35,833	42,542
Total revenues	<u>33,789,993</u>	<u>29,632,074</u>
Expenses:		
Human Services:		
Administrative services	7,110,766	3,884,022
Environmental health	1,735,412	1,429,940
Dental health	3,939,513	3,632,008
Women, Infants, and Children (WIC)	880,318	811,156
Communicable disease	5,158,645	4,145,337
Clinical services	3,594,773	3,816,727
Family care coordinator	1,582,219	1,251,648
Health initiatives	3,199,704	2,502,913
Behavioral Health	807,960	147,967
School Health	7,392,127	6,979,727
Total expenses	<u>35,401,437</u>	<u>28,601,445</u>
Increase (decrease) in net position	(1,611,444)	1,030,629
Net position, July 1	8,251,422	7,220,793
Net position, June 30	<u>\$ 6,639,978</u>	<u>\$ 8,251,422</u>

Governmental Activities

Governmental activities decreased the Alliance's net position by \$1,611,445. Key elements of this change are as follows:

- Increased administrative expenses by \$3,226,744.
- Increases throughout other departments include changes in state, federal, and private grant funding.
- Decrease in charge for services revenue across all programs.

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 \$9,406,454 while total fund balance reached \$11,656,692. 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 27.51% of general fund expenditures, while total fund balance represents 34.09% of that same amount.

At June 30, 2023, the governmental funds of the Cabarrus Health Alliance reported a fund balance of \$11,656,692, a 1.09% percent increase over the previous year. The primary reason for this increase is due to the increase in Medicaid Cost Settlement over previous years due to increases in reimbursement. Deferred outflows of resources related to pensions increased by \$3,812,432.

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 increased all expenses by \$1,491,734.

Major budget increases (decreases) during the year include:

- Environmental Health – Increased revenue for additional fees generated from increased need for services, \$97,634; and additional fees generated from food and lodging activities, \$27,654.
- Clinical Services – Increased revenue primarily due to Cabarrus County contribution and ARP from Cabarrus County, \$825,545.
- School Health – Increased revenue primarily for SH-Testing, \$974,659.
- Family Care Coordination – Increase revenue for Innovative Approaches Grant funding, \$331,000.
- Behavioral Health – Total revenues increased mainly due to NC Community Foundation, \$70,000; and County grants, \$187,675.
- Communicable Disease – decreased revenue primarily for Public Health Regional Workforce funding, \$1,413,296.

Capital Assets

Cabarrus Health Alliance’s capital assets for its governmental activities as of June 30, 2023, totals \$1,173,863 (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 two Dental Public Vehicles, two General Administration Vehicles, two Environmental Health vehicles, \$208,804.
- Communicable Diseases purchased Mobile Exam Unit for \$373,706.
- Purchased information technology equipment of \$116,830, for servers and computer equipment.

Cabarrus Health Alliance's Capital Assets		
(net of accumulated depreciation)		
	Governmental Activities	
	2023	2022
Furniture and fixtures	\$ 6,945	\$ 10,190
Vehicles	694,961	238,919
Equipment	455,172	481,414
Leasehold Improvement	16,785	18,013
Total	\$ 1,173,863	\$ 748,536

Additional information on the Cabarrus Health Alliance’s capital assets can be found in Note IV.C on page 38 of the Basic Financial Statements.

Cabarrus Health Alliance's Outstanding Debt		
Long-Term Debt		
	Governmental Activities	
	2023	2022
Compensated Absences	\$ 1,073,425	\$ 999,045
Leases	476,019	562,801
Net pension liability	12,384,627	2,920,274
Total OPEB liability	1,865,861	2,080,532
Total	\$15,799,932	\$ 6,562,652

As of June 30, 2023 Cabarrus Health Alliance had outstanding debt of \$15,799,932. The overall change in long-term debt was an increase of \$9,237,280. The increase in net pension liability of \$9,464,353 was the largest contributing factor to the increase of long-term liabilities for current fiscal year.

Additional information regarding the Cabarrus Health Alliance’s long-term debt can be found in the notes of this audited financial report.

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, 2023 was 3.3 percent.
- The population in Cabarrus County has increased to 235,797 in 2023 from 187,226 in 2014. This represents a 25.94% increase.

Budget Highlights for the Upcoming Fiscal Year Ending June 30, 2024

- The Cabarrus Health Alliance receives funding from Cabarrus County to provide mandated services to its citizens as well as School Health. The county's contribution to the Alliance represents approximately 32.46% of the total budgeted revenues for fiscal year 2024. 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 8.33% of the total budgeted revenues. Historically the Alliance has received an annual amount of \$990,000 to \$3,080,488.
- Salaries and benefits continue to be our largest area of investment and represent an average of 76.30% of total budgeted expenditures, \$25.84 million. Annual performance increases were computed at an average of 3.0% for 10.5 months and a 1% COLA increase for 10.5 months, an approximate cost of \$415,001. Group Health Insurance rates increased to \$7,495 from \$7,207 in FY23. The state retirement rate increased to 12.87 % from 12.13%.

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, 2023

	Primary Government Governmental Activities
Assets	
Cash and investments	\$ 8,616,783
Restricted Assets:	
Cash	789,671
Receivables (net):	
Accounts receivable	3,935,398
Patient receivables, net	393,349
Sales tax	157,652
Note receivable - current portion	200,000
Capital Assets net of accumulated depreciation:	
Furniture and Fixtures	6,945
Vehicles	694,960
Equipment	455,172
Leasehold Improvement	16,785
Total Capital Assets	1,173,862
Right to use lease assets, net of amortization	461,295
Total assets	15,728,010
Deferred Outflows of Resources	
Pension deferrals	8,562,350
OPEB deferrals	191,554
Total deferred outflows of resources	8,753,904
Liabilities	
Accounts payable and accrued liabilities	1,053,141
Accrued interest payable	965
Liabilities to be paid from restricted assets	789,671
Due within one year	1,321,660
Noncurrent liabilities due in more than one year:	
Due in more than one year	227,784
Net pension liability	12,384,627
OPEB liability	1,865,861
Total liabilities	17,643,709
Deferred Inflows of Resources	
Pension deferrals	59,091
OPEB deferrals	139,137
Total deferred inflows of resources	198,228
Net Position	
Net investment in Capital Assets	1,159,138
Restricted for:	
Stabilization by State Statute	2,250,238
Unrestricted	3,230,601
Total Net Position	\$ 6,639,977

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, 2023

	Expenses	Program Revenues		Net (Expense) Revenue And Change in Net Position	
		Charges for Services	Operating Grants and Contributions	Total Primary Government Governmental Activities	
Function/Program Activities					
Governmental Activities:					
Administrative Services	\$ 7,110,766	\$ 69,798	\$ 4,382,928	\$	(2,658,040)
Environmental Health	1,735,412	363,658	1,514,824		143,070
Dental Health	3,939,513	4,652,763	110,918		824,168
Women, Infants, and Children	880,318	-	879,609		(709)
Communicable Disease	5,158,645	491,472	4,706,236		39,063
Clinical Services	3,594,773	1,834,176	1,080,794		(679,803)
Family Care Coordination	1,582,219	1,191,437	635,350		244,568
Health Initiatives	3,199,704	-	3,212,215		12,511
Behavioral Health	807,960	-	924,410		116,450
School Health	7,392,127	33,159	7,371,587		12,619
Total governmental activities	<u>\$ 35,401,437</u>	<u>\$ 8,636,463</u>	<u>\$ 24,818,871</u>	<u>\$</u>	<u>(1,946,103)</u>
General Revenues:					
Unrestricted investment earnings					298,825
Miscellaneous revenues					35,833
Total General Revenues					<u>334,658</u>
Changes in net position					(1,611,445)
Net position, beginning, as previously reported					8,251,422
Prior period restatement - change in accounting principle					-
Net position, beginning					8,251,422
Net position, ending				<u>\$</u>	<u>6,639,977</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, 2023

	<u>Major Fund</u>	<u>Total</u>
	<u>General Fund</u>	<u>Governmental Fund</u>
ASSETS		
Cash and investments	\$ 8,616,783	\$ 8,616,783
Restricted Assets:		
Cash	789,671	789,671
Receivables (net of allowance for uncollectibles)		
Accounts receivable	3,935,398	3,935,398
Patient receivables	393,349	393,349
Sales tax	157,652	157,652
Total assets	\$ 13,892,853	\$ 13,892,853
LIABILITIES		
Liabilities:		
Accounts payable and accrued liabilities	\$ 1,053,141	\$ 1,053,141
Liabilities to be paid from restricted assets	789,671	789,671
Total liabilities	1,842,812	1,842,812
DEFERRED INFLOWS OF RESOURCES	393,349	393,349
FUND BALANCES		
Restricted:		
Stabilization by State Statute	2,250,238	2,250,238
Unassigned	9,406,454	9,406,454
Total fund balances	11,656,692	11,656,692
Total liabilities, deferred inflows of resources, and fund balances	\$ 13,892,853	
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:		
Total Fund Balance, Governmental Funds		11,656,692
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	3,807,900	
Less accumulated depreciation	(2,634,038)	1,173,862
Note Receivable (see Note V.4)		200,000
Pension related deferred outflows of resources		6,361,755
OPEB related deferred outflows of resources		96,613

Cabarrus Health Alliance, North Carolina
Balance Sheet
Governmental Funds
June 30, 2023

	<u>Major Fund</u>	<u>Total</u> <u>Governmental Fund</u>
	<u>General Fund</u>	
Deferred outflows of resources related to pension that are not reported in the funds		2,200,595
Deferred outflows of resources related to OPEB that are not reported in the funds		94,941
Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		461,295
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Deferred inflows for patient receivables	611,381	
Less allowance for doubtful accounts	<u>(218,032)</u>	393,349
Accrued interest related to right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds		(965)
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	(1,073,425)	
Leases	(476,019)	
OPEB Liability	<u>(1,865,861)</u>	(3,415,305)
Net pension liability		(12,384,627)
Pension related deferred inflows of resources		(59,091)
OPEB related deferred inflows of resources		<u>(139,137)</u>
Net position of governmental activities		<u>\$ 6,639,977</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, 2023

		Governmental Fund Types
		General
Revenues:		
Intergovernmental revenues	\$	31,362,563
Permits and fees		363,658
Sales and services		1,162,431
Investment earnings		298,825
Miscellaneous		76,302
Contributions		859,290
Total Revenues		34,123,069
Expenditures:		
Current:		
Human services		33,334,278
Debt service		146,888
Capital outlay:		
Equipment		715,967
Total Expenditures		34,197,133
Excess (deficiency) of revenues over (under) expenditures before special item		(74,064)
Special Item:		
Special item (see Note V.4)		200,000
Net change in fund balance		125,936
Fund balance, July 1		11,530,756
Fund balance, June 30	\$	11,656,692

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, 2023**

Amount reported for governmental activities in the statement of activities (page 21) are different because:

Net change in fund balance - total governmental funds (page 24)		\$ 125,936
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 capital outlay exceeded depreciation in the current period. See Note III.A.		425,326
Note Receivable (see Note V.4)		(200,000)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.		389,977
OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities.		94,941
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(333,077)
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	(1,915,255)	
Compensated absences	(74,380)	
Leases	(8,233)	
OPEB plan expense	(116,680)	
	(2,114,548)	(2,114,548)
Total changes in net position of governmental activities (page 21)		\$ (1,611,445)

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, 2023

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental revenues	\$ 32,965,014	\$ 34,382,761	\$ 31,362,563	\$ (3,020,198)
Permits and fees	254,360	356,573	363,658	7,085
Sales and services	1,573,138	1,584,500	1,162,431	(422,069)
Investment earnings	4,000	299,771	298,825	(946)
Miscellaneous	763,861	133,633	76,302	(57,331)
Contributions	615,356	909,865	859,290	(50,575)
Total Revenues	<u>36,175,729</u>	<u>37,667,103</u>	<u>34,123,069</u>	<u>(3,544,034)</u>
Expenditures:				
<i>Human Services:</i>				
Environmental Health	1,729,645	1,874,925	1,735,412	139,513
Information Technology Systems	1,292,696	1,228,356	1,092,402	135,954
General Administration	3,976,131	5,242,231	4,594,827	647,404
Family Care Coordination	1,619,632	1,765,079	1,582,219	182,860
School Health	6,751,584	7,853,028	7,392,127	460,901
Health Initiatives	3,281,272	3,620,441	3,199,704	420,737
Dental Public Health	4,518,591	3,970,879	3,939,513	31,366
Vital Records	72,743	72,743	72,345	398
Communicable Disease	7,086,662	6,150,049	5,158,645	991,404
Clinical Services	4,049,603	3,679,863	3,594,773	85,090
Behavioral Health	878,956	1,133,334	807,960	325,374
Women, Infants, & Children (WIC)	769,927	932,767	880,318	52,449
Total Human Services	<u>36,027,442</u>	<u>37,523,695</u>	<u>34,050,245</u>	<u>3,473,450</u>
<i>Debt Service:</i>				
Principal retirement	135,640	130,761	134,241	(3,480)
Interest and other charges	12,647	12,647	12,647	-
Total Debt Service	<u>148,287</u>	<u>143,408</u>	<u>146,888</u>	<u>(3,480)</u>
Total Expenditures	<u>36,175,729</u>	<u>37,667,103</u>	<u>34,197,133</u>	<u>3,469,970</u>
Excess (deficiency) of revenues over (under) expenditures before special item	-	-	(74,064)	74,064
Other financing sources (uses):				
Special item (see Note V.4)	-	-	200,000	200,000
Net change in fund balance	-	-	125,936	125,936
Fund balance, July 1			<u>11,530,756</u>	
Fund balance, June 30			<u>\$ 11,656,692</u>	

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

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*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, 2023**

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. 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, 2022.

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 Balance

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, 2023 are as follows:

FY 2023	Unexpended Amount
WIC Dream Center Lease	\$ 13,672
Cannon	245,179
Blue Cross Blue Shield	150,000
CCOFSP	168,877
Children WIN	17,468
Vital Srag, Opioid Settlement, NC Central Univ.	158,689
Other	35,786
Total Restricted Assets	<u>\$ 789,671</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 for 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, 2023 and, therefore, is not reported on the balance sheets as they are expenditures when purchased.

In governmental fund type accounts, prepaid expenses are generally accounted for using the purchase method. Under the purchase 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

The Alliance has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

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 assets that applies to future periods 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 2022 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 assets that applies to future periods 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 \$393,349 as of June 30, 2023 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 is classified as Notes 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’s 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.

13. 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, 2023, 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 outlay 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.”

Description	Amount
Capital outlay	\$ 728,896
Depreciation expense	<u>(303,570)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities.	<u>\$ 425,326</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, 2023, the Alliance’s carrying amount of deposits was \$1,888,623 and the bank balance was \$2,016,419. 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, 2023, the Alliance had \$3,600 cash on hand.

At June 30, 2023, the Alliance’s investments consisted of \$7,514,231 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, 2023, were as follows:

	Accounts	Patient Receivables	Sales Tax	Total
Governmental Activities:				
General	\$ 3,935,398	\$ 611,381	\$ 157,652	\$ 4,704,431
Total receivables	3,935,398	611,381	157,652	4,704,431
Allowance for doubtful accounts	-	(218,032)	-	(218,032)
Total-governmental activities	\$ 3,935,398	\$ 393,349	\$ 157,652	\$ 4,486,399

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

340B Income, June 2023	\$	2,932
Behavioral Health; Positive Parenting; June 2023		54,928
BJA COSSAP payment June 2023		13,693
BJA STOP Payment June 2023		12,111
Cabarrus County - ARPA IT June 2023		3,996
Cabarrus County - Environmental Health, June 2023		13,835
Cabarrus County - School Health, June 2023		438,420
Cabarrus County - SUNJune 2023		8,812
Cabarrus County Schools School Health Payment, 2023		16,330
CDC-CHW Payment, June 2023		63,007
CMARC FY2023 Payment		3,612
DFC Payment, June 2023		6,333
DHHS Recovery Supportive Housing, June 2023		32,434
Elevate Payment, June 2023		87,716
Medicaid Cost Study, 2023		2,309,351
Medicaid Managed Care 3rd Quarter Payment		114,684
Medicaid, Managed Care & Health Choice reimbursements, 2023		132,712
NC DHHS June Payment		563,333
NCBHEI Payment June 2023		8,010
NCBHEI Payment May 2023		10,099
Private Pay & Insurance payments, May-June 2023		39,050
Total	\$	<u>3,935,398</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

Primary Government	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, being depreciated:				
Furniture and fixtures	\$ 391,287	\$ 6,226	\$ -	\$ 397,513
Vehicles	703,673	582,510	(16,592)	1,269,591
Equipment	1,412,062	140,160	(10,806)	1,541,416
Leasehold Improvement	618,927	-	-	618,927
Total capital assets being depreciated	3,125,949	728,896	(27,398)	3,827,447
Less accumulated depreciation for:				
Furniture and fixtures	381,097	9,471	-	390,568
Vehicles	453,110	126,468	(16,592)	562,986
Equipment	942,291	166,403	(10,806)	1,097,888
Leasehold Improvement	600,915	1,228	-	602,143
Total accumulated depreciation	2,377,413	303,570	(27,398)	2,653,585
Total capital assets being depreciated, net	748,536	425,326	-	1,173,862
Capital assets, being amortized:				
Right to use assets:				
Leased equipment	\$ 14,416	\$ 157,878	\$ -	\$ 172,294
Leased building	703,531	-	-	703,531
Total right to use assets	717,947	157,878	-	875,825
Less accumulated amortization for:				
Leased equipment	2,703	22,924	-	25,627
Leased building	158,398	230,505	-	388,903
Total accumulated amortization	161,101	253,429	-	414,530
Total capital assets being amortized, net	\$ 556,846	\$ (95,551)	\$ -	\$ 461,295
Governmental activities capital assets, net	\$ 1,305,382	\$ 329,775	\$ -	\$ 1,635,157

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

Governmental activities:	
Human Services:	
Administrative Services	\$ 118,361
Environmental Health	43,607
Dental Health	65,184
Communicable Disease	48,067
Clinical Services	14,714
School Health	12,599
Women, Infant, and Children	1,038

Total depreciation expense - governmental activities	\$ 303,570

E. 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:

	Clinical Services	Dental Health	Behaviorial Health	Total
Total Due	\$ 306,000	\$ 292,649	\$ 12,732	\$ 611,381
Allow for uncollectible receivables	33,698	184,334	-	218,032
Deferred Inflows of Resources	\$ 272,302	\$ 108,315	\$ 12,732	\$ 393,349

F. Long-Term Obligation Activity

1. Leases

The Alliance has entered into agreements to lease certain equipment and buildings. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payment as of the date of their inception.

