



**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health
Putnam County
256 Williamstown Road
P.O. Box 330
Ottawa, Ohio 45875-0330

To the Members of the Board:

We have audited the accompanying financial statements of the District Board of Health, Putnam County, (the Board) as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 audits provide a reasonable basis for our opinion.

As discussed in Note 1, the Board 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 reserves for encumbrances of the Board as of December 31, 2000 and 1999, and its combined cash receipts and disbursements for the years 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 13, 2001 on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

This report is intended solely for the information and use of 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.

Jim Petro
Auditor of State

June 13, 2001

**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
State/Federal Funds	\$32,134	\$270,508	\$302,642
Local Taxes	182,853		182,853
Charges for Services		1,898,863	1,898,863
Immunizations	53,615		53,615
Donations		88,088	88,088
Fees/Permits	20,298	28,863	49,161
Licenses		43,598	43,598
Other Receipts	40,701	25,307	66,008
Total Cash Receipts	<u>329,601</u>	<u>2,355,227</u>	<u>2,684,828</u>
Cash Disbursements:			
Salaries	209,711	1,373,385	1,583,096
Medical Supplies		33,301	33,301
Office Supplies	17,517	66,137	83,654
Inpatient/Ancillary/Therapy		1,922	1,922
Telephone/Pager/Advertisement		16,430	16,430
Contracts - Services	2,132	149,783	151,915
Equipment	7,422	12,802	20,224
Remittance to State	1,971	17,925	19,896
Travel	17,260	106,938	124,198
Fringe Benefits	63,198	372,454	435,652
Continuing Education/Dues/Licenses		11,197	11,197
Liability Insurance		8,898	8,898
Board Expenses		701	701
Bereavement/Volunteer Program		6,547	6,547
Indigent Patient		9,892	9,892
Other	19,510	51,334	70,844
Total Disbursements	<u>338,721</u>	<u>2,239,646</u>	<u>2,578,367</u>
Total Receipts Over/(Under) Disbursements	<u>(9,120)</u>	<u>115,581</u>	<u>106,461</u>
Other Financing Receipts/(Disbursements):			
Transfers-In		15,000	15,000
Advances-In	39,239	37,445	76,684
Transfers-Out		(15,000)	(15,000)
Advances-Out	(37,445)	(39,239)	(76,684)
Total Other Financing Receipts/(Disbursements)	<u>1,794</u>	<u>(1,794)</u>	
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(7,326)	113,787	106,461
Fund Cash Balances, January 1	<u>96,134</u>	<u>481,461</u>	<u>577,595</u>
Fund Cash Balances, December 31	<u>\$88,808</u>	<u>\$595,248</u>	<u>\$684,056</u>
Reserve for Encumbrances, December 31	<u>\$5,300</u>	<u>\$28,905</u>	<u>\$34,205</u>

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

**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

**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/Federal Funds	\$26,036	\$171,069	\$197,105
Local Taxes	161,661		161,661
Charges for Services		1,791,533	1,791,533
Immunizations	57,398		57,398
Donations		69,829	69,829
Fees/Permits	21,168	32,254	53,422
Licenses		42,835	42,835
Other Receipts	30,660	108,722	139,382
Total Cash Receipts	<u>296,923</u>	<u>2,216,242</u>	<u>2,513,165</u>
Cash Disbursements:			
Salaries	203,380	1,338,122	1,541,502
Medical Supplies		64,456	64,456
Office Supplies	17,048	42,821	59,869
Inpatient/Ancillary/Therapy		11,457	11,457
Telephone/Pager/Advertisement		16,704	16,704
Contracts - Services	3,077	122,559	125,636
Equipment	12,290		12,290
Remittance to State	1,845	18,124	19,969
Travel	13,788	159,368	173,156
Fringe Benefits	63,561	360,154	423,715
Continuing Education/Dues/Licenses		14,841	14,841
Liability Insurance		9,914	9,914
Board Expenses		688	688
Bereavement/Volunteer Program		7,012	7,012
Indigent Patient		12,433	12,433
Other	21,150	199,612	220,762
Total Disbursements	<u>336,139</u>	<u>2,378,265</u>	<u>2,714,404</u>
Total Disbursements over Receipts	(39,216)	(162,023)	(201,239)
Other Financing Receipts/(Disbursements):			
Transfers-In		1,350	1,350
Advances-In	25,000	25,000	50,000
Transfers-Out	(1,350)		(1,350)
Advances-Out	(25,000)	(25,000)	(50,000)
Total Other Financing Receipts/(Disbursements)	<u>(1,350)</u>	<u>1,350</u>	
Excess of Cash Disbursements and Other Financing Disbursements Over Cash Receipts and Other Financing Receipts	(40,566)	(160,673)	(201,239)
Fund Cash Balances, January 1	<u>136,700</u>	<u>642,134</u>	<u>778,834</u>
Fund Cash Balances, December 31	<u>\$96,134</u>	<u>\$481,461</u>	<u>\$577,595</u>
Reserve for Encumbrances, December 31	<u>\$2,268</u>	<u>\$40,331</u>	<u>\$42,599</u>

