



**DISTRICT BOARD OF HEALTH  
WYANDOT COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**DISTRICT BOARD OF HEALTH  
WYANDOT COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health  
Wyandot County  
127 South Sandusky Avenue  
Upper Sandusky, Ohio 43351

To the Board of Health:

We have audited the accompanying financial statements of the District Board of Health, Wyandot County, Ohio, (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 and reserve for encumbrances 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 June 23, 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, Board of Health, 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

June 23, 2000



**DISTRICT BOARD OF HEALTH  
WYANDOT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	
<b>Cash Receipts:</b>				
Subdivisions	\$135,809	\$0	\$0	\$135,809
State Subsidy	8,438	74,948	0	83,386
Fees, Licenses, and Permits	48,378	605,079	0	653,457
Federal Grants	0	94,961	0	94,961
Donations	16,795	27,977	1,040	45,812
Reimbursements	21,942	28,122	0	50,064
Other Receipts	19,132	27,567	730	47,429
<b>Total Cash Receipts</b>	<u>250,494</u>	<u>858,654</u>	<u>1,770</u>	<u>1,110,918</u>
<b>Cash Disbursements:</b>				
Salaries	178,730	372,672	0	551,402
Travel and Expenses	10,801	32,962	0	43,763
Public Employees Retirement	22,084	49,754	0	71,838
Worker's Compensation	3,127	8,986	0	12,113
Health	22,104	29,070	0	51,174
Unemployment	673	743	0	1,416
State Remittance	0	65,686	0	65,686
Contracted Services	0	36,331	0	36,331
Project Fund Expenses	0	191,001	0	191,001
Supplies	2,929	13,184	0	16,113
Medicare	2,278	3,488	0	5,766
Other Disbursements	26,447	25,674	0	52,121
<b>Total Cash Disbursements</b>	<u>269,173</u>	<u>829,551</u>	<u>0</u>	<u>1,098,724</u>
<b>Total Cash Receipts Over/(Under) Cash Disbursements</b>	<u>(18,679)</u>	<u>29,103</u>	<u>1,770</u>	<u>12,194</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Transfers-In	0	2,160	0	2,160
Advances-In	6,960	5,748	0	12,708
Other Sources	0	15,000	0	15,000
Transfers-Out	(1,802)	(358)	0	(2,160)
Advances-Out	(5,555)	(7,153)	0	(12,708)
<b>Total Other Financing Receipts/(Disbursements)</b>	<u>(397)</u>	<u>15,397</u>	<u>0</u>	<u>15,000</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements</b>	<u>(19,076)</u>	<u>44,500</u>	<u>1,770</u>	<u>27,194</u>
<b>Fund Cash Balances, January 1, 1999</b>	<u>38,701</u>	<u>72,075</u>	<u>373</u>	<u>111,149</u>
<b>Fund Cash Balances, December 31, 1999</b>	<u><b>\$19,625</b></u>	<u><b>\$116,575</b></u>	<u><b>\$2,143</b></u>	<u><b>\$138,343</b></u>
<b>Reserve for Encumbrances, December 31, 1999</b>	<u><b>\$0</b></u>	<u><b>\$175</b></u>	<u><b>\$0</b></u>	<u><b>\$175</b></u>

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

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**DISTRICT BOARD OF HEALTH  
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The District Board of Health, Wyandot County, Ohio, (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 directed by a five-member board and a Health Commissioner. The District Advisory Council, made up of the president of the board of county commissioners, the chief executive of each municipal corporation not constituting a city health district and chairman of the board of trustees of each township, appoints the District board members. Services provided by the District include: recording of vital statistics; inspection of food service facilities, water wells, and sewers; issuance of various licenses and permits; and public health nursing services. Also, the Women, Infants, and Children Program (WIC) (with its own director and eight-member board) is under the auspices of the Wyandot County District Board of Health.

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 and Investments**

In accordance with Ohio Revised Code, the District's cash is held and invested by the Wyandot County Treasurer, who acts as custodian for District monies. The District's assets are held in the County's cash and investment pool used by all County funds, and are valued at the 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 by law or contract to be accounted for in another fund.

**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 legally restricted to expenditure for specific purposes. The District had the following significant Special Revenue Fund:

**DISTRICT BOARD OF HEALTH  
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds (Continued)**

Public Health Nursing Fund - This fund receives money to provide public health nursing services, such as immunizations, home visits, and school nurses.