The first agreement was executed in October 2020 to lease office equipment and requires 60 monthly payments of \$1,094. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.25%, the prime rate. As a result of the lease, the Alliance has a right to use asset with a net book value of \$7,208 at June 30, 2023. The right to use asset is discussed in more detail in the right to use asset section of this note.

The second agreement was executed in June 2019 to lease a building and requires 60 monthly payments of \$6,000. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.25%, the prime rate. As a result of the lease, the Alliance has a right to use asset with a net book value of \$23,367 at June 30, 2023. The right to use asset is discussed in more detail in the right to use asset section of this note.

The third agreement was executed in January 2022 to lease a building and requires 36 monthly payments of \$6,200. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.25%, the prime rate. As a result of the lease, the Alliance has a right to use asset with a net book value of \$115,667 at June 30, 2023. The right to use asset is discussed in more detail in the right to use asset section of this note.

The fourth agreement was executed in January 2022 to lease a building and requires 36 monthly payments of \$3,200. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.25%, the prime rate. As a result of the lease, the Alliance has a right to use asset with a net book value of \$60,280 at June 30, 2023. The right to use asset is discussed in more detail in the right to use asset section of this note.

The fifth agreement was executed in January 2022 to lease a building and requires 36 monthly payments of \$3,200 with the lease payment increasing to \$3,395 in January 2023 for the remainder of the lease. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.25%, the prime rate. As a result of the lease, the Alliance has a right to use asset with a net book value of \$52,392 at June 30, 2023. The right to use asset is discussed in more detail in the right to use asset section of this note.

The sixth agreement was executed in June 2019 to lease a building and requires 60 monthly payments of \$16,440. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.25%, the prime rate. As a result of the lease, the Alliance has a right to use asset with a net book value of \$62,922 at June 30, 2023. The right to use asset is discussed in more detail in the right to use asset section of this note.

The sixth agreement was executed in December 2022 to lease office equipment and requires 60 monthly payments of \$3,144. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 7.25%, the prime rate. As a result of the lease, the Alliance has a right to use asset with a net book value of \$139,459 at June 30, 2023. The right to use asset is discussed in more detail in the right to use asset section of this note.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023, were as follows:

Year ending	Principal	Interest	
<u>June 30</u>	<u>Payments</u>	<u>Payments</u>	<u>Total</u>
2024	\$ 269,703	\$ 17,218	\$ 286,921
2025	123,164	8,506	131,670
2026	32,596	5,131	37,727
2027	35,126	2,600	37,726
Thereafter	<u>15,430</u>	<u>291</u>	<u>15,721</u>
	<u>\$ 476,019</u>	<u>\$ 33,746</u>	<u>\$ 509,765</u>

The following is a summary of changes in the Alliance's long-term obligations for the fiscal year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 999,045	\$ 1,028,642	\$ (954,262)	\$ 1,073,425	\$ 1,051,957
Leases	562,801	157,878	(244,660)	476,019	269,703
Net pension liability	2,920,274	9,464,353	-	12,384,627	-
Total OPEB liability	2,080,532	83,640	(298,311)	1,865,861	-
Governmental activity Long-term liabilities	\$ 6,562,652	\$ 10,734,513	\$ (1,497,233)	\$ 15,799,932	\$ 1,321,660

The Cabarrus Health Alliance anticipates spending approximately \$1,051,957 for compensated absences during fiscal year 2024. 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.

G. 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 Annual Comprehensive Financial Report for the State of North Carolina.

The State's Annual Comprehensive Financial Report 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, 2023, was 12.13% 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 \$2,200,595 for the year ended June 30, 2023.

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, 2023, Cabarrus Health Alliance reported a liability of \$12,384,627 for its proportionate share of the net pension liability. The net pension asset was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 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, 2022 (measurement date), Cabarrus Health Alliance's proportion was 0.220% which was an increase of 0.0291% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, Cabarrus Health Alliance recognized pension expense of \$3,719,509. At June 30, 2023, 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	\$ 533,642	\$ 52,321
Changes of assumptions	1,235,708	-
Net difference between projected and actual earnings on pension plan investments	4,093,249	-
Changes in proportion and differences between Alliance contributions and proportionate share of contributions	499,156	6,770
Alliance contributions subsequent to the measurement date	2,200,595	-
Total	<u>\$ 8,562,350</u>	<u>\$ 59,091</u>

\$2,200,595 reported as deferred outflows of resources related to pensions resulting from Cabarrus Health Alliance contributions subsequent to the measurement date of the net pension but before the end of the current fiscal year, June 30, 2023, will be recognized as a decrease of the net pension liability in the subsequent year, June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 2,006,516
2025	1,749,504
2026	596,544
2027	1,950,100
2028	-
Thereafter	-
	<u>\$ 6,302,664</u>

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 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, 2021 valuation were based on the results of an actuarial experience study for the period of January 1, 2015, through December 31, 2019.

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, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 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 2.50%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. 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 6.50 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 (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Alliance's proportionate share of the net pension liability (asset)	\$ 22,352,657	\$ 12,384,627	\$ 4,170,392

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued Annual Comprehensive Financial Report 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 payroll, 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, 2021, June 30, 2022 and June 30, 2023, the Alliance contributed .04%, .04%, and .03% of annual covered payroll or \$6,304, \$6,364, and \$5,443 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, 2023 were \$562,044 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 2% in FY2023. The Alliance contributed \$200,491 to the plan for the year ended June 30, 2023.

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, 2023, 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.

H. 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, 2021, the date of the latest actuarial valuation:

	Number:
Inactive Employees or Beneficiaries Currently receiving benefits	12
Inactive Members entitled to but not yet receiving benefits	0
Active plan members	26
Total	<u>38</u>

Total OPEB Liability

The Alliance's total OPEB liability of \$1,865,861 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2022 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	0.75 %
Wage inflation	3.25 %
Salary increases, including inflation	
General Employees	3.25 % - 8.41%
Municipal Bond Index Rate	
Prior Measurement Date	2.16%
Measurement Date	3.54%
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031

Discount rate. The discount rate used to measure the total OPEB liability at June 30, 2023 was 3.54 percent which was a change from the discount rate of 2.16 percent at June 30, 2022. 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 2.16 percent at June 30, 2021 per the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published by The Bond Buyer. As of June 30, 2022, the 20-year Municipal Bond Index was 3.54 percent.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 7/1/2022	\$ 2,080,532
Changes for the year	
Service cost	37,956
Interest	44,441
Changes of benefit terms	-
Differences between expected and actual experience	1,243
Changes in assumptions or other inputs	(175,590)
Benefit payments	(122,721)
Net changes	(214,671)
Balance at 6/30/2023	\$ 1,865,861

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

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, 2021 valuation were based on a review of recent plan experience done concurrently with the June 30, 2021 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 (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current discount rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 1,991,456	\$ 1,865,861	\$ 1,748,906

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	\$ 1,717,769	\$ 1,865,861	\$ 2,031,197

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

For the year ended June 30, 2023, the Alliance recognized OPEB expense of \$157,646. At June 30, 2023, 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	\$ 933	\$ 7,335
Changes of assumptions	95,680	131,802
Benefit payments and administrative costs made subsequent to the measurement date	94,941	-
Total	<u>\$ 191,554</u>	<u>\$ 139,137</u>

\$94,941 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2024.

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$ 18,216
2025	(17,088)
2026	(43,217)
2027	(435)
2028	-
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 2021, 2022, and 2023.

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 \$1,000,000.

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	\$3,642,158
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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 fourth installment of \$200,000 was received in June 30, 2023 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, 2023 is \$200,000.

A portion of the Alliance's revenue is from Cabarrus County. For the year ended June 30, 2023, the Alliance received \$10,682,697 from the County. The County's contribution constituted 31.31% of the Alliance's total revenue for June 30, 2023.

5. Coronavirus Disease (COVID-19)

During the fiscal year 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic has had significant effects on global markets, supply chains, businesses, and communities. Specific to the County, COVID-19 is expected to impact various parts of its fiscal year 2022-23 operations and financial results. Management believes the Alliance is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID19 is unknown and cannot be reasonably estimated as events associated with the pandemic continue to develop.

VI. Subsequent Events

Management has evaluated subsequent events through October 26, 2023 and has determined that no significant events have occurred that would alter the Alliance's financial position.

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*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 Five Fiscal Years
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability					
Service cost	\$ 37,956	\$ 42,622	\$ 31,666	\$ 41,909	\$ 43,089
Interest	44,441	44,130	65,459	65,238	61,819
Differences between expected and actual experience	1,243	(12,938)	(3,804)	153,100	276
Changes of assumptions	(175,590)	118,759	162,270	48,049	(39,338)
Benefit payments	(122,721)	(131,770)	(147,633)	(145,785)	(105,215)
Net change in total OPEB liability	<u>(214,671)</u>	<u>60,803</u>	<u>107,958</u>	<u>162,511</u>	<u>(39,369)</u>
Total OPEB liability - beginning	<u>2,080,532</u>	<u>2,019,729</u>	<u>1,911,771</u>	<u>1,749,260</u>	<u>1,788,629</u>
Total OPEB liability - ending	<u>\$ 1,865,861</u>	<u>\$ 2,080,532</u>	<u>\$ 2,019,729</u>	<u>\$ 1,911,771</u>	<u>\$ 1,749,260</u>
Covered-employee payroll	1,955,838	1,955,838	2,640,695	2,640,695	3,267,585
Total OPEB liability as a percentage of covered payroll	95.40%	106.38%	76.48%	72.40%	53.53%

Notes to Schedule

There are no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement 75 to pay related benefits for the OPEB plan. 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>
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%

Cabarrus Health Alliance, North Carolina
Schedule of the Alliance's Proportionate Share of the
Net Pension Liability (Asset)
Local Governmental Employees' Retirement System
Last Ten Fiscal Years *
June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Alliance's proportion of the net pension liability (asset) %	0.212%	0.190%	0.182%	0.182%	0.183%	0.164%	0.167%	0.155%	0.147%	0.143%
Alliance's proportionate share of the net pension liability (asset)	\$ 12,384,627	\$ 2,920,274	\$ 6,503,635	\$ 4,982,567	\$ 4,352,536	\$ 2,507,299	\$ 3,539,206	\$ 697,381	\$ (864,155)	\$ 1,723,699
Alliance's covered payroll	\$ 15,910,532	\$ 13,790,667	\$ 12,611,316	\$ 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	77.84%	21.18%	47.16%	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	84.14%	95.51%	88.61%	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.

Cabarrus Health Alliance, North Carolina
Schedule of Alliance's Contributions
Local Governmental Employees' Retirement System
Last Ten Fiscal Years
June 30, 2022

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,200,595	\$ 1,810,618	\$ 1,403,649	\$ 1,133,756	\$ 974,473	\$ 919,840	\$ 774,114	\$ 700,557	\$ 682,356	\$ 629,003
Contributions in relation to the contractually required contribution	<u>2,200,595</u>	<u>1,810,618</u>	<u>1,403,649</u>	<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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Alliance's covered payroll	\$ 18,142,930	\$ 15,910,532	\$ 13,790,667	\$ 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	12.13%	11.38%	10.18%	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.

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*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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Revenues:				
<i>Human Services:</i>				
Environmental Health:				
Food & Lodging Grant	\$ 29,511	\$ 66,676	\$ 66,676	\$ -
Mos & Tick Suppression	-	4,000	4,000	-
Assoc. of Food & Drug	33,345	14,844	6,532	(8,312)
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	235,784	333,418	340,633	7,215
Temporary Food Establishment Fees	18,576	23,155	23,025	(130)
Miscellaneous Revenue	-	11,413	11,413	-
National Environmental Health Association	-	8,990	13,774	4,784
Contrib - Cabarrus County - WN	10,762	10,762	10,762	-
Contribution from Cabarrus County	1,381,247	1,381,247	1,381,247	-
Total Environmental Health	1,729,645	1,874,925	1,878,482	3,557
Information Technology Systems:				
Sale of Assets	-	-	89	89
Cabarrus County ARP	188,000	187,589	177,266	(10,323)
Contribution from Cabarrus County	745,758	745,758	745,758	-
Total Information Tech Systems	933,758	933,347	923,113	(10,234)
General Administration:				
Advancing Equity County Grant	67,980	67,980	67,980	-
DSS Dream Center	20,799	20,799	41,301	20,502
WIC Dream Center	13,599	13,599	12,399	(1,200)
Program Fees	1,500	1,500	4,846	3,346
CEE - Admin Fees	25,000	25,000	-	(25,000)
NCTN II - Admin Fees	200,000	200,000	-	(200,000)
Dental Dream Center	12,194	12,194	10,292	(1,902)
Interest on Investments	4,000	299,771	298,825	(946)
Sale of Capital Assets	5	5	-	(5)
Overages and Shortages	5	5	(110)	(115)
Miscellaneous Revenue	731,131	61,160	34,708	(26,452)
Contributions and Private Donations	1,000	25	-	(25)
Sale of Assets	3,500	190	140	(50)
Northeast Medical Center - Children WIN	-	10,000	10,000	-
Cabarrus County ARP	193,000	633,000	403,028	(229,972)
Contribution from Cabarrus County	2,140,353	2,894,383	2,894,383	-
Total General Administration	3,414,066	4,239,611	3,777,792	(461,819)
Family Care Coordination:				
Adolescent Parenting Program Grant	100,000	100,000	99,227	(773)
Innovative Approaches Grant	-	331,000	252,795	(78,205)
PCM Grant	43,708	43,708	68,920	25,212
CC4C Grant	44,136	44,136	64,272	20,136
North Carolina Division of Social Security	471,000	151,500	149,686	(1,814)
Medicaid - PPNB	-	280	291	11
Medicaid - PCM	-	75,000	80,025	5,025
Medicaid - CC4C	-	10,000	14,442	4,442
Medicaid Managed Care	960,787	1,007,329	1,095,460	88,131
Medicaid Settlement - PPNB	-	1,838	980	(858)
Private Insurance - PPNB	-	287	239	(48)
Miscellaneous Revenue	-	-	450	450
Total Family Care Coordination	1,619,631	1,765,078	1,826,787	61,709

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
School Health:				
ELC Reopen School SH Liaison	-	73,325	51,708	(21,617)
ELC - SH Testing	1,825,090	2,799,749	2,719,218	(80,531)
SH Team Workforce	267,838	276,598	276,598	-
School Nurse Funding Initiative Grant	50,000	50,000	50,000	-
Kids Plus Revenue	3,134	3,134	4,291	1,157
Cabarrus County School System	58,000	58,000	19,440	(38,560)
Kannapolis City School System	24,986	24,986	9,428	(15,558)
Miscellaneous Revenue	-	-	1,000	1,000
Cabarrus County Community Foundation	-	4,700	4,700	-
Cabarrus County ARP Funding	-	40,000	40,000	-
Contribution from Cabarrus County	4,522,536	4,522,536	4,229,364	(293,172)
Total School Health	6,751,584	7,853,028	7,405,747	(447,281)
Health Initiatives:				
10 Essential Services	125,791	125,791	131,156	5,365
TPPI Grant	75,000	75,000	83,115	8,115
MDPP Grant	230,105	230,105	233,517	3,412
Opioid CLC	100,000	100,000	91,771	(8,229)
Health Promotion Grant	34,354	34,354	33,521	(833)
Triple P Grant	86,713	77,445	81,074	3,629
NC DHHS Recovery Supportive Housing	-	292,940	120,542	(172,398)
Office of Rural Health - Lifestyle Medicine	150,000	150,000	150,755	755
DHHS OAP	1,016,803	1,026,219	1,034,448	8,229
HHS/Centers for Disease Control	765,947	885,180	789,106	(96,074)
NC Central University	32,000	32,000	8,223	(23,777)
DOJ STOP	310,406	201,686	161,231	(40,455)
UNC Chapel Hill - Med South Life	11,750	11,750	9,800	(1,950)
Partners Health Management	-	58,415	58,415	-
KCS SSG	8,000	4,482	4,482	-
Miscellaneous Revenue - SEP	14,125	14,125	643	(13,482)
Contributions & Private Donations - Healthy Cab	24,000	24,000	17,125	(6,875)
NorthEast Medical Center - Healthy Cab	28,500	28,500	28,500	-
Wake Forest School of Medicine BHEI	-	42,000	41,954	(46)
Cabarrus County ARPA CHW	90,808	90,808	27,578	(63,230)
Contribution from Cabarrus County	105,258	105,258	105,258	-
Total Health Initiatives	3,209,560	3,610,058	3,212,214	(397,844)
Dental Health:				
Office of Rural Health	150,000	150,000	149,942	(58)
Cabarrus Partnership for Children	15,000	24,415	24,415	-
Medicaid - Dental	2,465,000	2,360,644	1,893,664	(466,980)
Medicaid - Settlement Dental	2,260,727	2,012,101	2,012,100	(1)
Contribution - City of Kannapolis	-	3,500	3,500	-
Cabarrus YDC	6,500	6,500	8,236	1,736
Private Insurance	571,997	571,997	385,236	(186,761)
Patient Fees	190,369	190,369	231,975	41,606
Miscellaneous Revenue	-	29,773	11,906	(17,867)
BCBS of NC Foundation	-	73,000	79,230	6,230
Total Dental Health	5,659,593	5,422,299	4,800,204	(622,095)
Vital Records:				
Contribution from Cabarrus County	72,743	72,743	72,743	-
Total Vital Records	72,743	72,743	72,743	-

