



**GREENE COUNTY COMBINED
HEALTH DISTRICT**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

GREENE COUNTY COMBINED HEALTH DISTRICT

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REPORT OF INDEPENDENT ACCOUNTANTS

Greene County Combined Health District
360 Wilson Drive
P.O. Box 250
Xenia, Ohio 45385

To the Board of Health,

We have audited the accompanying financial statements of the Greene County Combined Health District (the Health District) as of and for the year ended December 31, 1999. These financial statements are the responsibility of the Health 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 described Note 1, the Health 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 reserves for encumbrances of the Greene County Combined Health 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 28, 2000 on our consideration of the Health District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Health District, taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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 Section 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 28, 2000

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

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

	Governmental Fund Types			(Memorandum Only)
	General	Special Revenue	Fiduciary Fund	Total
Cash receipts:				
Federal Grants		\$634,840		\$634,840
State Funds	\$123,606	36,326		159,932
Local Grants		30,000		30,000
Subdivision Fees	121,970			121,970
Tax Levies	645,735			645,735
Licenses, permits and fees	78,688	832,809		911,497
Contractual Services	230,465			230,465
Other Receipts	10,368	70,123		80,491
Total cash receipts	1,210,832	1,604,098		2,814,930
Cash disbursements:				
Remittance State	21,649	21,878		43,527
Salaries	408,505	1,423,007		1,831,512
Supplies	24,074	95,387		119,461
Equipment	13,365	20,434		33,799
Contracts - Services	7,988	54,908		62,896
Contracts - Repairs	11,917	5,800		17,717
Travel and Expenses	14,565	30,273		44,838
Advertising & Printing	5,334	53,971		59,305
P.E.R.S.	52,771	187,977		240,748
Workers Comp.	3,987	14,484		18,471
Utilities		1,100		1,100
Insurance	50,496	113,587		164,083
Other Expenses	36,414	96,896	183	133,493
Total disbursements	651,065	2,119,702	183	2,770,950
Total receipts over/(under) disbursements	559,767	(515,604)	(183)	43,980
Other financing receipts/(disbursements):				
Advances-in	252,983	40,000		292,983
Transfers-in		772,750		772,750
Transfers-out	(772,750)			(772,750)
Advances-out	(40,000)	(252,983)		(292,983)
Total other financing receipts/(disbursements)	(559,767)	559,767		0
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	0	44,163	(183)	43,980
Fund cash balances January 1	0	1,169,075	8,067	1,177,142
Fund cash balances, December 31	0	1,213,238	7,884	1,221,122
Reserve for encumbrances, December 31	\$0	\$40,318	\$89	\$40,407

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

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**COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Combined Health District of Greene County (the Health District) operates pursuant to Section 3709.07 of the Ohio Revised Code. It is responsible for health services in all of Greene County, including cities and villages, and townships. The Health District operates under the direction of a thirteen-member Board of Health.

The Greene County Commissioners are the taxing authority for the Health District. The Greene County Auditor and Greene County Treasurer are responsible for fiscal control of the resources of the Health District. Services provided by the Health District include: prevention and restriction of diseases, sanitation, vital statistics, abatement, removal of nuisances, air pollution control, and alcoholism prevention and treatment.

B. Basis of Accounting

The Greene County Auditor, as fiscal agent for the Health District, prepares its financial statements on a basis of accounting prescribed or permitted by the Auditor of State which is similar to the cash receipts and cash disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when the 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. Investments And Inactive Funds

In accordance with the Ohio Revised Code, the Health District's cash is held and invested by the Greene County Treasurer, who acts as custodian for Health District monies. The Health District's assets are held in the County's cash and investment pool, and are valued at the Treasurer's reported carrying amount. All interest earned is required by Ohio law to be credited to the General Fund of the County.

D. Fund Accounting

The Greene County Auditor, as fiscal agent for the Health District, maintains its accounting records in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds. The restrictions associated with each class of funds are as follows:

1. Governmental Funds

General Fund

The Board of Health Fund is the general operating fund of the Combined Health District. It is used to account for all financial resources, including federal funds that were legally restricted to expenditures for specified purposes.

**COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1998
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Special Revenue Funds

To account for the proceeds of the specific revenue sources that are legally restricted to disbursements for specified purposes, except for legally restricted federal funds which were recorded in the general fund.

Environmental Plumbing Inspection Fund - This fund is used to account for revenues collected and expenditures made relating to plumbing permits and inspections.

Clinic Health Services Fund - This fund is used to account for revenues collected and expenditures made relating to the clinic services provided.

C.F.H.S. Grant Fund - This fund receives federal funds and charges fees to provide child and family health services.

2. Fiduciary Funds

These funds are used to account of resources restricted by legally binding trust agreements. The Health District had the following fiduciary fund.

Trust Fund - This fund is used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. This fund is categorized as an Expendable Trust Fund.

E. Budgetary Process

1. Budget

An itemized appropriation measure is required to be adopted by the Board of Health on or before April 20. This appropriation measure, together with an estimate, in itemized form, of the several sources of revenue available to the Health District is certified to the Greene County Auditor, as Secretary of the County Budget Commission and by her submitted to the County Budget Commission for their approval and/or possible changes.

