



**DISTRICT BOARD OF HEALTH
WILLIAMS COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**WILLIAMS COUNTY DISTRICT BOARD OF HEALTH
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REPORT OF INDEPENDENT ACCOUNTANTS

Williams County District Board of Health
310 Lincoln Avenue
P.O. Box 146
Montpelier, Ohio 43543-0146

To the Board:

We have audited the accompanying financial statements of Williams County District Board of Health (the District) as of and for the year ended December 31, 1999. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the District as of December 31, 1999, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the audit committee, management, the Board, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

July 25, 2000

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**WILLIAMS COUNTY DISTRICT BOARD OF HEALTH
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
State Funds	\$26,469	\$57,551	\$84,020
Federal Funds		260,064	260,064
Subdivisions	224,500		224,500
Fees	82,030	868,398	950,428
Contractual Services	70,700		70,700
Other Receipts	35,036	1,652	36,688
	<u>438,735</u>	<u>1,187,665</u>	<u>1,626,400</u>
Total Cash Receipts			
	<u>438,735</u>	<u>1,187,665</u>	<u>1,626,400</u>
Cash Disbursements:			
Current:			
Salaries - Employees	257,933	796,399	1,054,332
Remittance to State	2,374	67,046	69,420
Supplies	1,508	34,788	36,296
Equipment	1,059	17,821	18,880
Insurance	36,591	61,913	98,504
Medicare	1,991	8,669	10,660
Contractual Services		80,081	80,081
Travel and Expenses	9,295	72,424	81,719
Advertising and Printing	168	1,185	1,353
Public Employee's Retirement System	35,468	103,040	138,508
Worker's Compensation	6,146	20,760	26,906
Other	28,566	31,599	60,165
	<u>381,099</u>	<u>1,295,725</u>	<u>1,676,824</u>
Total Cash Disbursements			
	<u>381,099</u>	<u>1,295,725</u>	<u>1,676,824</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>57,636</u>	<u>(108,060)</u>	<u>(50,424)</u>
Other Financing Receipts/(Disbursements):			
Transfers-In	23,445	82,733	106,178
Transfers-Out	(62,795)	(43,383)	(106,178)
	<u>(39,350)</u>	<u>39,350</u>	<u></u>
Total Other Financing Receipts/(Disbursements)			
	<u>(39,350)</u>	<u>39,350</u>	<u></u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	18,286	(68,710)	(50,424)
Fund Cash Balances, January 1	<u>25,615</u>	<u>190,767</u>	<u>216,382</u>
Fund Cash Balances, December 31	<u><u>\$43,901</u></u>	<u><u>\$122,057</u></u>	<u><u>\$165,958</u></u>

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

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**WILLIAMS COUNTY DISTRICT BOARD OF HEALTH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Williams County District Board of Health (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is created under § 3709.01, Ohio Revised Code. The District is directed by a nine-member Board, appointed by the district advisory counsel. An appointed health commissioner is responsible for administering the laws relating to health and sanitation of the County. Services provided by the District include recording of vital statistics, inspection of food service facilities, water wells, sewers, campgrounds, trailer parks, public health and home nursing services, and they act upon various complaints made to the department concerning the health and welfare of the County.

The District has direct fiscal control over the funds as maintained by the Williams County Treasurer with the Williams County Auditor serving as fiscal officer.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash

As required by Ohio Revised Code, the District's cash is held and invested by the Williams County Treasurer, who acts as custodian for District monies. The District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

D. Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

WILLIAMS COUNTY DISTRICT BOARD OF HEALTH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999
(Continued)

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The District had the following significant Special Revenue Fund:

Home Health Fund - This fund receives payments from Medicare, Medicaid, insurance companies, and patients for medical services provided by home health nurses, aids, and therapists.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

The Board must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

3. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 1999 and budgetary activity appears in Note 2.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the District.

2. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 1999 follows:

**WILLIAMS COUNTY DISTRICT BOARD OF HEALTH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999
(Continued)**

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$13,714	\$462,180	\$448,466
Special Revenue	<u>30,795</u>	<u>1,270,398</u>	<u>1,239,603</u>
Total	<u><u>\$44,509</u></u>	<u><u>\$1,732,578</u></u>	<u><u>\$1,688,069</u></u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$435,568	\$443,894	(\$8,326)
Special Revenue	<u>1,397,209</u>	<u>1,339,108</u>	<u>58,101</u>
Total	<u><u>\$1,832,777</u></u>	<u><u>\$1,783,002</u></u>	<u><u>\$49,775</u></u>

3. PROPERTY TAX

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

4. RETIREMENT SYSTEMS

The District's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. The District has paid all contributions required through December 31, 1999.

**WILLIAMS COUNTY DISTRICT BOARD OF HEALTH
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999
(Continued)**

5. RISK MANAGEMENT

The District has obtained commercial insurance for general liability.

The District also provides health insurance and dental and vision coverage to full-time employees through a private carrier. The Williams County Commissioners maintain building and contents insurance coverage for the District.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Williams County District Board of Health
310 Lincoln Avenue
P.O. Box 146
Montpelier, Ohio 43543-0146

To the Board:

We have audited the accompanying financial statements of Williams County District Board of Health (the District) as of and for the year ended December 31, 1999, and have issued our report thereon dated July 25, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated July 25, 2000.

This report is intended for the information and use of the audit committee, management, and the Board, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

July 25, 2000



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OFFICE OF THE AUDITOR

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DISTRICT BOARD OF HEALTH

WILLIAMS COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 24, 2000**