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Communicable Disease:				
Communicable Disease (CD) Grant	10,734	10,734	10,734	-
Bioterrorism Grant	49,633	49,633	51,393	1,760
Tuberculosis (TB) Grant	5,194	13,241	13,384	143
ELC Enhancing Detection Activities	877,246	636,210	419,252	(216,958)
ED Regional Prevention Support	569,674	760,022	626,792	(133,230)
CD Pandemic Recovery	275,620	551,240	318,997	(232,243)
Viral Hepatitis Prevention	77,159	77,159	67,249	(9,910)
STD Prevention	100	100	38	(62)
Public Health Regional Workforce	3,056,343	1,643,047	1,607,916	(35,131)
CDC Vaccination Program	485,183	492,932	353,437	(139,495)
STD Drugs	18,089	18,089	1,874	(16,215)
HIV/STD Grant	28,000	28,000	28,000	-
Immunization Action Plan Grant (IAP)	31,010	31,010	31,010	-
US DHHS - COVID	-	14,433	14,433	-
US DHHS - Provider Relief Funds Phase 4	181,402	243,602	181,402	(62,200)
Federal Emergency Management Agency	-	2,510	2,509	(1)
Medicaid - Flu/Pneumonia	2,000	1,422	1,152	(270)
Medicaid - PrEP Clinic	200	200	167	(33)
Medicaid - CD	-	3,615	5,029	1,414
Medicaid - TB	500	81	136	55
Medicaid - COVID	5,520	11,729	11,717	(12)
Medicaid - HIV/STD	2,000	3,778	3,651	(127)
Medicaid - IAP	2,000	3,254	5,453	2,199
Medicaid Managed Care	101,956	87,550	80,992	(6,558)
Medicaid Settlement - IT	-	8,639	4,647	(3,992)
Medicaid Settlement - Flu/Pneumonia	8,831	5,674	12,883	7,209
Medicaid Settlement - PREP Clinic	60	2,161	1,409	(752)
Medicaid Settlement - CD	-	3,138	2,361	(777)
Medicaid Settlement - TB	864	11,174	6,005	(5,169)
Medicaid Settlement - HIV/STD	4,180	57,488	32,113	(25,375)
Medicaid Settlement - IAP	24,332	125,348	60,750	(64,598)
Mecklenburg County PREP	-	7,081	8,328	1,247
Private Insurance - IT	9,500	14,840	17,019	2,179
Private Insurance - Flu/Pneumonia	10,000	9,274	7,110	(2,164)
Private Insurance - PREP Clinic	7,500	4,412	3,956	(456)
Private Insurance - CD	1,000	446	1,454	1,008
Private Insurance - TB	2,000	1,795	1,736	(59)
Private Insurance - COVID	60,000	46,424	19,269	(27,155)
Private Insurance - HIV/STD	3,000	11,272	11,890	618
Private Insurance - IAP	75,000	100,776	108,426	7,650
Medicare - IT	200	3,589	3,963	374
Medicare - Flu/Pneumonia	250	498	416	(82)
Medicare Reimbursement	-	890	975	85
Medicare - COVID	8,480	6,945	5,626	(1,319)
Medicare - HIV/STD	-	576	432	(144)
Medicare - IAP	2,000	2,000	2,146	146
Patient Fees - IT	24,000	38,169	38,379	210
Patient Fees - Flu/Pneumonia	350	596	488	(108)
Patient Fees - PrEP Clinic	7,500	538	580	42
Patient Fees - CD	-	584	476	(108)
Patient Fees - TB	11,000	8,020	7,997	(23)
Patient Fees - HIV/STD	13,000	3,889	3,356	(533)
Patient Fees - IAP	12,000	12,000	17,019	5,019
Miscellaneous Revenue - CD	2,000	2,000	1,967	(33)
Miscellaneous Revenue	4,000	-	-	-

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
340B Program Income	75,000	35,170	36,765	1,595
Contribution from Cabarrus County - CD	859,052	859,052	859,052	-
Public Health Preparedness - Contributions from Cabarrus County	82,000	82,000	82,000	-
Total Communicable Disease	7,086,662	6,150,049	5,197,710	(952,339)
Clinical Services:				
Maternal Health Grant	83,634	83,634	83,634	-
High Risk Maternity Clinic Grant	26,413	26,413	26,413	-
Family Planning Grant	113,330	115,411	115,585	174
TANF Grant	16,476	16,476	16,476	-
FP Long Acting Contraception Grant	14,200	14,200	14,200	-
Child Health Grant	26,785	26,785	26,785	-
Child Fatality Task Force Grant	1,389	1,389	1,389	-
BCCCP Screening Grant	57,400	62,400	53,075	(9,325)
ORH - Primary Care	150,000	150,000	126,453	(23,547)
Medicaid - Pediatric Primary Care	80,000	37,842	36,821	(1,021)
Medicaid - Adult Primary Care	10,000	15,526	15,517	(9)
Medicaid - Pregnancy Home	1,000	1,000	900	(100)
Medicaid - OB Clinic	24,000	28,520	28,589	69
Medicaid - GYN Clinic	-	251	230	(21)
Medicaid - PBH	1,600	1,245	1,142	(103)
Medicaid - Maternal Health	21,000	11,207	10,703	(504)
Medicaid - High Risk Maternity Clinic	30,000	16,745	13,574	(3,171)
Medicaid - Family Planning	25,000	20,793	16,396	(4,397)
Medicaid - Child Health	110,000	91,792	23,381	(68,411)
Medicaid Managed Care - Pediatric Primary Care	480,000	529,374	541,057	11,683
Medicaid Managed Care - Adult Primary Care	31,440	37,959	38,822	863
Medicaid Managed Care - Pregnancy Home	8,000	8,000	13,277	5,277
Medicaid Managed Care - OB Clinic	500	7,012	2,631	(4,381)
Medicaid Managed Care - GYN Clinic	300	950	1,130	180
Medicaid Managed Care - Peds Behavioral Health	4,500	8,391	7,923	(468)
Medicaid Managed Care - Maternal Health	65,000	81,683	82,225	542
Medicaid Managed Care - High Risk Maternity Clinic	43,386	27,724	26,994	(730)
Medicaid Managed Care - Family Planning	48,000	45,796	46,456	660
Medicaid Managed Care - Child Health	384,285	384,285	350,960	(33,325)
Medicaid Settlement - PPC	190,389	66,485	46,731	(19,754)
Medicaid Settlement - APC	15,000	30,498	20,987	(9,511)
Medicaid Settlement - Pregnancy Home	4,000	457	647	190
Medicaid Settlement - OB Clinic	23,757	73,413	48,680	(24,733)
Medicaid Settlement - GYN Clinic	1,000	6,450	3,606	(2,844)
Medicaid Settlement - Connections	-	4	1	(3)
Medicaid Settlement - PBH	11,080	1,313	687	(626)
Medicaid Settlement - MH	92,075	78,811	53,001	(25,810)
Medicaid Settlement - FP	50,977	52,173	40,582	(11,591)
Medicaid Settlement - CH	244,805	394,385	299,705	(94,680)
Carolina Access Case Management	15,000	27,316	28,630	1,314
SPCCP Population Health	139,227	27,145	27,138	(7)
Cabarrus YDC	843,398	496,737	401,785	(94,952)

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Private Insurance - PPC	23,578	8,325	7,810	(515)
Private Insurance - Adult Primary Care	8,000	6,300	6,405	105
Private Insurance - OB Clinic	-	-	114	114
Private Insurance - GYN Clinic	1,200	739	678	(61)
Private Insurance - PBH	700	-	-	-
Private Insurance - Maternal Health	15,000	15,478	15,902	424
Private Insurance - High Risk Maternity Clinic	4,000	167	153	(14)
Private Insurance - Family Planning	20,000	25,735	27,956	2,221
Private Insurance - Child Health	54,179	49,179	21,850	(27,329)
Patient Fees - Pediatric Primary Care	14,260	16,724	16,265	(459)
Patient Fees - Adult Primary Care	75,000	71,200	70,353	(847)
Patient Fees - OB Clinic	65,000	80,640	81,405	765
Patient Fees - GYN Clinic	26,000	25,430	9,840	(15,590)
Patient Fees - Connections	-	120	120	-
Patient Fees - PBH	500	153	140	(13)
Patient Fees - Maternal Health	8,000	5,649	5,520	(129)
Patient Fees - Family Planning	16,000	16,491	16,080	(411)
Patient Fees - Child Health	11,000	13,114	12,147	(967)
Cabarrus County Schools	4,680	4,212	4,680	468
Kannapolis City Schools	1,560	2,060	2,145	85
Miscellaneous Revenue - PPC	1,000	4,526	4,526	-
Miscellaneous Revenue - APC	3,000	4,322	4,366	44
Miscellaneous Revenue - Connections	-	10	10	-
Miscellaneous Revenue - MH	3,500	5,091	4,685	(406)
Miscellaneous Revenue - FP	100	285	283	(2)
Miscellaneous Revenue - CH	5,000	923	906	(17)
Upstream	-	15,000	15,000	-
Contribution from Cabarrus County	200,000	200,000	200,000	-
Total Clinical Services	4,049,603	3,679,863	3,224,257	(455,606)
Women, Infants, & Children (WIC):				
WIC - Client Services Grant	352,871	456,781	417,493	(39,288)
WIC - Nutrition Education Grant	232,316	235,289	224,762	(10,527)
WIC - Admin Grant	67,432	67,432	70,154	2,722
WIC - Breastfeeding Grant	54,939	110,896	90,868	(20,028)
WIC - Breastfeeding Grant - Peer Counsel	62,370	62,370	76,333	13,963
Total WIC	769,928	932,768	879,610	(53,158)
Behavioral Health:				
Department of Justice-COSSAP	300,000	300,000	152,119	(147,881)
Medicaid Reimbursement	-	114	95	(19)
Medicaid Managed Care	2,500	37,789	44,025	6,236
Private Insurance	2,500	3,373	4,171	798
Medicare Reimbursement	-	105	88	(17)
Patient Fees - LiVe Well	-	3,300	3,843	543
Cabarrus PH Interest - DGBH	150,000	150,000	150,000	-
NC Coummunity Foundation	-	70,000	-	(70,000)
Cabarrus County Grant Funds	-	38,677	38,682	5
Cabarrus County - Vital Strag	-	-	1,908	1,908
Cabarrus County - Opioid Settle	-	-	3,180	3,180
Cabarrus County Grant Funds -COA	-	91,514	90,944	(570)
Cabarrus County ARP Funding	423,956	380,978	333,225	(47,753)
Contribution from Cabarrus County	-	57,484	102,130	44,646
Total Behavioral Health	878,956	1,133,334	924,410	(208,924)

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Total Revenues	36,175,729	37,667,103	34,123,069	(3,544,034)
Expenditures:				
<i>Human Services:</i>				
Environmental Health:				
Salaries and Wages	1,075,492	1,079,656	1,081,968	(2,312)
Part Time >1000 hours	87,734	1,000	-	1,000
Part Time < 1000 hours	-	71,159	59,260	11,899
Temporary - Full and Part Time	34,442	34,442	9,264	25,178
Salary Adjustments	27,592	-	-	-
Social Security	65,135	77,772	69,524	8,248
Medicare	15,233	19,043	16,396	2,647
Group Hospital Insurance	113,714	127,557	105,412	22,145
Health Reimbursement Arrangement	21,210	23,617	18,058	5,559
Retirement	122,803	143,125	130,526	12,599
401k Match	20,252	20,402	13,739	6,663
Workers' Compensation	6,380	15,412	15,395	17
Office Supplies	900	2,600	2,586	14
Printing and Binding	1,078	1,813	1,145	668
Postage	2,000	2,000	1,529	471
Minor Office Equipment & Furniture	13,167	13,167	11,595	1,572
Automotive Supplies	300	300	122	178
Fuel	5,367	29,179	18,365	10,814
Other Operation Costs	13,750	43,479	32,270	11,209
Special Program Expense	597	597	193	404
Telephone	8,206	8,206	5,849	2,357
Auto and Truck Maintenance	4,000	30,015	14,056	15,959
Service Contracts	9,951	36,795	35,650	1,145
Mileage	500	500	305	195
Training and Education	4,635	16,035	15,889	146
Insurance and Bonds	13,124	9,172	9,138	34
Unemployment Compensation	1,833	1,911	1,919	(8)
Equipment & Furniture	60,000	61,399	61,398	1
Tools & Minor Equipment	-	2,170	2,170	-
Outsourced Services	250	250	43	207
Hardware	-	52	51	1
Property Tax	-	2,100	1,597	503
Total Environmental Health	1,729,645	1,874,925	1,735,412	139,513
Information Technology Systems:				
Salaries and Wages	531,942	531,942	509,631	22,311
Social Security	32,980	32,980	30,046	2,934
Medicare	7,713	7,713	7,027	686
Group Hospital Insurance	36,766	36,766	34,921	1,845
Health Reimbursement Arrangement	6,600	6,600	6,013	587
Retirement	64,365	64,365	61,451	2,914
401k Match	10,639	10,639	10,152	487
Workers' Compensation	3,192	3,192	931	2,261
Office Supplies	300	300	85	215
Postage	200	200	100	100
Hardware	112,450	80,000	38,589	41,411
Software	44,000	198,260	187,206	11,054
Telephone	17,650	37,000	34,079	2,921

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Purchased Services	18,200	-	-	-
Service Contracts	272,000	7,650	8,614	(964)
Mileage	500	500	-	500
Training & Education	16,000	16,000	1,895	14,105
Insurance & Bonds	6,649	6,649	4,124	2,525
Unemployment Compensation	500	500	503	(3)
Equipment & Furniture	75,000	116,830	116,830	-
Printing & Binding	50	50	68	(18)
Outsourced Services	35,000	70,220	40,137	30,083
Total Information Tech Systems	1,292,696	1,228,356	1,092,402	135,954
General Administration:				
Salaries and Wages	1,946,899	2,459,431	2,313,697	145,734
Part Time > 1000 hours	35,398	148,648	140,080	8,568
Part Time < 1000 hours	500	4,000	3,700	300
Temporary - Full and Part Time	-	5,572	6,742	(1,170)
Contracted Personal Services	30,500	21,280	12,475	8,805
Salary Adjustments	55,243	-	-	-
Auditors	23,000	23,000	22,500	500
Legal Fees	65,000	81,000	62,091	18,909
Social Security	135,465	173,949	153,580	20,369
Medicare	31,676	40,819	36,973	3,846
Group Hospital Insurance	209,752	209,752	184,159	25,593
Health Reimbursement Arrangement	37,945	37,945	32,131	5,814
Retirement	263,525	339,428	315,811	23,617
401k Match	42,090	42,090	28,674	13,416
Workers' Compensation	13,051	4,470	3,829	641
Other Benefits	108,154	103,654	101,640	2,014
Office Supplies	16,595	21,259	17,496	3,763
Employee Recognition	7,650	19,645	16,179	3,466
QA/QI	4,890	6,460	6,460	-
Printing and Binding	1,598	12,182	13,044	(862)
Imaging Expense	750	750	-	750
Postage	4,573	4,573	1,614	2,959
Tools & Minor Equipment	850	6,146	5,796	350
Minor Office Equipment & Furniture	22,075	8,777	5,298	3,479
Food	3,566	3,566	4,261	(695)
Automotive Supplies	125	125	-	125
Fuel	1,500	1,500	(133)	1,633
Other Operation Costs	41,719	44,157	22,194	21,963
Special Program Supplies	20,446	19,761	5,522	14,239
Janitorial Supplies	10,000	15,733	15,696	37
Bank Service Charges	22,000	22,000	18,938	3,062
Lights and Power	151,891	156,934	152,582	4,352
Telephone	5,523	6,968	9,064	(2,096)