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

**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The General Health District operates under the direction of a five-member board. An appointed health commissioner is responsible for administering the laws relating to health and sanitation in the County. Services provided by the Health District include recording of vital statistics, inspections of food service facilities, water wells, sewers, and public health nursing services. They act upon various complaints made to the department concerning the health and welfare of the County.

The District maintains direct fiscal controls over the funds which are maintained by the Putnam County Treasurer with the Putnam County Auditor serving as the 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 and Investments

As required by Ohio Revised Code, the Board's cash is held and invested by the Putnam County Treasurer, who is the custodian for Board monies. The Board'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 Board uses fund accounting to segregate cash and investments that are restricted as to use. The Board 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.

**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

2. Special Revenue Funds

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

Home Health Care Fund - This fund receives fees for services provided by their skills nursing care, rehabilitation therapies and home health aides.

E. Budgetary Process

The Ohio Revised Code requires the Board to budget each fund annually.

1. Appropriations

The Board annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Board to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2000 and 1999 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 Board.

**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$339,508	\$329,601	(\$9,907)
Special Revenue	3,056,464	2,370,227	(686,237)
Total	\$3,395,972	\$2,699,828	(\$696,144)

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$435,642	\$344,021	\$91,621
Special Revenue	3,139,627	2,283,511	856,116
Total	\$3,575,269	\$2,627,532	\$947,737

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$267,946	\$296,923	\$28,977
Special Revenue	2,761,064	2,217,592	(543,472)
Total	\$3,029,010	\$2,514,515	(\$514,495)

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$388,898	\$339,757	\$49,141
Special Revenue	3,129,855	2,418,596	711,259
Total	\$3,518,753	\$2,758,353	\$760,400

**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Health. 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 State and Federal Funds. 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.

Public utilities are also taxed on personal and real property located with in the District.

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.

5. RETIREMENT SYSTEMS

The Board'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 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The Board contributed an amount equal to 10.84% of participants' gross salaries for 2000 and 13.55% for 1999. The Board has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- Comprehensive professional and general liability;
- Public official's liability;
- EDP; and
- Inland marine.

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



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

District Board of Health
Putnam County
256 Williamstown Road
P.O. Box 330
Ottawa, Ohio 45875-0330

To the Members of the Board:

We have audited the financial statements of the District Board of Health, Putnam County, (the Board) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 28, 2001. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Board'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 audits 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 audits, we considered the Board'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 Board in a separate letter dated June 13, 2001.

District Board of Health
Putnam County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
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This report is intended for the information and use of management and the Board, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 13, 2001

**DISTRICT BOARD OF HEALTH
PUTNAM COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2000 AND 1999**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
1998-60269-001	Year 2000 Contingency Plan	Yes	Finding No Longer Valid



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DISTRICT BOARD OF HEALTH

PUTNAM 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
JULY 3, 2001**