2. Estimated Resources

The Greene County Budget Commission certifies its actions to the Health District by September 1. As part of this certification, the Health District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about January 1 this certificate is amended to include an unencumbered balances from the preceding year. Prior to December 31, the Health District must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. Budget receipts as shown in the accompanying financial statements do not include January 1, 1998 unencumbered fund balances. However, those fund balances are available for appropriations.

**COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1998
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

4. Encumbrances

The Health District is required to use the encumbrance method of accounting by virtue of Ohio law. 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.

F. Property, Plant, and Equipment

Fixed assets acquired or constructed for general governmental services are recorded as expenditures. Depreciation is not recorded for these fixed assets.

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 Health District.

2. BUDGETARY ACTIVITY

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

Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,470,628	\$1,463,815	(\$6,813)
Special Revenue	2,228,345	2,416,848	188,503
Expendable Trust	<u>550</u>	<u>0</u>	<u>(550)</u>
Total	<u>??</u>	<u>\$3,880,663</u>	<u>\$181,140</u>

**COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1998
(CONTINUED)**

2. BUDGETARY ACTIVITY (Continued)

Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,470,628	\$1,463,815	\$6,813
Special Revenue	2,795,154	2,413,003	382,151
Expendable Trust	<u>1,300</u>	<u>272</u>	<u>1,028</u>
Total	<u>\$4,267,082</u>	<u>\$3,877,090</u>	<u>\$389,992</u>

3. INSURANCE

The Health District maintains comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Real Property is coinsured at 100%.

4. RETIREMENT SYSTEM

Employees of the Health District were covered by the Public Employees Retirement System of Ohio (PERS). PERS is a cost-sharing multiple-employer pension plan. This plan provides retirement benefits including postretirement health care, and survivor and disability benefits to participants and prescribed by the Ohio Revised Code. The State of Ohio accounts for the activities of the retirement system and the amount of that fund is not reflected in the accompanying financial statements. As of December 31, 1999, Health District employees contributed 8.5% of their gross wages. The Health District matches this with a contribution equal to 13.55% of employees' gross wages.

5. GREENE COMMUNITY HEALTH FOUNDATION, INC.

The Health District appoints the Governing Board of the Greene Community Health Foundation, Inc. The activity of the Foundation is not included in the accompanying financial statements. The audited financial statements may be obtained from the Foundation President, Mark McDonnell, 360 Wilson Avenue, P. O. Box 250, Xenia Ohio 45385.

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
December 31, 1999**

FEDERAL GRANTOR <i>Pass-Through Grantor</i> Program Title	Federal CFDA Number	Pass-Through Entity's Number	Disbursements
UNITED STATES DEPARTMENT OF AGRICULTURE			
<i>Passed Through Ohio Department of Health:</i>			
Special Supplemental Food Program Women, Infants and Children	10.557	29-1-01-F-CL-389	<u>\$328,574</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Ohio Department of Human Services</i>			
Medicaid Assistance Program	93.778		73,535
<i>Passed Through Ohio Department of Health:</i>			
Preventative Health and Health Services Block Grant	93.991	429-Q	57,587
Primary Dental Care	93.994	29-1-01-F-CR-320	22,442
Child and Family Health Services	93.994	29-1-01-F-AI-429-P	<u>121,400</u>
Total Department of Health and Human Services			<u>274,964</u>
UNITED STATES DEPARTMENT OF TRANSPORTATION			
<i>Passed Through Ohio Department of Public Safety:</i>			
State and Community Highway Safety Program	20.600	0674.0	<u>16,051</u>
Total Expenditures of Federal Awards			<u><u>\$619,589</u></u>

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**FISCAL YEAR ENDED DECEMBER 31, 1999
NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

NOTE A--SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B -- MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



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OFFICE OF THE AUDITOR

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

Greene County Combined Health District
360 Wilson Drive
P.O. Box 250
Xenia, Ohio 45385

To the Board of Health:

We have audited the financial statements of Greene County Combined Health District (the Health District) as of and for the year ended December 31, 1999, and have issued our report thereon dated June 28, 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 Health 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted a certain instance of noncompliance that we have reported to management of the Health District in a separate letter dated June 28, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Health 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 other matters involving internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Health District in a separate letter dated June 28, 2000.

Board of Health
Greene County Combined Health District
Report of Independent Accountants on Compliance and on Internal
Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management, the Board of Health, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 28, 2000



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Greene County Combined Health District
360 Wilson Drive
P.O. Box 250
Xenia, Ohio 45385

To the Board of Health:

Compliance

We have audited the compliance of Greene County Board of Health (the Health District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 1999. The Health District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Health District's management. Our responsibility is to express an opinion on the Health District's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the Health District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Health District's compliance with those requirements.

In our opinion, the Health District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999.

Internal Control Over Compliance

The management of the Health District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Health District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Board of Health
Greene County Combined Health District
Report on Compliance with Requirements Applicable
to Each Major Federal Program and Internal Control over
Compliance In Accordance with OMB Circular A-133
Page 2

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the audit committee, management, the Board of Health, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 28, 2000

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**FISCAL YEAR ENDED DECEMBER 31, 1999
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Special Supplemental Food Program Women, Infants and Children (CFDA # 10.557)
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None Noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None Noted.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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COMBINED HEALTH DISTRICT

GREENE 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 25, 2000**