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Laundry & Dry Cleaning	1,150	1,150	750	400
Purchased Services	19,250	3,598	2,106	1,492
Contracted Services	218,340	286,238	210,398	75,840
Tuition Reimbursement	30,000	30,000	24,777	5,223
Bldg and Ground Maintenance	45,292	72,533	67,399	5,134
Auto & Truck Maintenance	1,250	6,347	6,346	1
Minor Equipment Maintenance	50	50	-	50
Service Contracts	20,000	18,205	(6,801)	25,006
Architecture	3,000	3,000	-	3,000
Mileage	3,150	5,104	4,113	991
Property Tax	2,000	2,000	558	1,442
Board Travel/Meetings	1,200	-	-	-
Dues and Subscriptions	25,550	31,462	31,571	(109)
Training & Education	82,242	39,625	38,686	939
Insurance and Bonds	27,137	17,213	16,541	672
Unemployment Compensation	2,789	2,381	(14,124)	16,505
Public Relations	12,500	12,500	11,522	978
Recruitment	12,000	13,003	3,204	9,799
Software	55,132	250,671	142,045	108,626
Medical Supplies	150	670	346	324
Equipment & Furniture	100,000	400,907	343,297	57,610
Total General Administration	3,976,131	5,242,231	4,594,827	647,404
Family Care Coordination:				
Salaries and Wages	827,657	800,720	775,147	25,573
Part Time >1000 hours	114,293	121,167	128,640	(7,473)
Salary Adjustments	4,396	-	-	-
Social Security	58,674	61,567	53,052	8,515
Medicare	13,724	14,322	12,407	1,915
Group Hospital Insurance	112,370	106,400	94,524	11,876
Health Reimbursement Arrangement	20,698	20,348	17,113	3,235
Retirement	114,382	113,311	109,024	4,287
401k Match	18,927	15,685	11,252	4,433
Workers' compensation	5,679	5,161	1,607	3,554
Office Supplies	4,750	4,583	3,958	625
Patient Education Supplies	1,500	2,000	958	1,042
Printing and Binding	2,800	2,872	1,151	1,721
Postage	1,000	1,120	720	400
Minor Office Equipment and Furniture	25,500	51,190	50,526	664
Food	20,260	8,276	5,341	2,935
Other Operation Costs	83,096	231,723	157,070	74,653
Special Program Supplies	62,921	55,137	44,261	10,876
Telephone	5,875	5,636	6,106	(470)
Contracted Services	41,350	41,384	39,619	1,765
Mileage	10,901	11,110	6,229	4,881
Dues and Subscriptions	5,900	7,325	6,471	854
Training and Education	49,580	53,594	31,563	22,031
Insurance and Bonds	11,831	11,215	7,154	4,061
Unemployment Compensation	1,568	1,645	1,601	44
Building & Equipment Leases	-	84	-	84
ARPA Family Support - DHHS - NC Div of SS	-	11,500	11,450	50
Public Awareness - DHHS - NC Div of SS	-	6,004	5,275	729
Total Family Care Coordination	1,619,632	1,765,079	1,582,219	182,860

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
School Health:				
Salaries and Wages	966,332	1,004,076	1,046,032	(41,956)
Part Time > 1000 hours	2,689,531	2,793,224	2,594,953	198,271
Part Time < 1000 hours	2,050	-	-	-
Temporary - Full and Part Time	48,919	163,499	149,250	14,249
Salary Adjustments	91,804	-	-	-
Social Security	243,512	253,142	217,706	35,436
Medicare	56,895	58,681	52,432	6,249
Group Hospital Insurance	466,260	382,466	375,373	7,093
Health Reimbursement Arrangement	85,389	86,571	62,120	24,451
Retirement	465,424	476,368	440,414	35,954
401k Match	76,711	49,204	33,356	15,848
Workers' Compensation	22,337	6,884	6,825	59
Office Supplies	30,075	13,747	11,098	2,649
Printing and Binding	11,647	17,276	15,010	2,266
Postage	200	475	200	275
Minor Office Equipment and Furniture	102,736	8,197	6,761	1,436
Other Operation Costs	136,232	341,306	254,133	87,173
Medical Supplies	4,895	4,895	3,992	903
Telephone	6,348	3,169	3,651	(482)
Contracted Services	44,000	14,909	6,512	8,397
Minor Equipment Maintenance	55	65	65	-
Mileage	26,012	4,409	1,526	2,883
Dues and Subscriptions	500	550	550	-
Training and Education	29,149	377,402	321,716	55,686
Insurance and Bonds	49,071	30,661	30,407	254
Unemployment Compensation	6,950	5,633	5,799	(166)
Service Contracts	-	279	279	-
Equipment & Furniture	-	17,000	16,380	620
Contracted Personnel	1,088,550	1,737,440	1,733,849	3,591
Recruitment	-	1,500	1,738	(238)
Total School Health	6,751,584	7,853,028	7,392,127	460,901
Health Initiatives:				
Salaries and Wages	1,356,612	1,418,123	1,382,056	36,067
Part Time > 1000 hours	127,179	122,011	111,842	10,169
Salary Adjustments	2,696	-	-	-
Social Security	92,241	97,974	90,861	7,113
Medicare	21,573	22,926	21,250	1,676
Group Hospital Insurance	198,249	192,860	162,226	30,634
Health Reimbursement Arrangement	39,115	36,663	27,991	8,672
Retirement	176,620	190,515	180,932	9,583
401k Match	35,753	27,768	10,865	16,903
Workers' Compensation	8,925	6,262	3,011	3,251
Office Supplies	17,569	9,371	6,916	2,455
Printing and Binding	11,688	6,468	4,037	2,431
Postage	200	350	500	(150)
Minor Office Equipment and Furniture	17,700	4,095	6,002	(1,907)
Food	25,000	24,087	20,761	3,326
Other Operation Costs	402,339	593,354	446,074	147,280
Special Program Supplies	130,982	175,012	131,871	43,141
Medical Supplies	25,200	34,569	21,803	12,766
Building & Equipment Leases	-	3,000	3,079	(79)
Telephone	6,380	3,713	6,333	(2,620)
Contracted Services	490,516	532,271	457,548	74,723
Mileage	13,910	17,075	11,666	5,409

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Dues & Subscriptions	2,900	5,753	5,449	304
Training and Education	53,665	64,493	56,069	8,424
Insurance and Bonds	18,555	16,049	12,272	3,777
Unemployment Compensation	2,705	2,871	2,687	184
Public Relations	-	600	500	100
Contracted Personnel	-	-	3,471	(3,471)
Patient Education - ORH LM	3,000	8,825	8,250	575
Office Equipment - Drug Free Communities	-	3,383	3,382	1
Total Health Initiatives	3,281,272	3,620,441	3,199,704	420,737
Dental Public Health:				
Salaries and Wages	2,539,147	2,183,144	2,302,152	(119,008)
Part Time > 1000 hours	86,733	175,631	241,885	(66,254)
Part Time < 1000 hours	-	13,110	6,555	6,555
Temporary - Full and Part Time	20,568	-	-	-
Contracted Personal Services	-	20,755	21,732	(977)
Social Security	167,298	167,298	147,388	19,910
Medicare	39,193	39,193	36,134	3,059
Group Hospital Insurance	283,847	233,847	237,363	(3,516)
Health Reimbursement Arrangement	51,480	51,480	41,150	10,330
Retirement	324,013	324,013	308,797	15,216
401k Match	53,556	53,556	31,368	22,188
Workers' Compensation	16,191	16,191	4,684	11,507
Office Supplies	6,200	6,300	7,194	(894)
Laboratory Supplies	300	300	358	(58)
Printing and Binding	8,000	8,600	7,246	1,354
Postage	3,000	3,000	2,000	1,000
Minor Office Equipment and Furniture	26,000	32,000	19,064	12,936
Automotive Supplies	2,000	2,000	-	2,000
Fuel	1,000	1,000	646	354
Software	9,500	9,500	6,909	2,591
Medical Supplies	600	600	872	(272)
Dental Supplies	310,457	310,457	251,057	59,400
Janitorial Supplies	4,000	4,000	6,081	(2,081)
Lights & Power	15,000	15,000	15,088	(88)
Meeting Expense	1,000	1,000	1,778	(778)
Telephone	6,800	6,800	7,303	(503)
Purchased Services	21,500	32,750	29,939	2,811
Contracted Services	48,000	69,000	51,823	17,177
Building and Ground Maintenance	5,000	12,000	4,363	7,637
Auto and Truck Maintenance	2,500	2,500	993	1,507
Minor Equipment Maintenance	22,500	25,100	23,111	1,989
Service Contracts	25,000	25,000	20,348	4,652
Mileage	1,325	1,325	1,650	(325)
Dues and Subscriptions	6,000	6,200	6,964	(764)
Training & Education	17,000	17,000	9,310	7,690
Insurance and Bonds	33,730	33,730	20,887	12,843
Unemployment Compensation	3,853	4,803	3,857	946
Recruitment	1,000	1,000	-	1,000
Equipment & Furniture	355,000	61,396	61,396	-
Property Tax	-	-	68	(68)
Providers Meeting Expense	300	300	-	300
Total Dental Health	4,518,591	3,970,879	3,939,513	31,366

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Vital Records:				
Salaries and Wages	49,400	49,400	51,895	(2,495)
Salary Adjustments	1,405	1,405	-	1,405
Social Security	3,150	3,150	2,974	176
Medicare	737	737	696	41
Group Hospital Insurance	7,353	7,353	7,351	2
Health Reimbursement Arrangement	1,320	1,320	1,266	54
Retirement	6,147	6,147	6,311	(164)
401k Match	1,016	1,016	1,038	(22)
Workers' Compensation	305	305	94	211
Office Supplies	500	500	-	500
Printing and Binding	25	25	32	(7)
Postage	400	400	164	236
Minor Office Equipment and Furniture	250	250	-	250
Insurance and Bonds	635	635	422	213
Unemployment Compensation	100	100	102	(2)
Total Vital Records	72,743	72,743	72,345	398
Communicable Disease:				
Salaries and Wages	3,046,909	2,395,823	2,094,259	301,564
Part Time > 1000 hours	131,506	167,371	111,547	55,824
Part Time < 1000 hours	53,630	55,133	38,861	16,272
Temporary - Full and Part Time	-	11,675	19,824	(8,149)
Contracted Personal services	-	26,501	48,117	(21,616)
Salary Adjustments	23,124	14,494	-	14,494
Social Security	197,734	180,018	134,692	45,326
Medicare	46,996	43,557	31,665	11,892
Group Hospital Insurance	316,667	317,400	228,030	89,370
Health Reimbursement Arrangement	58,327	61,910	39,499	22,411
Retirement	376,156	338,642	266,823	71,819
401k Match	62,002	57,215	27,349	29,866
Workers' Compensation	19,014	16,127	4,206	11,921
Office Supplies	24,339	57,082	11,417	45,665
Laboratory Supplies	2,050	2,050	-	2,050
Printing and Binding	74,835	47,167	9,710	37,457
Postage	3,515	3,570	3,363	207
International Travel Vaccine	18,000	30,811	22,923	7,888
Minor Office Equipment & Furniture	381,335	69,864	57,482	12,382
Medical Records Supplies	250	440	330	110
Other Operation Costs	221,828	167,518	56,331	111,187
Special Program Supplies	4,076	2,506	1,479	1,027
Medical Supplies	12,000	18,822	16,441	2,381
Pharmacy	138,639	217,454	204,474	12,980
Building & Equipment Lease	99,300	117,541	137,805	(20,264)
Lights & Power	-	4,200	6,716	(2,516)
Telephone	19,041	12,131	11,384	747
Purchased Services	500	500	-	500
Contracted Services	1,075,008	1,178,207	1,169,654	8,553
Building and Ground Maintenance	2,500	2,500	1,544	956
Minor Equipment Maintenance	250	250	-	250
Service Contracts	16,757	11,259	5,092	6,167
Mileage	30,000	55,471	30,068	25,403
Dues and Subscriptions	6,800	21,058	11,151	9,907
Training and Education	514,860	253,824	210,278	43,546
Insurance and Bonds	39,446	35,392	18,725	16,667
Unemployment Compensation	4,792	6,068	3,935	2,133

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Hardware	-	-	4,799	(4,799)
Autos & Trucks Maintenance	-	-	2,006	(2,006)
Building Improvements	-	4,800	-	4,800
Equipment & Furniture	64,476	143,698	116,666	27,032
Total Communicable Disease	<u>7,086,662</u>	<u>6,150,049</u>	<u>5,158,645</u>	<u>991,404</u>
Clinical Services:				
Salaries and Wages	2,224,453	2,019,335	2,024,359	(5,024)
Part Time > 1000 hours	314,490	278,211	284,538	(6,327)
Part Time < 1000 hours	169,478	169,478	173,544	(4,066)
Temporary - Full and Part Time	53,915	48,946	57,736	(8,790)
Contracted Personal services	-	2,334	9,652	(7,318)
Salary Adjustments	77,389	46,268	-	46,268
Social Security	179,178	163,085	146,364	16,721
Medicare	48,921	38,142	35,898	2,244
Group Hospital Insurance	236,116	207,113	188,814	18,299
Health Reimbursement Arrangement	55,198	38,276	32,628	5,648
Retirement	324,467	291,050	279,398	11,652
401k Match	53,449	44,222	27,761	16,461
Workers' Compensation	17,324	12,066	4,929	7,137
Office Supplies	1,900	2,150	584	1,566
Patient Education Supplies	750	750	-	750
Printing and Binding	2,250	2,250	5,369	(3,119)
Postage	1,100	1,100	685	415
Minor Office Equipment & Furniture	1,200	3,525	2,385	1,140
Medical Records Supplies	600	689	1,505	(816)
Other Operation Costs	250	24,796	24,814	(18)
Medical Supplies	17,500	19,600	24,615	(5,015)
Pharmacy	36,600	53,681	52,505	1,176
Telephone	6,000	6,305	7,484	(1,179)
Contracted Services	146,607	132,395	149,142	(16,747)
Child Fatality Task Force Expense	1,389	1,389	1,305	84
Minor Equipment Maintenance	3,200	3,200	3,780	(580)
Service Contracts	6,500	6,500	7,685	(1,185)
Mileage	800	800	703	97
Dues and Subscriptions	10,000	10,000	6,041	3,959
Training and Education	17,000	15,500	11,952	3,548
Insurance and Bonds	38,112	30,477	21,919	8,558
Unemployment Compensation	3,467	3,362	3,812	(450)
Laboratory Supplies	-	2,868	2,867	1
Total Clinical Services	<u>4,049,603</u>	<u>3,679,863</u>	<u>3,594,773</u>	<u>85,090</u>
Behavioral Health:				
Salaries and Wages	512,967	595,814	448,052	147,762
Part Time > 1000 hours	-	3,000	577	2,423
Social Security	28,974	33,721	27,280	6,441
Medicare	6,777	10,199	6,380	3,819
Group Hospital Insurance	47,775	59,733	43,293	16,440
Health Reimbursement Arrangement	8,580	13,407	7,346	6,061
Retirement	56,446	66,471	54,525	11,946
401k Match	7,907	11,118	2,296	8,822
Workers' Compensation	2,804	2,566	671	1,895
Office Supplies	150	1,320	1,816	(496)
Printing and Binding	150	442	297	145
Minor Office Equipment & Furniture	-	11,993	11,463	530
Food	-	500	249	251

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
Hardware	-	100	100	-
Software	-	2,826	-	2,826
Other Operation Costs	24,000	42,607	18,962	23,645
Special Program Supplies	85,936	64,346	19,401	44,945
Medical Supplies	8,578	117,193	78,562	38,631
Building & Equipment Lease	-	9,696	9,696	-
Telecommunications	1,500	2,727	811	1,916
Outsourced Services	42,998	27,298	38,167	(10,869)
Service Contracts	22,168	31,325	21,476	9,849
Mileage	500	1,600	1,429	171
Dues & Subscriptions	-	428	428	-
Training	14,250	12,595	6,810	5,785
Insurance & Bonds	5,841	5,056	2,985	2,071
Unemployment Compensation	655	753	590	163
Public Relations	-	4,500	4,298	202
Total Behavioral Health	878,956	1,133,334	807,960	325,374
WIC:				
Salaries and Wages	413,637	421,476	409,953	11,523
Part Time > 1000 hours	84,609	89,443	86,592	2,851
Temporary - Full and Part Time	19,269	24,633	27,151	(2,518)
Social Security	32,089	33,773	31,348	2,425
Medicare	7,505	8,555	7,343	1,212
Group Hospital Insurance	68,437	71,348	65,544	5,804
Health Reimbursement Arrangement	14,125	15,625	11,602	4,023
Retirement	60,293	63,874	60,308	3,566
401k Match	9,967	9,967	3,273	6,694
Workers' Compensation	3,108	1,468	926	542
Office Supplies	1,000	4,873	3,891	982
Breast Feeding Grant Expenses	2,500	19,623	17,988	1,635
Printing and Binding	416	766	764	2
Postage	3,032	3,532	3,053	479
Minor Office Equipment & Furniture	2,000	26,839	24,714	2,125
Other Operation Costs	6,000	45,082	41,840	3,242
Medical Supplies	1,200	25,581	23,450	2,131
Telephone	4,500	4,500	4,125	375
Contracted Services	25,448	23,448	19,706	3,742
Mileage	180	353	255	98
Dues & Subscriptions	20	370	150	220
Training & Education	3,121	4,699	5,154	(455)
Insurance and Bonds	6,471	4,635	4,119	516
Unemployment Compensation	1,000	679	1,228	(549)
Software	-	6,483	5,943	540
Build & Equipment Lease	-	14,915	13,672	1,243
Equipment & Furniture	-	6,227	6,226	1
Total WIC	769,927	932,767	880,318	52,449
<i>Total Human Services</i>	36,027,442	37,523,695	34,050,245	3,473,450