**3. Fiduciary Fund (Trust Fund)**

Trust funds are used to account for resources restricted by legally binding trust agreements. If the agreement requires the District to maintain the corpus of the trust, the fund is classified as a nonexpendable trust fund. Other trust funds are classified as expendable. The District has one expendable trust fund.

**E. Budgetary Process**

**1. Appropriations**

An appropriation measure is adopted by the District on or before the first Monday of April in each year for the period January 1 to December 31 of the following year. The appropriation measure, together with the itemized estimate of the sources of revenue available to the District for the next fiscal year, is submitted to the County Auditor, who in turn submits it to the County Budget Commission.

The County Budget Commission reviews the appropriation measure and may reduce any item in the appropriation measure, but may not increase any item or the aggregate amount of all items in the appropriation measure.

The appropriation measure, as amended by the County Budget Commission, controls expenditures by the District for the period January 1 to December 31 of the following year. The District may, by resolution, transfer funds from one item to another in the appropriation measure, reduce or increase any item, create new items, and make additional appropriations, subject to the availability of funds and to the approval of the County Budget Commission.

**2. Encumbrances**

The District uses the encumbrance method of accounting. Under this system, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated. The District did not encumber or certify all commitments required by Ohio law.

A summary of budgetary activity appears in Note 2.

**DISTRICT BOARD OF HEALTH  
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 cash basis of accounting used by the District.

**2. BUDGETARY ACTIVITY**

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

**1999 Budgeted vs. Actual Receipts**

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$276,517	\$250,494	(\$26,023)
Special Revenue	862,539	875,814	13,275
Expendable Trust	1,770	1,770	0
Total	<u>\$1,140,826</u>	<u>\$1,128,078</u>	<u>(\$12,748)</u>

**1999 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$315,218	\$270,975	\$44,243
Special Revenue	906,282	830,084	76,198
Expendable Trust	2,142	0	2,142
Total	<u>\$1,223,642</u>	<u>\$1,101,059</u>	<u>\$122,583</u>

**3. RETIREMENT SYSTEM**

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple-employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

Contribution rates are prescribed by the Ohio Revised Code. The District's 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.

**DISTRICT BOARD OF HEALTH  
WYANDOT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999  
(Continued)**

**4. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability

The District also provides health insurance and dental and vision coverage to full-time employees through a private carrier.



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

District Board of Health  
Wyandot County  
127 South Sandusky Avenue  
Upper Sandusky, Ohio 43351

To the Board of Health:

We have audited the accompanying financial statements of the District Board of Health, Wyandot County, Ohio (the District ), as of and for the year ended December 31, 1999, and have issued our report thereon dated June 23, 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 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 1999-60288-001.

**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.

This report is intended for the information and use of the audit committee, management and Board of Health, 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 loop at the end.

**JIM PETRO**  
Auditor of State

June 23, 2000

**DISTRICT BOARD OF HEALTH  
WYANDOT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 1999**

<b>FINDING RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 1999-60288-001**

**Noncompliance Citation**

**Certification by Fiscal Officer**

Ohio Rev. Code Section 5705.41(D) states in part that no subdivision shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of fiscal officer of the subdivision. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

Prior certification of funds by the Fiscal Officer was not obtained for thirty percent of the expenditure transactions tested.

The Fiscal Officer should certify funds before each payment is made through the issuance of a regular, blanket or super blanket purchase order. One regular blanket certificate can be issued for each line item appropriation for recurring and reasonably predictable operating expenses. These blanket certificates should be canceled at the end of each fiscal year. A super blanket purchase order can be issued for amounts exceeding \$5,000 and may have more than one line item.

Also, as an alternative, the District can also issue then and now certificates for expenses up to \$1,000. Then and now certificates allow the Fiscal Officer to certify that both at the time the expenditure was made and at the time that the certification is completed, sufficient funds are available. These certificates can be certified by the Fiscal Officer without subsequent authorization from the Board. However, then and now certificates issued by the Fiscal Officer over \$1,000 must be authorized by the Board within thirty days after payment.







STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**DISTRICT BOARD OF HEALTH**

**WYANDOT 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**