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, 2023

	2023			
	Original Budget	Revised Budget	Actual	Variance
<i>Debt Service:</i>				
Principal retirement	135,640	130,761	134,241	(3,480)
Interest and other charges	12,647	12,647	12,647	-
<i> Total Debt Service</i>	<u>148,287</u>	<u>143,408</u>	<u>146,888</u>	<u>(3,480)</u>
Total Expenditures	<u>36,175,729</u>	<u>37,667,103</u>	<u>34,197,133</u>	<u>3,469,970</u>
Excess (deficiency) of revenues over (under) expenditures before special item	<u>-</u>	<u>-</u>	<u>(74,064)</u>	<u>74,064</u>
Special item (see Note V.4)	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>(200,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,936</u>	<u>\$ (125,936)</u>
Fund balance, July 1			<u>11,530,756</u>	
Fund balance, June 30			<u>\$ 11,656,692</u>	

Cabarrus Health Alliance, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Governmental funds capital assets:		
Furniture and Fixtures	\$ 397,513	\$ 391,287
Vehicles	1,269,591	703,673
Equipment	1,541,416	1,412,062
Leasehold Improvement	<u>618,927</u>	<u>618,927</u>
Total governmental funds capital assets	<u>\$ 3,827,447</u>	<u>\$ 3,125,949</u>
Investments in governmental funds capital assets by source:		
General fund	<u>\$ 3,827,447</u>	<u>\$ 3,125,949</u>

Cabarrus Health Alliance, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
June 30, 2023

<u>Function and Activity</u>	Furniture and Fixtures	Vehicles	Equipment	Leasehold Improvement	Total
Human Services:					
Administrative Services	\$ 376,747	\$ 186,641	\$ 760,971	\$ 18,422	\$ 1,342,781
Environmental Health	5,263	407,591	-	-	412,854
Dental Health	-	301,653	504,055	600,505	1,406,213
Communicable Disease	-	373,706	62,739	-	436,445
Family Care Coordination	9,277	-	-	-	9,277
Health Initiatives	-	-	-	-	-
School Health	-	-	75,282	-	75,282
Clinical Services	-	-	138,369	-	138,369
Women, Infant, and Children	6,226	-	-	-	6,226
Total governmental funds capital assets	<u>\$ 397,513</u>	<u>\$ 1,269,591</u>	<u>\$ 1,541,416</u>	<u>\$ 618,927</u>	<u>\$ 3,827,447</u>

Cabarrus Health Alliance, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity
For the fiscal year ended June 30, 2023

<u>Function and Activity</u>	Governmental Funds Capital Assets June 30, 2022	Additions	Decreases	Governmental Funds Capital Assets June 30, 2023
Human Services:				
Administrative Services	\$ 1,139,941	\$ 202,840	\$ -	\$ 1,342,781
Environmental Health	368,048	61,398	16,592	412,854
Dental Health	1,344,817	61,396	-	1,406,213
Communicable Disease	66,595	380,656	10,806	436,445
Family Care Coordination	9,277	-	-	9,277
Health Initiatives	-	-	-	-
School Health	58,902	16,380	-	75,282
Clinical Services	138,369	-	-	138,369
Women, Infant, and Children	-	6,226	-	6,226
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total governmental funds capital assets	<u>\$ 3,125,949</u>	<u>\$ 728,896</u>	<u>\$ 27,398</u>	<u>\$ 3,827,447</u>

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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.

Cabarrus County Health Alliance Ratios of Outstanding Debt	(CHA)	Table 7
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									
	2014 *	2015	2016	2017 *	2018	2019	2020	2021	2022	2023
Governmental activities										
Net invested in capital assets	\$ 771,532	\$ 698,177	\$ 591,994	\$ 415,038	\$ 454,265	\$ 332,666	\$ 621,966	\$ 481,291	\$ 748,536	\$ 1,159,138
Restricted	900,338	1,768,998	2,079,353	2,496,308	889,823	3,097,700	1,175,395	3,342,317	3,136,129	2,250,238
Unrestricted	5,782,236	4,312,657	4,819,120	5,157,603	5,904,428	3,509,305	3,860,514	3,397,185	4,366,757	3,230,601
Total governmental activities net position	\$ 7,454,106	\$ 6,779,832	\$ 7,490,467	\$ 8,068,949	\$ 7,248,516	\$ 6,939,671	\$ 5,657,875	\$ 7,220,793	\$ 8,251,422	\$ 6,639,977

* 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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Administrative Services	\$ 5,898,932	\$ 5,319,606	\$ 5,195,621	\$ 6,681,301	\$ 7,324,315	\$ 7,221,834	\$ 4,985,699	\$ 3,271,315	\$ 3,884,022	\$ 7,110,766
Environmental Health	785,703	879,761	898,265	1,164,693	1,144,787	1,177,326	1,250,930	1,295,261	1,429,940	1,735,412
Dental Health	2,490,669	2,839,574	2,929,599	3,200,294	3,717,865	3,989,916	4,183,756	3,170,702	3,632,008	3,939,513
Women, Infants, and Children	939,623	881,758	873,468	923,790	825,282	778,148	907,967	1,018,343	811,156	880,318
Communicable Disease	959,162	989,202	1,127,834	1,148,149	1,122,545	1,227,655	2,332,075	4,842,747	4,145,337	5,158,645
Clinical Services	2,774,493	2,622,297	2,865,430	3,458,530	3,539,216	3,351,255	3,551,599	3,962,634	3,816,727	3,594,773
Family Care Coordination	834,573	853,351	1,001,684	976,506	1,022,194	1,109,802	1,318,213	1,109,438	1,251,648	1,582,219
Health Initiatives	836,081	1,588,363	2,484,054	2,952,476	2,166,182	2,336,941	2,054,566	1,260,913	2,502,913	3,199,704
Behavioral Health	-	-	-	-	-	-	-	-	147,967	807,960
School Health	2,329,640	2,302,709	2,530,354	2,702,923	2,817,892	2,994,671	3,117,832	4,152,789	6,979,727	7,392,127
Total governmental activities	\$ 17,848,876	\$ 18,276,621	\$ 19,906,309	\$ 23,208,662	\$ 23,680,278	\$ 24,187,548	\$ 23,702,637	\$ 24,084,142	\$ 28,601,445	\$ 35,401,437
Program Revenues										
Governmental activities:										
Charges for services:										
Administrative Services	\$ 100,575	\$ 2,116,259	\$ 2,374,735	\$ 3,796,299	\$ 4,582,349	\$ 4,111,300	\$ 1,340,902	\$ 3,110	\$ 3,584	\$ 69,798
Environmental Health	169,520	191,891	200,365	236,375	246,785	203,853	216,482	285,057	340,160	363,658
Dental Health	3,046,369	3,004,364	3,614,742	4,243,091	4,134,845	4,360,905	3,706,258	4,646,487	4,823,281	4,652,763
Communicable Disease	382,902	337,654	320,002	313,517	306,246	279,071	402,382	864,431	669,209	491,472
Clinical Services	2,382,962	2,029,671	2,540,478	1,972,953	2,081,804	1,848,825	2,095,620	2,972,260	2,510,988	1,834,176
Family Care Coordination	652,654	747,659	739,070	757,380	763,718	808,448	677,498	839,149	1,041,250	1,191,437
Health Initiatives	-	-	-	-	-	-	-	-	-	-
Behavioral Health	-	-	-	-	-	-	-	-	-	-
School Health	10,649	22,566	70,780	78,276	18,838	24,977	19,667	305,347	124,966	33,159
Total charges for services	\$ 6,745,631	\$ 8,450,064	\$ 9,860,172	\$ 11,397,891	\$ 12,134,585	\$ 11,637,379	\$ 8,458,809	\$ 9,915,841	\$ 9,513,438	\$ 8,636,463
Capital grants and contributions:										
Administrative services	-	-	-	-	-	-	-	-	-	-
Total capital grants and contributions	-									
Operating grants and contributions:										
Administrative Services	4,077,734	3,276,664	2,538,893	2,199,560	2,635,180	2,697,556	2,801,229	2,956,020	3,151,753	4,382,928
Environmental Health	705,993	721,823	729,461	853,542	933,242	874,034	917,899	953,130	1,073,892	1,514,824
Dental Health	76,894	241,073	32,000	44,066	16,415	96,878	282,914	105,137	83,047	110,918
Women, Infants, and Children	940,372	863,562	857,157	846,912	737,292	711,948	770,077	837,558	814,181	879,609
Communicable Disease	643,538	661,518	735,926	758,224	753,143	872,417	1,587,388	4,315,936	3,808,431	4,706,236
Clinical Services	554,314	484,695	482,603	895,728	1,002,947	982,250	1,191,306	1,270,714	1,145,237	1,080,794
Family Care Coordination	278,830	230,540	329,266	299,185	307,706	291,955	332,421	364,881	463,150	635,350
Health Initiatives	885,885	1,534,880	2,530,597	3,056,789	2,230,852	2,504,272	1,835,042	1,299,935	2,519,024	3,212,215
Behavioral Health	-	-	-	-	-	-	-	-	131,275	924,410
School Health	2,328,117	2,204,597	2,454,824	3,340,532	2,832,120	2,983,554	3,149,445	3,604,181	6,870,881	7,371,587
Total operating grants and contributions	10,491,677	10,219,352	10,690,727	12,294,538	11,448,897	12,014,864	12,867,721	15,707,492	20,060,871	24,818,871
Total governmental activities program revenues	\$ 17,237,308	\$ 18,669,416	\$ 20,550,899	\$ 23,692,429	\$ 23,583,482	\$ 23,652,243	\$ 21,326,530	\$ 25,623,333	\$ 29,574,309	\$ 33,455,334

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue										
Governmental activities	\$ (611,568)	\$ 392,795	\$ 644,590	\$ 483,767	\$ (96,796)	\$ (535,305)	\$ (2,376,107)	\$ 1,539,191	\$ 972,864	\$ (1,946,103)
Total governmental activities net (expense)/revenue	\$ (611,568)	\$ 392,795	\$ 644,590	\$ 483,767	\$ (96,796)	\$ (535,305)	\$ (2,376,107)	\$ 1,539,191	\$ 972,864	\$ (1,946,103)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Unrestricted investment earnings	\$ 2,033	\$ 6,283	\$ 18,393	\$ 34,710	\$ 95,743	\$ 180,096	\$ 104,186	\$ 4,223	\$ 15,223	\$ 298,825
Miscellaneous	816,247	21,333	47,652	60,005	55,723	46,364	(9,875)	19,504	42,542	35,833
Special item (see Note V.4)	-	-	-	-	-	-	1,000,000	-	-	-
Total governmental activities	\$ 818,280	\$ 27,616	\$ 66,045	\$ 94,715	\$ 151,466	\$ 226,460	\$ 1,094,311	\$ 23,727	\$ 57,765	\$ 334,658
Change in Net Position										
Governmental activities:										
Changes in Net Position	206,712	420,411	710,635	578,482	54,670	(308,845)	(1,281,796)	1,562,918	1,030,629	(1,611,445)
Total governmental activities	\$ 206,712	\$ 420,411	\$ 710,635	\$ 578,482	\$ 54,670	\$ (308,845)	\$ (1,281,796)	\$ 1,562,918	\$ 1,030,629	\$ (1,611,445)

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

Table 3

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable:										
Prepaid items	\$ 91,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for:										
Stabilization by State Statute	900,338	1,768,998	2,079,353	2,496,308	889,823	3,097,700	1,175,395	3,342,317	3,136,129	2,250,238
Future Equipment Purchases	-	-	-	-	-	-	-	-	-	-
Total Restricted	991,430	1,768,998	2,079,353	2,496,308	889,823	3,097,700	1,175,395	3,342,317	3,136,129	2,250,238
Assigned:										
Subsequent year's expenditures	185,000	241,458	215,000	301,581	1,038,299	1,120,769	901,167	880,206	851,192	-
Unassigned:	6,043,880	5,210,004	5,491,388	6,130,852	7,128,914	4,850,671	6,286,999	6,480,139	7,543,435	9,406,454
Total General Fund	\$ 7,220,310	\$ 7,220,460	\$ 7,785,741	\$ 8,928,741	\$ 9,057,036	\$ 9,069,140	\$ 8,363,561	\$ 10,702,662	\$ 11,530,756	\$ 11,656,692

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

Table 4

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Intergovernmental	\$ 14,560,281	\$ 14,284,166	\$ 16,549,263	\$ 18,101,093	\$ 16,966,106	\$ 17,295,311	\$ 17,817,152	\$ 21,954,146	\$ 27,695,119	\$ 31,362,563
Permits and fees	170,490	191,891	200,365	236,375	246,785	203,853	216,482	285,057	340,160	363,658
Sales and services	2,623,359	3,792,167	3,611,864	4,980,099	6,011,996	5,511,051	2,851,704	1,513,964	1,260,270	1,162,431
Investment earnings	2,033	6,283	18,393	34,710	95,743	180,096	104,186	4,223	15,223	298,825
Miscellaneous	52,934	69,854	73,868	74,533	71,982	65,673	47,321	72,748	61,222	76,302
Donations/Contributions	545,289	379,325	109,097	421,282	422,891	646,041	614,285	1,207,696	514,523	859,290
Total Revenues	17,954,386	18,723,686	20,562,850	23,848,092	23,815,503	23,902,025	21,651,130	25,037,834	29,886,517	34,123,069
Expenditures										
<i>Human Services:</i>										
Environmental Health	804,581	853,500	863,211	1,016,611	1,023,662	940,537	942,173	1,124,681	1,429,940	1,735,412
Information Technology Systems	1,024,725	862,220	686,960	713,288	838,463	958,323	1,153,424	951,084	1,158,974	1,092,402
General Administration	4,661,955	4,930,589	4,989,222	6,245,407	7,112,525	6,881,284	4,055,399	2,779,339	3,144,082	4,594,827
Family Care Coordination	841,031	847,335	982,591	936,255	978,968	1,040,588	1,177,374	1,109,438	1,251,648	1,582,219
School Health	2,327,439	2,298,548	2,513,116	2,664,527	2,825,137	2,994,421	3,117,582	3,965,717	6,979,727	7,392,127
Health Initiatives	833,880	1,584,202	2,466,816	2,914,080	2,124,811	2,268,964	1,948,057	1,260,913	2,502,913	3,199,704
Dental Public Health	2,389,765	2,854,397	2,757,956	2,982,327	3,523,777	3,723,191	4,020,629	2,939,644	3,632,008	3,939,513
Vital Records	48,026	50,098	50,755	51,579	62,420	65,439	54,625	57,632	70,153	72,345
Communicable Disease	949,754	977,061	1,091,130	1,109,753	1,081,174	1,159,678	2,191,236	4,657,174	4,145,337	5,158,645
Clinical Services	2,756,106	2,592,151	2,756,821	3,224,268	3,373,731	3,147,325	3,129,082	3,220,341	3,816,727	3,594,773
Behavioral Health	-	-	-	-	-	-	-	-	147,967	807,960
Women, Infants, & Children	933,019	873,435	838,991	846,997	742,540	710,171	767,128	832,770	811,156	880,318
<i>Debt Service:</i>										
Principal retirement	-	-	-	-	-	-	-	-	155,144	134,241
Interest and other charges	-	-	-	-	-	-	-	-	12,647	12,647
Total Expenditures	17,570,281	18,723,536	19,997,569	22,705,092	23,687,208	23,889,921	22,556,709	22,898,733	29,258,423	34,197,133
Excess of revenues over (under) expenditures before special item	384,105	150	565,281	1,143,000	128,295	12,104	(905,579)	2,139,101	628,094	(74,064)
Transfers to other funds	-	-	-	-	-	-	-	-	-	-
Special item (see Note V.4)	-	-	-	-	-	-	200,000	200,000	200,000	200,000
Net change in fund balances	\$ 384,105	\$ 150	\$ 565,281	\$ 1,143,000	\$ 128,295	\$ 12,104	\$ (705,579)	\$ 2,339,101	\$ 828,094	\$ 125,936

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
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
2021	21,954,146	285,057	1,713,964	4,223	72,748	1,207,696	25,237,834
2022	27,656,977	340,160	1,260,270	15,223	61,222	552,665	29,886,517
2023	31,362,563	363,658	1,162,431	298,825	76,302	859,290	34,123,069

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
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
2021	5,076,539	4,487,222	2,693,197	9,299,592	397,596	21,954,146
2022	10,210,263	4,607,704	3,098,145	9,391,768	349,097	27,656,977
2023	12,505,091	4,465,444	2,691,103	11,574,382	126,543	31,362,563

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Clinical Services										
Medicaid	\$ 1,122,145	\$ 1,106,085	\$ 1,131,722	\$ 1,280,059	\$ 1,153,785	\$ 989,180	\$ 987,830	\$ 1,059,019	\$ 1,466,157	\$ 1,367,023
Medicare	4,831	2,955	1,173	2,957	2,670	4,159	29,893	248,387	67,574	13,558
Private Insurance	252,271	251,760	264,710	233,585	226,692	275,792	323,919	559,640	365,284	251,727
Patient Fees	296,851	290,247	301,488	332,447	299,927	292,533	286,653	229,213	269,214	296,906
Total Clinical Services	1,676,098	1,651,047	1,699,093	1,849,048	1,683,074	1,561,664	1,628,295	2,096,259	2,168,229	1,929,214
Dental Services										
Medicaid	1,744,358	2,211,208	2,221,649	2,569,061	2,529,382	2,126,063	1,854,458	2,033,970	2,032,722	1,893,664
Private Insurance	433,045	396,609	511,239	582,438	684,298	690,539	647,087	500,045	431,219	385,236
Patient Fees	218,218	212,059	212,049	237,279	262,506	298,167	278,762	237,191	202,457	231,975
Total Dental Services	2,395,621	2,819,876	2,944,937	3,388,778	3,476,186	3,114,769	2,780,307	2,771,206	2,666,398	2,510,875
Total Fees for Services	\$ 4,071,719	\$ 4,470,923	\$ 4,644,030	\$ 5,237,826	\$ 5,159,260	\$ 4,676,433	\$ 4,408,602	\$ 4,867,465	\$ 4,834,627	\$ 4,440,089

Cabarrus Health Alliance, North Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 8

<u>Fiscal Year</u>	<u>Governmental Activities</u>		<u>Percentage of Personal Income ⁽¹⁾</u>	<u>Per Capita ⁽²⁾</u>
	<u>Long-term Leases</u>	<u>Total Primary Government</u>		
2014	\$ -	\$ -	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	562,801	562,801	N/A	2
2023	476,019	476,019	N/A	2

N/A = Not available

¹ U.S. Department of Commerce Bureau of Economic Analysis

CABARRUS COUNTY, NORTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

TABLE 9

<u>Year</u>	<u>Population⁽¹⁾</u>	<u>Personal Income⁽²⁾ (Dollars in Thousands)</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>
2014	187,226	\$ 7,301,723	\$ 39,000	34,763	6.1%	42,541
2015	192,103	7,399,908	38,521	34,609	5.5%	46,267
2016	196,762	8,286,025	41,103	35,376	4.8%	55,741
2017	201,590	9,085,784	43,920	36,669	4.1%	57,485
2018	206,872	9,556,853	45,220	33,877	3.9%	61,400
2019	211,342	10,089,975	46,415	32,955	3.8%	64,131
2020	216,453	11,260,526	49,592	33,579	7.6%	71,036
2021	221,479	12,407,280	53,647	32,555	4.4%	72,520
2022	231,278	*	*	33,565	3.7%	65,142
2023	235,797	*	*	34,674	3.3%	64,470

* Information not yet available. Information for calendar year 2022 will be available November 16, 2023.

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 in the County Official Statements

⁽⁴⁾ N. C. Department of Commerce Labor & Economic Analysis as of June 30th

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

**CABARRUS COUNTY, NORTH CAROLINA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Table 10

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Atrium Health (formerly Carolinas HealthCare)	5,140	1	4.43%	4,500	1	4.86%
Cabarrus County Schools	4,410	2	3.80%	3,800	2	4.11%
Cabarrus County Government	1,345	3	1.16%	950	4	1.03%
Wal-Mart	1,225	4	1.06%			-
Amazon	1,175	5	1.01%			-
City of Concord	1,123	6	0.97%	901	5	0.97%
Fedex Ground and Fedex Smartpost	1,050	7	0.90%			
Corning	956	8	0.82%			-
Shoe Show	811	9	0.70%	800	7	0.86%
Kannapolis City Schools	745	10	0.64%	750	9	0.81%
North Carolina Research Campus			-	1,000	3	1.08%
State of North Carolina			-	770	8	0.83%
S&D Coffee and Tea			-	625	10	0.68%
Connexions			-	900	6	0.97%
Total	17,980		15.49%	14,996		16.20%

Source:

NC Employment Security Commission, Cabarrus County Economic Development Corporation and FY 2014 ACFR

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

Table 11

Function/Program	Full-time Equivalent Employees as of June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative Services	46	46	27	30	29	26	25	30	34	40
Environmental Health	11	11	12	14	12	15	13	18	20	19
Dental Health	26	26	29	27	39	35	37	25	35	35
Women, Infants, and Children	18	18	16	15	13	11	14	14	13	15
Communicable Disease	10	10	10	14	9	9	14	31	25	26
Clinical Services	43	43	38	36	40	39	42	41	47	39
Family Care Coordination	13	13	12	13	14	13	14	12	25	21
Health Initiatives	21	21	19	23	21	18	16	15	22	17
Behavioral Health	0	0	0	0	0	0	0	0	3	14
School Health	49	49	48	49	53	53	60	55	56	62
Total	237	237	211	221	230	219	235	241	280	288

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 12

Functional Area	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative Activities										
Human Resources - retention rate (% resignations)	8.2%	7.5%	8.6%	11.1%	7.4%	3.9%	9.0%	17.7%	17.0%	10.4%
Finance - accounts payable checks issued	3,084	3,057	3,185	4,001	3,624	3,762	3,081	2,360	2,552	3,568
Environmental Health										
Environmental health - permits and/or inspections	1,742	1,887	1,927	2,062	2,101	2,076	1,858	1,931	2,112	2,008
Food & Lodging - inspections and/or consultation	3,463	3,520	3,610	3,727	2,756	3,734	3,122	3,314	3,104	3,224
Dental Health										
Smart Start Dental - # of children served	3,663	2,612	20	10	11	18	6	5	5	6
Dental Clinic - # encounters	18,889	20,099	20,764	22,668	24,676	23,321	19,415	16,023	18,474	20,696
Women, Infants, and Children										
Avg participation of state assigned caseload/mo.	4,521	4,235	4,062	3,661	3,251	2,900	3,220	3,830	4,046	4,305
Communicable Disease										
STD - # of clients seen for STDs	1,046	929	973	1,087	916	1,707	1,377	1,009	911	1,087
International Travel - # of clients seen	494	380	483	573	307	513	302	5	158	207
Flu/Pneumonia - # doses given	1,958	1,885	1,968	2,199	1,956	1,945	1,966	1,791	2,077	1,993
Tuberculosis - # of skin tests given	858	757	705	772	647	994	555	339	381	368
Clinical Services										
Maternal Health - # of client visits	4,616	3,395	4,006	4,188	4,481	4,183	3,147	2,924	2,757	2,837
BCCCP/WW - # of clients served	347	347	341	299	345	309	190	175	149	150
Family Planning - # of clients served	970	971	1,130	1,081	1,097	974	915	703	675	707
Child Health - # of clients served	2,071	2,398	2,460	2,550	2,947	2,972	3,147	2,589	2,676	2,656
Family Care Coordination										
Intensive Home Visiting - # of visits	850	-	250	235	105	102	111	79	67	76
Care Coordination for Children - # of direct patient centered interactions	7,902	4,248	5,170	4,382	4,398	6,393	1,718^	3,474^	2,033	2,145
Pregnancy Care Management - # of direct patient centered interactions	6,033	3,249	3,445	3,607	3,606	6,937	1,347^	2,053^	1,460	1,622
Community Impact										
TRAIL Elevate - # participants reached per year	n/a	n/a	77	1,684	1,131	1,200	n/a	n/a	226	500
TPPI - # participants reach per year	107	111	212	236	162	140	105	125	110	65
Triple P - # provider training slots filled	50	51	79	29	30	20	3	11	8	11
REACH - # participants reached per year	n/a	90,678	90,800	98,437	102,102	n/a	n/a	n/a	n/a	n/a
STARS - # participants reached per year	n/a	87	210	402	n/a	n/a	n/a	n/a	n/a	n/a
MDPP - # participants enrolled in the program	n/a	n/a	n/a	91	104	93	84	33	49	50
Syringe Service Program - # of Naloxone kits provided per year	n/a	n/a	n/a	n/a	n/a	1,915	1,646	2,269	1,456	1,936
Healthy PALS - # participants reached per year	n/a	n/a	n/a	118,140	36,791	27,614	n/a	n/a	n/a	n/a
Other Services										
School Health - # of students seen by nurse	110,217	111,953	123,220	145,592	141,127	144,664	103,676	34,493	90,150	128,874

Source: Cabarrus Health Alliance Departments

Notes:

^Program reporting changed from #patient tasks to #centered interactions
n/a - program/project no longer needed or not budgeted for that particular year

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

Table 13

<u>Function</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative Services										
Furniture and Fixtures	9	10	11	11	12	12	13	13	13	13
Vehicles	11	10	10	8	7	6	6	5	6	8
Equipment	17	19	19	20	18	19	29	29	28	34
Environmental Health										
Vehicles	11	10	15	10	14	14	12	15	17	18
Furniture and Fixtures	-	-	1	1	1	1	1	1	1	1
Dental Health										
Vehicles	1	2	2	2	2	1	2	2	2	4
Equipment	40	45	45	46	46	46	48	48	42	49
Leasehold Improvements	3	3	3	3	3	3	3	3	3	3
Communicable Disease										
Equipment	5	5	5	3	3	2	2	2	2	3
Vehicles	-	-	-	-	-	-	-	-	-	1
Clinical Services										
Equipment	10	10	10	10	10	10	10	10	9	9
Health Initiatives										
Equipment	-	-	-	-	-	-	4	-	-	-
Family Care Coordination										
Furniture and Fixtures	1	1	1	1	1	1	1	1	1	1
School Health										
Equipment	-	-	-	-	1	1	1	1	1	4
Women, Infants, and Children										
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	1
	108	115	122	115	118	116	132	130	125	149

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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 *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, 2023, 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 26, 2023.

Report on 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.

Report on 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 **Cabarrus Health Alliance'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 **Cabarrus Health Alliance's** internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Potter & Company, P.A.

October 26, 2023
Concord, North Carolina



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

Opinion on 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, 2023. 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.

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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **Cabarrus Health Alliance's** compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Cabarrus Health Alliance's** compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **Cabarrus Health Alliance's** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of **Cabarrus Health Alliance's** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **Cabarrus Health Alliance's** internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

Potter & Company, P.A.

October 26, 2023
Concord, North Carolina



POTTER & COMPANY, P.A.
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

Opinion on 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, 2023. 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.

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, 2023.

Basis for Opinion on Each Major State Program

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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to **Cabarrus Health Alliance's** State programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **Cabarrus Health Alliance's** compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Cabarrus Health Alliance's** compliance with the requirements of each major State program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **Cabarrus Health Alliance's** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of **Cabarrus Health Alliance's** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **Cabarrus Health Alliance's** internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

Potter & Company, P.A.

October 26, 2023
Concord, North Carolina

CABARRUS HEALTH ALLIANCE, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2023

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>Assistance Listing Nos:</u>	<u>Name of Federal Program</u>
10.557	Special Supplemental Nutrition Program for Women, Infant and Children
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.268	COVID-19 -Immunization Cooperation Agreements
93.354	COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response National and State Tobacco Control Program

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, 2023**

• 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
- TPPI – Adolescent Pregnancy Prevention Program
- Minority Diabetes Prevention Program
- Communicable Disease Pandemic Recovery

Dollar threshold used to determine a State major program \$ 500,000

Auditee qualified as State low-risk auditee? N/A

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, 2023

	Federal Expenditures	State Expenditures
Federal Awards		
U.S Department of Agriculture passed through NC Dept. of Health and Human Services Divison of Public Health Special Supplemental Nutrition Program for Women Infant and Children	10.557	866,927
Total U.S. Department of Agriculture	866,927	n/a
U.S. Department of Housing and Urban Development passed through NC Dept. of Health and Human Services Divison of Public Health Emergency Solutions Grant Program	14.241	-
U.S. Dept. of Treasury ⁵ Passed-through the Office of State Budget and Management: NC Pandemic Recovery Office passed through NC Dept. of Health and Human Services Divison of Public Health Coronavirus Relief Fund ⁴	21.019	-
U.S. Dept. of Treasury passed-through Cabarrus County Coronavirus State and Local Fiscal Recovery Funds	21.027	1,023,186
U.S. Department of Health and Human Services passed through NC Dept. of Health and Human Services Divison of Public Health		
Public Health Emergency Preparedness	93.069	49,633
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	-
Maternal and Child Health Federal Consolidated Programs	93.110	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	8,097
Acquired Immunodeficiency Syndrome (AIDS) Activity	93.118	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	100,000
Family Planning Services	93.217	79,444
Immunization Cooperation Agreements	93.268	-
COVID-19 -Immunization Cooperation Agreements	93.268	418,783
Total Immunization Cooperation Agreements	418,783	n/a
Viral Hepatitis Prevention and Control	93.270	5,000
Viral Hepatitis Prevention and Control	93.977	68,359
Teenage Pregnancy Prevention Program	93.297	-
PPHF 2018: Office of Smoking and Health-National State-Based Tobacco Control	93.305	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	4,087,487
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	-
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	4,087,487	n/a
COVID-19 - Public Health Emergency Response: Cooperative Agreement for National and State Tobacco Control Program	93.354	1,851,401
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health	93.387	-
Well-Integrated Screening and Evaluation for Women Across the Nation	93.391	67,980
Temporary Assistance for Needy Families	93.436	-
Refugee and Entrant Assistance State / Replacement Designee Administrators	93.558	16,476
Medical Assistance Assistance Program	93.566	-
Maternal , Infant, and Early Childhood Home Visiting Grant	93.778	-
Cancer Prevention and Control Programs for State, Territorial and Tribal	93.870	-
HIV Care Formula Grants - Ryan White Care Act	93.898	35,420
Healthy Start Initiative	93.917	-
HIV Prevention Activities Health Department Based	93.926	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.940	28,000
Preventive Health and Health Services Block Grant	93.977	38
Maternal and Child Health Services Block Grant	93.991	30,607
Maternal and Child Health Services Block Grant	93.994	407,289
Total	\$ 9,144,127	\$ 54,130

State Awards

N.C. Department of Health and Human Services passed-through Cabarrus County Division of Mental Health, Developmental Disabilities, and Substance Abuse Serv.	n/a	32,429
N.C. Department of Health and Human Services Division of Public Health Other Receipts / State Supported Expenditures		
Food and Lodging Fees	n/a	32,654
Public Health Pest Management	n/a	4,000
PH Capacity Building	n/a	125,791
Public Health Nursing	n/a	-
General Communicable Disease Control	n/a	10,734
Healthy Communities	n/a	3,747
Minority Diabetes Prevention Program	n/a	230,105
CLAS Standards Advancing Health Equity	n/a	-
Nurse Family Partnership	n/a	-
Positive Parenting Program (Triple P)	n/a	2,232
Child Health	n/a	6,581
HIV/STD State	n/a	2,078
Breast and Cervical Cancer	n/a	16,030
TPPI - Adol. Pregnancy Prevention Program	n/a	174,997
Care Coordination for Children	n/a	-
School Health Center	n/a	-
School Nursing Funding Initiative	n/a	50,000
Healthy Beginnings	n/a	-
Evidence - Based Strategies for MCH	n/a	-
Family Planning - State	n/a	24,095
Maternal Health	n/a	71,190
High Risk Maternity Clinics	n/a	26,413
Women Health Service Fund	n/a	14,200
Tuberculosis Control	n/a	5,144
Electronic Health Record	n/a	-
Communicable Disease Pandemic Recovery	n/a	305,300
Other Financial Assistance		
Opioid Settlement Funds ¹	n/a	3,180
Total federal and State awards	<u>\$ 9,144,127</u>	<u>\$ 1,195,029</u>

¹ These funds are not considered State Financial Assistance but are to be included under State Expenditures only for reporting and audit purposes.

CABARRUS HEALTH ALLIANCE, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For The Fiscal Year Ended June 30, 2023

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

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, 2023. 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 the Cabarrus Health Alliance, it is not intended to and does not present the financial position, changes in net position of cash flows of the Cabarrus Health Alliance.

2. Summary of Significant Accounting Policies

Expenditures reported in 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.

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

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For Information:

Cabarrus Health Alliance
300 Mooresville Road
Kannapolis, NC 28081
704-920-1212

CABARRUS HEALTH ALLIANCE

Budget Revision/Amendment Request

#1

Date: 3/19/2024

Amount: \$ 30,516

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for Food and Lodging Grant funds and reduce budget for Association of Food and Drug Official funding change. Funds will be from National Environmental Health Association.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265805-6200-47520	CHA Grant - Food & Lodging	\$ 5,000	\$ 37,696	\$ -	\$ 42,696
00265805-6803-47510	Miscellaneous Revenue	\$ -	\$ 320	\$ -	\$ 320
00265805-6345-47520	Assoc of Food and Drug Official	\$ 7,500	\$ -	\$ 7,500	\$ -
00295805-9860-47520	Furniture & Equipment - F&L	\$ -	\$ 30,516	\$ -	\$ 30,516

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: 3/19/2024

Amount: \$ 108,585

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for Supporting Women's Health Services Grant.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265877-6200-50175	CHA Grant-Supporting WH Srvs	\$ -	\$ 108,585	\$ -	\$ 108,585
00295877-9101-50175	Salaries & Wages-SWHS	\$ -	\$ 15,000	\$ -	\$ 15,000
00295877-9201-50175	Social Security-SWHS	\$ -	\$ 930	\$ -	\$ 930
00295877-9202-50175	Medicare-SWHS	\$ -	\$ 218	\$ -	\$ 218
00295877-9205-50175	Group Hospital Insurance-SWHS	\$ -	\$ 300	\$ -	\$ 300
00295877-9206-50175	HRA-SWHS	\$ -	\$ 500	\$ -	\$ 500
00295877-9210-50175	Retirement-SWHS	\$ -	\$ 2,040	\$ -	\$ 2,040
00295877-9211-50175	401K Match-SWHS	\$ -	\$ 300	\$ -	\$ 300
00295877-9230-50175	Workers' Compensation-SHWS	\$ -	\$ 90	\$ -	\$ 90
00295877-9640-50175	Insurance & Bonds-SWHS	\$ -	\$ 225	\$ -	\$ 225
00295877-9659-50175	Unemployment Comp-SWHS	\$ -	\$ 25	\$ -	\$ 25
00295877-9301-50175	Office Supplies-SWHS	\$ -	\$ 500	\$ -	\$ 500
00295877-9320-50175	Printing & Binding-SWHS	\$ -	\$ 100	\$ -	\$ 100
00295877-9331-50175	Minor Office Equip & Furn-SWHS	\$ -	\$ 9,785	\$ -	\$ 9,785
00295877-9352-50175	Software-SWHS	\$ -	\$ 9,200	\$ -	\$ 9,200
00295877-9355-50175	Other Operation Costs-SWHS	\$ -	\$ 4,500	\$ -	\$ 4,500
00295877-9356-50175	Special Program Supplies-SWHS	\$ -	\$ 11,997	\$ -	\$ 11,997
00295877-9356-5017A	Special Program Supp-ID SWHS	\$ -	\$ 15,000	\$ -	\$ 15,000
00295877-9447-50175	Outsourced Services-SWHW	\$ -	\$ 28,800	\$ -	\$ 28,800
00295877-9611-50175	Mileage-SWHS	\$ -	\$ 197	\$ -	\$ 197
00295877-9630-50175	Dues & Subscriptions-SWFS	\$ -	\$ 420	\$ -	\$ 420
00295877-9635-50175	Training & Education-SWHS	\$ -	\$ 958	\$ -	\$ 958
00295877-9692-50175	Public Relations-SWHS	\$ -	\$ 4,500	\$ -	\$ 4,500
00295877-9699-50175	Recruitment-SWHS	\$ -	\$ 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

#3

Date: 3/19/2024

Amount: \$ (18,966)

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To reduce budget for ELC Grant Carryover.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265865-6200-50543	CHA Grant-ELC EnhDectAct	\$ 236,820	\$ -	\$ 18,966	\$ 217,854
00295865-9325-50543	Postage - ELC	\$ -	\$ 50	\$ -	\$ 50
00295865-9331-50543	Minor Office Equipment & Furn	\$ 5,000	\$ 4,575	\$ -	\$ 9,575
00295865-9420-50543	Telecommunications-ELC	\$ 1,000	\$ 700	\$ -	\$ 1,700
00295865-9101-50543	Salaries & Wages-ELC	\$ 123,783	\$ 4,307	\$ -	\$ 128,090
00295865-9104-50543	Temp - Part & Full Time-ELC	\$ 3,068	\$ -	\$ 3,068	\$ -
00295865-9109-50543	Salary Adjustments-ELC	\$ 3,805	\$ -	\$ 3,805	\$ -
00295865-9301-50543	Office Supplies-ELC	\$ 5,357	\$ -	\$ 4,000	\$ 1,357
00295865-9320-50543	Printing & Binding-ELC	\$ 5,000	\$ -	\$ 4,990	\$ 10
00295865-9360-50543	Medical Supplies-ELC	\$ 9,245	\$ -	\$ 8,000	\$ 1,245
00295865-9447-50543	Contracted Services	\$ 5,000	\$ -	\$ 3,000	\$ 2,000
00295865-9611-50543	Mileage	\$ 2,000	\$ -	\$ 1,735	\$ 265

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: 3/19/2024

Amount: \$ 391,460

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for Dental Medicaid Cost Study estimate.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265855-6438-162	Medicaid Settlement-MobileDent	\$ 25,000	\$ 103,224	\$ -	\$ 128,224
00265855-6637-162	Private Ins - Mobile Dental	\$ 30,000	\$ 966	\$ -	\$ 30,966
00265855-6438-182	Medicaid Settlement-DCM	\$ 25,000	\$ 112,246	\$ -	\$ 137,246
00265855-6438-41400	Medicaid Settlement	\$ 1,191,352	\$ 881,125	\$ -	\$ 2,072,477
00265855-6833-41400	BCBS of NC Foundation	\$ 152,940	\$ 8,400	\$ -	\$ 161,340
00265855-6438-4140A	Medicaid Settlement-KDental	\$ 920,748	\$ 87,614	\$ -	\$ 1,008,362
00265855-6803-162	Misc Rev - Dental Mobile Cl	\$ 2,200	\$ 2,800	\$ -	\$ 5,000
00265855-6415-162	Medicaid Reimb-MobileDental	\$ 238,127	\$ -	\$ 153,920	\$ 84,207
00265855-6672-162	Patient Fees - Mobile Dental	\$ 10,000	\$ -	\$ 8,277	\$ 1,723
00265855-6415-182	Medicaid Reimb-DCM	\$ 138,128	\$ -	\$ 48,300	\$ 89,828
00265855-6637-182	Private Insurance-DCM	\$ 20,000	\$ -	\$ 1,485	\$ 18,515
00265855-6672-182	Patient Fees	\$ 5,000	\$ -	\$ 4,011	\$ 989
00265855-6415-41400	Medicaid - Dental	\$ 1,438,128	\$ -	\$ 239,669	\$ 1,198,459
00265855-6637-41400	Private Insurance	\$ 288,127	\$ -	\$ 145,312	\$ 142,815
00265855-6672-41400	Patient Fees	\$ 155,384	\$ -	\$ 18,902	\$ 136,482
00265855-6415-4140A	Medicaid Reimb - KDental	\$ 740,000	\$ -	\$ 107,833	\$ 632,167
00265855-6637-4140A	Private Insurance-KDental	\$ 160,000	\$ -	\$ 67,508	\$ 92,492
00265855-6672-4140A	Patient Fees-KDental	\$ 90,000	\$ -	\$ 9,698	\$ 80,302
00295855-9331-41400	Minor Off Equip&Furn-Dental	\$ 146,000	\$ 56,863	\$ -	\$ 202,863
00295855-9447-41400	Contracted Services	\$ 41,430	\$ 17,098	\$ -	\$ 58,528
00295855-9501-41400	Bldg & Ground Maint-Dental	\$ 19,000	\$ 66,652	\$ -	\$ 85,652
00295855-9520-41400	Autos & Truck Maint-Dental	\$ 2,000	\$ 1,500	\$ -	\$ 3,500
00295855-9820-41400	Building Improvements-Dental	\$ 152,510	\$ 25,000	\$ -	\$ 177,510
00295855-9367-4140A	Dental Supplies-KDent	\$ 20,000	\$ 7,710	\$ -	\$ 27,710
00295855-9352-162	Software-MobDental	\$ -	\$ 979	\$ -	\$ 979
00295855-9445-162	Purchased Services	\$ 1,322	\$ 5,453	\$ -	\$ 6,775
00295855-9447-162	Contracted Svcs-DentalMobile	\$ 4,178	\$ 1,593	\$ -	\$ 5,771
00295855-9104-41400	Temp PT & Full - Dental	\$ 2,940	\$ 5,000	\$ -	\$ 7,940
00295855-9356-41400	Special Program Supplies	\$ -	\$ 20	\$ -	\$ 20
00295855-9420-41400	Telecommunications-Dental	\$ 3,000	\$ 1,000	\$ -	\$ 4,000
00295855-9331-4140A	MinorOfficeEquip&Furn-KannDent	\$ 4,000	\$ 619	\$ -	\$ 4,619
00295855-9355-4140A	Other Operation Costs	\$ -	\$ 79	\$ -	\$ 79
00295855-9447-4140A	ContractSvcs-Dental Kannapolis	\$ 20,706	\$ 396	\$ -	\$ 21,102
00295855-9570-4140A	Service Contracts-KannDental	\$ 294	\$ 540	\$ -	\$ 834
00295855-9611-4140A	Mileage-KDent	\$ 100	\$ 150	\$ -	\$ 250
00295855-9659-4140A	UnempComp-KannDental	\$ 1,145	\$ 750	\$ -	\$ 1,895
00295855-9101-4140A	Sals&Wags-KDent	\$ 744,107	\$ 200,058	\$ -	\$ 944,165

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: 3/19/2024

Amount: \$ 10,000

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for additional funding for ED Regional Support Team.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265865-6200-50545	CHA Grant-EDRegSupportTeam	\$ 782,823	\$ 10,000	\$ -	\$ 792,823
00295865-9447-50545	Outsourced Services-EDRST	\$ -	\$ 6,315	\$ -	\$ 6,315
00295865-9635-50545	Training & Education-EDRST	\$ 20,000	\$ 3,685	\$ -	\$ 23,685

Finance Office Use Only

Finance Director _____ Health Director _____ Chairman of Cabarrus Health Alliance _____

Approved/Denied Date _____ Approved/Denied Date _____ Approved/Denied Date _____

SUBJECT: RESERVE POLICY

EFFECTIVE DATE: August 12, 2008

REVISION DATE: July 26, 2010; December 31, 2012

REVIEW DATE: July 22, 2009; July 26, 2010; December 8, 2011; December 31, 2012; February 28, 2014; April 24, 2015; May 2, 2016; May 9, 2017; April 25, 2018; March 14, 2019; April 28, 2020; March 24, 2021; February 25, 2022; March 21, 2023, March 19, 2024

POLICY STATEMENT:

The Public Health Authority of Cabarrus County dba Cabarrus Health Alliance shall maintain an appropriate reserve in the fund balance to meet state statutes and sustain operations during unanticipated emergencies and disasters.

General

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.

Cabarrus Health Alliance will maintain an undesignated fund balance that exceeds eight percent (8%) of general fund expenditures in accordance with the North Carolina Local Government Commission’s (LGC) recommendation. Based on historical cash flow analysis, 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.

Date

Board Chairman

SUBJECT: **COMMUNITY BASED BEHAVIORAL HEALTH ELIGIBILITY POLICY**

EFFECTIVE DATE: February 1, 2022

REVISION DATE: March 21, 2023

REVIEW DATE: March 5, 2023; March 21, 2023; March 19, 2024

POLICY STATEMENT:

The purpose of this policy is to determine the financial and residency requirements for individuals requesting services from the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA). This policy covers Community Based Behavioral Health Services only and excludes Integrated Behavioral Health services provided within a clinical setting. The guidelines for the NC Department of Health & Human Services Purchase of Medical Care Services Payment Programs are not part of this policy. Those guidelines can be found online at <https://publichealth.nc.gov/lhd/pomcs.htm>.

CHA shall assure that no person, on the grounds of race, color, age, ethnicity, language, culture, religion, sex, sexual orientation, gender identity or expression, socioeconomic status, marital status, immigration status, national origin, physical or mental disability, handicapping conditions or otherwise qualified handicapped individual, (unless otherwise medically indicated), be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity.

FINANCIAL REQUIREMENTS:

Community based Behavioral Health Services, not covered by state and/or federal grant funds, will have fees and fees assessed. CHA will see Cabarrus County residents for Community Based Behavioral Health Services regardless of income status.

Income Guidelines:

The income scales for Community Based Behavioral Health services will be updated according to state guidelines (usually annually) per program, and clients will be placed on the sliding scale according to their income and family size. CHA's Community based behavioral health Services Program utilizes the 101-200% sliding fee scale.

RESIDENCY REQUIREMENTS:

Community based behavioral Health services sliding scale will be available for Cabarrus County residents. The Clinic Director or designee must approve any exceptions for out of county clients requesting services Community based behavioral health program.

Verbal declaration of residency will be accepted at time of the eligibility process.

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 pregnant teenager with no income must be considered part of a larger economic unit that provides 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.

If an unemancipated minor, (1) requesting Community based behavioral health services, does not request confidential contact, the parents' income and insurance information should be taken if a parent is available to provide this information. If a parent is not available, the minor is considered a family of one and only their income is assessed.

Any participant requesting confidential services should be treated as a "family of one" and considered on the basis of their resources alone.

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 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 or be considered a family of one according to the income of the student.
- 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.

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 without compromising confidentiality for those that seek confidential services. Medical release and assignment of benefits form will be given to clients to sign when presenting for services.

Documentation and Verification of Income:

Verbal declaration of income will be accepted. The income verbally provided will be documented in the client's electronic health record.

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 following sources listed in this section.

An Income Statement should be completed at the time the eligibility is completed and then annually, 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.

Any applicant not wanting to disclose income information will be placed on the sliding scale at full fee. Private insurance and/or Medicaid will be billed if applicable.

Sources of Income:

Income from the following sources should be counted:

- Salaries, wages, overtime pay, commissions, fees, and tips
- Earnings from self-employment
- Interest earned on investments
- Periodic trust fund payments
- Public assistance money
- Unemployment compensation
- Alimony payments
- 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
- 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

Income from the following sources should be counted (continued):

- 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. 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 the six month formula:

- self-employed persons, including any business or seasonally employed persons whose income fluctuates throughout the year.
- clients that provide services or goods for cash would be considered self-employed and would need to provide verbal declaration of this income.
- 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, or bi-weekly 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.

SLIDING SCALE FEES:

The sliding scale fee uses 101 to 200% of federal poverty level scale. Based on the client's income and family size, the client will be responsible for a fee that reflects their ability to pay. The clients' fees are set starting at \$5 and increasing in increments of \$5 per income level with a max fee of \$30.

Often therapy session require frequent appointments until a client is stabilized. Clients requiring more than one encounter visit per week, shall not have fees exceed total charge of \$30.

Example: if a client is certified at \$20 fee, but is seen for three visits in one week, the client will only pay \$30 dollars total for all three visits.

INSURANCE:

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

- Insurance company name, address and telephone number
- Policy number
- Whether or not the individual is covered by the policy
- Whether or not the coverage is an HMO or prepaid plan
- Any known waiting period requirements or benefits exclusions
- Whether or not there are any out-of-network benefits with their HMO plan

The accompanying parent/guardian of an unemancipated minor or a client requesting confidential services with appropriate insurance benefits for requested Community based behavioral health services would be given the opportunity to choose whether or not to have the insurance filed. This is to avoid breaching the client's confidentiality in the home via notification from insurance company (EOB) of services received at CHA. The insured party may not be

aware of the client's request for services. Adult clients, restricting the use of their insurance and or Medicaid, are responsible for paying in full at the time of service. Client will need to sign the Notice to Restrict Billing Insurance form.

Clients who receive community based behavioral health 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 fees. Fees are the client's responsibility, but will not exceed \$30, which is the highest fee on the sliding scale for this program.

Clients with high deductibles will be charged their sliding scale fee while insurance is being billed. Once they reach their deductible, they will then pay their co-insurance and / or Insurance fees but not to exceed a \$30 charge.

Since program services are based upon current federal poverty income guidelines anyone found giving false information will be recertified for services and changes noted on eligibility worksheet. If the eligibility is completed electronically, then the client will sign the income statement at the time eligibility is completed or at their first appointment. If the eligibility is completed in person, then the income statement will be signed at the time of the eligibility appointment. This will be signed by the interviewer as well. The Income Statement will become part of the client record in our client management system

ZERO INCOME/FEE WAIVER:

If the applicant reports zero or very little income, the applicant will be asked to provide a verbal explanation of what the family is actually living on. In most cases, a statement of zero income will be accepted when the applicant lives on income from sources not counted (see Source of Income List).

Applicants either reporting zero income or express hardship in paying a fee will be provided the **Fee Waiver** form to review. For any applicants that meets the criteria on the waiver form, their fees will be waived.

Adult clients that have insurance and or Medicaid, that place a restriction on the use of their health plan, are not eligible for fee waiver.

The following below are acceptable hardships for fee waiver:

1. I am homeless at this time.
2. I am currently staying with a friend/family temporarily and have no source of income.
3. I am living in a shelter.
4. I have been determined, based on my income, to pay a fee at my appointments for this program. However, due to financial barriers, having to pay a fee for my visits would cause me to not be able to keep my appointments.
5. I am a minor seeking mental health services and request confidentiality; therefore, no insurance can be filed. I have no ability to pay

Date

Board Chairman

BYLAWS OF THE
PUBLIC HEALTH AUTHORITY OF CABARRUS COUNTY

ARTICLE I.

Name, Seal and Offices

1. Name. The name of the Public Health Authority of Cabarrus County (the “Authority” or “Public Health Authority of Cabarrus County”) is set forth in the Articles of Incorporation of the Authority (the “Articles”) as the “Public Health Authority of Cabarrus County.” The Authority may also be referred to generally as “Cabarrus Health Alliance” or “CHA” and the Authority is authorized to file such assumed name certificates in that name in Cabarrus, Rowan and such other counties as may be advisable or required by law.
2. Seal. The corporate or official seal of the Authority shall consist of a circle inside of which is inscribed the name of the Authority and in the center of which shall be the established date of 1997 and the words “official seal”.
3. Offices. The principal office of the Authority shall be 300 Mooresville Road, Kannapolis, North Carolina 28081, or at such other place as the Commissioners of the Authority may from time to time provide (the “CHA Office”).

ARTICLE II.

Appointment, Tenure, Resignation and Replacement of the Commissioners

1. Membership.
 - (a) The members of the Authority shall be appointed as provided by the North Carolina Hospital Authorities Act, i.e. Part B of Article 2 of Chapter 131E of the General Statutes of North Carolina, as amended (the “Act”), the Articles of the Authority, and these Bylaws.
 - (b) There shall be nine (9) members of the commission of the Authority (the “Commission”) and each member of the Authority shall be called a Commissioner of the Authority (a “Commissioner”).
 - (c) Commissioners shall be appointed and removed as follows:
 - (i) All appointments of Commissioners shall be for three (3) year terms. Vacancies from resignation or removal from office shall be filled for the unexpired portion of the term. Except as set forth below, no Commissioner shall serve more than two (2) consecutive full or partial terms without at least a one (1) year respite between the dates of leaving the Commission and taking office for another term. The Commission may waive the term limit and/or the one (1) year respite for one or more Commissioners and allow him or her to serve one or more additional terms upon the recommendation of the Nominating Committee and for good and specific cause shown and reflected in the meeting minutes of the Commission. These term limits shall not apply to the individuals serving on behalf of the Board of Commissioners of Cabarrus County and Atrium Health-Cabarrus, who may (but are not required to) remain as Commissioners for so long as they serve in such capacities for each of Cabarrus County and Atrium Health-Cabarrus.

- (ii) Commissioners may be removed, in accordance with Section 131E-22 of the Act, by the Chairman of the Board of Commissioners of Cabarrus County with the advice of the Commission as well as of the Board of Commissioners of Cabarrus County.
- (iii) The Commission shall appoint a Nominating Committee (the “Nominating Committee”) to recommend individuals suitable for consideration by the Commission for future appointment to the Commission. The Nominating Committee shall be comprised of the Clerk to the Commission, at least one (1) Commissioner, and at least one (1) other person who need not be a Commissioner. The Nominating Committee shall research and recommend potential candidate(s) in writing for each seat on the Commission which is vacant or may be coming vacant in the near future. Such candidates shall be considered by the Commission, along with any other individuals who may be suggested by the Commission. The Commission shall then approve and prepare the list of approved candidates, which shall then be provided to the Chairman of the Board of Commissioners of Cabarrus County for appointment as provided in Article II, Section 3 below.
- (iv) Candidates for membership on the Commission shall be chosen as follows:
 - (1) Candidates shall have significant knowledge, expertise or professional experience in the fields or businesses generally engaged in by the Authority. Due consideration shall be paid to appointing a Commission which is diverse in this regard. For example, if the member appointed by the hospital system as provided below is an infectious disease specialist, then appointing another infectious disease specialist should be avoided if possible in favor of a person with experience in, for example, mental health, or some other field in which the Authority engages which may not be otherwise then currently represented on the Commission. Multiple appointees from the same organization or affiliation should be avoided to the extent reasonably possible.
 - (2) Due consideration shall be given to appointing a Commission which is diverse in its overall makeup with regard to gender, ethnicity, and geographic location of residence within the areas the Authority serves.
 - (3) The Commission has historically and in accordance with its Articles been composed of members representing certain fields or organizations. Due to the passage of time and changes in such organizations, many of these organizations no longer exist. The matters engaged in by the Authority have also changed over time. Therefore, in consideration of these factors, the Commission shall now consist of members representing the following fields or organizations:
 - (a) One (1) member who is a practicing dentist or has previously practiced dentistry in Cabarrus County.
 - (b) One (1) member: (i) with significant knowledge, expertise and professional experience in the field of infectious diseases; or (ii) with significant knowledge, expertise and professional experience in such

other field identified by the Commission as a community need after a formal discussion and a majority vote of the Commissioners.

- (c) One (1) member who is a currently or previously practicing physician in the field of family medicine, internal medicine or community health whose primary practice is/was located in Cabarrus County.
 - (d) One (1) representative of the Cabarrus County School System or Kannapolis City School System, which shall alternate no less often than every two (2) terms.
 - (e) One (1) member of the Board of Commissioners of Cabarrus County.
 - (f) One (1) member appointed by the local governing or advisory board of the main hospital located in Concord, currently known as Atrium Health-Cabarrus.
 - (g) Three (3) public members with significant interest, knowledge, expertise or professional experience in the fields or businesses generally engaged in by the Authority, and especially the fields of community health, mental health, and/or other areas of community concern as identified by the periodic community needs assessment conducted by the Authority along with its community partners.
- (d) Commissioners who have served at least ten (10) years in the aggregate may request emeritus status. This status would be granted by the existing Commission. After leaving the Commission as an active Commissioner, emeritus status shall allow the former Commissioner to sit at the Commission table during meetings, to participate in discussions, to represent the Commission as directed, but not to vote. Emeritus status shall not preclude subsequent appointment to future terms as an active, voting Commissioner, but the one (1) year respite period set forth in Article II, Section 1(c)(i) above shall apply between any emeritus term and any subsequent active voting appointment.
2. Resignation. Any Commissioner may resign from membership of the Commission at any time by giving written notice of such resignation to the Authority and to the Chairman of the Board of Commissioners of Cabarrus County. Notwithstanding any resignation, a Commissioner shall continue to hold office until his or her successor has been appointed, qualified and taken office, unless the Commission takes action to make a resignation effective as of a different date.
 3. Vacancies. Any vacancy in the membership of the Authority shall be filled for any new or unexpired term by the Chairman of the Board of Commissioners of Cabarrus County, with the advice of the Board of Commissioners of Cabarrus County, from a list of nominees supplied by the Commission as set forth in Article II, Section 1(c) above. Every effort shall be made to fill any vacant or resigned seat within ninety (90) days of the vacancy or the resignation giving rise to the vacancy.
 4. Oath of Office. Each Commissioner, before entering upon his or her duties as a member of the

Authority, shall take and subscribe an oath of affirmation to support the Constitution of the United State and of the State of North Carolina and to discharge faithfully the duties of his or her office as Commissioner, and a record of each oath or affirmation shall be filed with the Secretary of the Authority and kept among its official documents.

ARTICLE III.

Meetings

1. Annual Meetings. Annual meetings of the Commissioners shall be held in August of each year at the time and place designated in the notice of the respective annual meeting. Written notice of the time and place of each annual meeting shall be given by the Secretary or Chairman of the Commission to each Commissioner not less than (10) days prior to the date of such annual meeting.
2. Regular Meetings. The Commissioners may establish a schedule of regular meetings to be held on a monthly basis, but regular meetings shall be held at least once per quarter. No notice of the purpose or purposes of a regular meeting shall be required to be given to the Commissioners, and all business of the Authority may be transacted at such meeting, provided a quorum is in attendance. Regular meetings shall be held on Tuesday evenings at the CHA Office.
3. Special Meetings and Emergency Meetings. Special meetings and emergency meetings of the Commissioners may be called by the Chairman or Vice-Chairman of the Commission. At special meetings, only action reasonably related to the matters described in the notice of the special meeting may be taken.
4. Notice of Meetings. Notice of each meeting (regular, special or emergency) shall be given in accordance with the requirements of Section 143-318.12 of the General Statutes of North Carolina, as amended, as well as the requirements of this Article III.
5. Agenda. The Secretary or Clerk, or its designee, shall prepare an agenda for each meeting. Any Commissioner who wishes to place an item of business on the agenda shall submit a request to the Secretary or Clerk at least ten (10) business days before the Commission meeting. For regular meetings, the Commission may add items to the agenda or subtract items from the agenda by a majority vote. The agenda for a special or emergency meeting may be altered only if permitted by and in accordance with Article 33C of Chapter 143 of the North Carolina General Statutes, as amended (the "Open Meetings Statute").
6. Minutes. The Secretary or Clerk, or its designee, shall prepare full and accurate minutes of each Commission meeting. Copies of the minute shall be made available to each Commissioner before the next regular Commission meeting. At each regular meeting, the Commission shall review the minutes of the previous regular meeting as well as any special or emergency meetings that have occurred since the previous regular meeting, making any necessary revisions and approving the minutes as originally drafted or as revised. The public may obtain copies of the minutes of the meetings of the Commission as allowed under the Open Meetings Statute.
7. Quorum. A majority of the membership of the Commissioners shall constitute a quorum, including

any vacant seats, and the affirmative vote of a majority of all present and constituting a quorum shall constitute official action taken by the Commission on behalf of the Authority.

If at any meeting there is less than a quorum present, a majority of the Commissioners present may adjourn the meeting to a later date and time no less than one (1) day nor more than ten (10) days from the date of the original meeting, with reasonable notice of the rescheduled meeting provided to any absent Commissioner, with no further official notice of any kind being necessary except as may otherwise be required by law.

8. Meetings to be Open to the Public.

Subject only to lawfully recognized exceptions, all official meetings of the Commissioners, including committee meetings, shall be conducted openly and otherwise in compliance with the Open Meetings Statute.

At each meeting of the Commissioners, the presiding officer shall devote an agenda item to hearing petitions and requests to the Commissioners from the public. When this agenda item is reached, the presiding officer shall determine whether any member of the public wishes to petition or make any request of the Commissioners, and the Commissioners may hear petitions and requests for such period as they deem appropriate. Reasonable time limitations may be placed upon such speakers by the presiding officer.

The Commissioners encourage public attendance at all of their meetings. Only such discussion or participation by visiting persons as is invited by consent of the Commissioners shall be permitted at times other than when petitions and requests are being heard.

9. Duty to Vote. No Commissioner shall be excused from voting, except on matters involving consideration of his or her own official conduct or when such Commissioner is excused or recused from voting when a Commissioner has a defined conflict pursuant to the Conflict of Interest Policy adopted by the Authority.

10. Other Operating Procedures. The Commission shall refer to the current edition of *Robert's Rules of Order Newly Revised* to answer procedural questions not addressed in these Bylaws, so long as such procedures prescribed do not conflict with North Carolina law.

ARTICLE IV.

Officers

1. Designation. The officers of the Authority shall be a Chairman, a Vice-Chairman, and a Secretary. Only the Chairman and Vice-Chairman are required to also be Commissioners of the Authority.

2. Election and Terms. The officers provided for in Article IV, Section 1 shall be elected at each annual meeting of the Commissioners and shall hold office until the next annual meeting or until their successors are elected, qualified, and take office.

3. Officer Succeeding Self. Any officer may be elected by the Commissioners to succeed himself or herself in office, provided that the requirement that the Chairman and Vice-Chairman also be members or Commissioners of the Authority be observed.
4. Chairman. The Chairman shall preside at all meetings of the Commissioners and shall have and exercise such authority and perform such duties as shall be determined by the Commissioners.
5. Vice-Chairman. At the request of the Chairman, or in the event of the absence or disability of the Chairman, the Vice-Chairman shall perform the duties and possess and exercise the authority of the Chairman; and the Vice-Chairman shall have such other powers and exercise such other authority and perform such other duties as shall be determined by the Commissioners.
6. Secretary. The Secretary, or the Secretary's appointed designee, which may be the Clerk to the Commission, shall have charge of such books, documents and papers as the Commissioners may determine and shall have the custody of the corporate or official seal. The CEO shall serve as the Secretary of the Commission. The Secretary, or appointed designee, shall attend and keep the minutes of all the meetings of the Commissions. The Secretary shall keep a record of the names of all persons who are Commissioners, the dates of their appointments and dates of expiration of their terms, and their places of residence, and such record shall be open for inspection as prescribed by law. The Secretary, or Clerk to the Commission, shall notify in writing the Chairman of the Commission at least ninety (90) days prior to the expiration of the term for which a Commissioner was appointed so that the Commission may have time to propose the reappointment of such person or to undertake the nomination process as set forth in Article II hereof. The Secretary shall, in general, perform all duties incident to the office of Secretary, subject to the control and direction of the Commissioners, and shall perform such other duties as may be determined by the Commissioners.
7. Removal from Office.
 - (a) Grounds. Any officer provided for in Article IV, Section 1 who is also a Commissioner of the Authority may be removed from his or her office (but not from being a Commissioner of the Authority) by the Commissioners:
 - (i) For mental or physical incapacity to perform properly and adequately the duties and functions of the respective office;
 - (ii) For repeated absence from meetings of the Commissioners or from the offices of the Authority or meetings of committees of the Commissioners to the extent that such absences constitute gross neglect in the performance of the duties of such office to the inconvenience, damage or disadvantage of the Authority in carrying on its functions and purposes;
 - (iii) For any act of dishonesty;
 - (iv) For any act or series of acts or omissions which are contrary to the best interests of the Authority and tend to impede or obstruct the carrying on of its functions and purposes in an orderly manner, or

(v) For any other cause which is deemed less than reasonably satisfactory performance of the duties and function of such office.

(b) Procedure. In the event, the Commissioners for any reason request the resignation of an officer to which subsection (a) above applies and such request is declined, the Commissioners may by resolution state the grounds upon which they claim such officer should be removed from office, and such statement shall be served upon such officer at least ten (10) days prior to a meeting at which action is to be taken thereon. Such officer is entitled to be present at such hearing and be heard if he or she so desires and is also entitled to offer such evidence as he or she may deem appropriate in response to the statement served upon such officer. The decision of the majority of the Commissioners in such matter shall be final.

ARTICLE V.

Personnel

1. General. The Commission may employ such personnel as may be necessary or convenient in carrying out the objectives and purposes for which the Authority was created, define their duties and functions and set their terms of employment, such as compensation, fringe benefits, separation from service arrangements, and other pertinent details.
2. CEO. The Commissioners shall employ a Chief Executive Officer (“CEO”), who shall also serve as the Public Health Director. The CEO shall be responsible for the efficient administration of the operations of the Authority and shall carry out the policies and directives of the Commissioners and is authorized to sign those documents as may from time to time be approved by the Commission. The CEO shall serve as the Secretary of the Commission. The CEO or her designee shall attend all official meetings of the Commissioners and, when requested, all committee meetings of the Commissioners, shall be entitled to notice of all meetings, and shall be entitled to take part in discussions of matters before the Commissioners but shall have no vote. The CEO shall be responsible for obtaining and furnishing to the Commissioners financial and other reports as may be required by the Commissioners, and he or she shall recommend to the Commissioners from time to time such measures as he or she shall deem necessary or advisable. The CEO shall be responsible for the preparation and submission to the Commissioners of the proposed annual budget, shall keep the Commissioners informed as to the financial needs and condition of the Authority and shall perform such other duties as may be determined by the Commissioners.
3. Professional Assistance. The Commissioners may employ or engage such accountants, engineers, legal counsel and other professional experts for assistance as they may determine to be necessary or advisable and fix and determine the terms of such employment or engagement.

ARTICLE VI.

Compensation/Expenses

1. Compensation of Commissioners. For their services as Commissioners, the Commissioners shall receive no compensation.

2. Expenses. Commissioners shall be entitled to reimbursement for the amount of actual necessary expenses including travel expense incurred by them in the discharge of their duties, and the Commissioners may make policies concerning such reimbursement.
3. Compensation of Persons Other Than Commissioners. Any officer, agent or employee of the Commissioners or the Authority, other than a Commissioner, and any professional expert retained by the Commissioners shall receive such compensation and be reimbursed for such expenses as the Commissioners may approve by resolution or otherwise.

ARTICLE VII.

Reports

1. Annual Report. At each annual meeting, the Commissioners shall receive from any person who has been charged with such responsibility a full and accurate report of the operations of the Authority during the preceding fiscal year, the assets and liability of the Authority as of the end of such fiscal year, the financial condition of the Authority as of the end of such fiscal year and any and all other information which may have a significant bearing upon the condition and operation of the Authority. Such report shall include such matters as may be directed by the Commissioners and shall be filed with the minutes of such meeting and be open to inspection by the public.
2. Other Reports. The Commissioners may require the filing of reports other than annual reports on a monthly, quarterly or other basis containing such information in such detail as they may deem appropriate.

ARTICLE VIII.

Contracts

The Commissioners may, except as herein or by law otherwise provided, authorize any officer or other person to enter into any contract or execute and deliver any written instrument in the name of an on behalf of the Authority, and such authority may be general or confined to a specific instance; and unless so authorized by the Commissioners no officer or other person shall have any power or authority to bind the Authority by any contract or engagement or to render it liable pecuniarily for any purpose or in any manner.

ARTICLE IX.

Advisory Committees

1. Committees Generally. The Commissioners may from time to time appoint from among the Commissioners or such other persons as the Commissioners may deem fit one or more advisory committees for recommendatory purposes only. The members of such committees shall serve at the pleasure of the Commission and be disbanded at such time as the Commission may elect. None of the authority or responsibility vested in the Commissioners may be delegated or surrendered to any such committee.
2. Committee Meetings. Any meetings of any committee appointed by the Commission must

adhere to the notice requirements, the open meetings provisions and the requirements to keep full and accurate minutes as set forth in the Open Meetings Statute and these Bylaws for meetings of the Commission.

3. Committee Operations. Each committee will be described and follow such operating procedures as set forth in a charter pertaining to the purpose of such committee and approved in form by the Commission.

ARTICLE X.

Fiscal Year

The fiscal year of the Authority shall begin on July 1 and end on the following June 30.

ARTICLE XI.

Amendments

The Commissioners may amend and repeal these bylaws provided that such action shall be taken only at an annual, regular or special meeting of the Commissioners.

Before any amendment or repeal of any bylaw may be made, written notice thereof and of the text of the proposed amendment or repeal shall be given to the Commissioners at least seven (7) days prior to the date of the meeting at which official action with respect thereto is to be taken.

This and the foregoing nine (9) pages contain the amended bylaws adopted by the Commissioners of the Public Health Authority of Cabarrus County on this ~~2019th~~ ~~day~~ Day of ~~June~~ March, ~~2023~~ 2024.

Chairman of the Commission of Cabarrus Health Alliance

Printed name: Dr. Lara J. Pons, M.D.

Date signed: ~~June 20~~ March 19, 2023 2024

ATTEST:

~~Raquesha B. Franklin~~

Erin K. Shoe

Clerk to the Board of Cabarrus Health Alliance

Established February 18, 1997

Amended August 14, 2012

Reviewed January 8, 2013

Reviewed February 11, 2014

Reviewed May 12, 2015

Revised May 10, 2016

Revised May 14, 2019

Reviewed and Adopted by the Cabarrus County Board of Commissioners June 17, 2019

Revised August 3, 2020

Revised April 13, 2021

Revised May 17, 2022

Revised June 20, 2023

Revised March 19, 2024

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Format changes	0

Total changes	17
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