



**GENERAL HEALTH DISTRICT
PICKAWAY COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GENERAL HEALTH DISTRICT
PICKAWAY COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Commissioners
General Health District
Pickaway County
110 Island Road
Circleville, Ohio 43113

We have audited the accompanying financial statements of General Health District, Pickaway County, Ohio, (the District) as of and for the years ended December 31, 1999 and December 31, 1998. 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 audits.

We conducted our audits 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 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 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 General Health District, Pickaway County, Ohio as of December 31, 1999 and December 31, 1998, 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 20, 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 Commissioners 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 20, 2000

**GENERAL HEALTH DISTRICT
PICKAWAY 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>General</u> | <u>Special Revenue</u> | <u>(Memorandum Only) Total</u> |
|---|-----------------|----------------------------|--|
| Cash receipts: | | | |
| Charges for Services | \$321,982 | \$41,835 | \$363,817 |
| Intergovernmental | 18,552 | 336,720 | 355,272 |
| Fines, Licenses, & Permits | 45,140 | 69,990 | 115,130 |
| Miscellaneous | 1,602 | 2,686 | 4,288 |
| Total Cash Receipts | <u>387,276</u> | <u>451,231</u> | <u>838,507</u> |
| Cash Disbursements: | | | |
| Current: | | | |
| Salaries and Benefits | 273,356 | 100,870 | 374,226 |
| Supplies | 21,878 | 9,298 | 31,176 |
| Contracts-Services | 32,923 | 19,354 | 52,277 |
| Travel and Expenses | 12,942 | 0 | 12,942 |
| Other Expenses | 42,125 | 2,357 | 44,482 |
| State Fees | 0 | 10,919 | 10,919 |
| Project Fund Expenses | 0 | 233,016 | 233,016 |
| Equipment | 21,366 | 0 | 21,366 |
| Total Cash Disbursements | <u>404,590</u> | <u>375,814</u> | <u>780,404</u> |
| Total Cash Receipts Over/(Under) Cash Disbursements | (17,314) | 75,417 | 58,103 |
| Other Financing Receipts/(Disbursements): | | | |
| Transfers-in | 16,090 | 5,535 | 18,025 |
| Transfers- out | (5,535) | (16,090) | (18,025) |
| Total Other Financing Receipts/(Disbursements) | <u>10,555</u> | <u>(10,555)</u> | <u>0</u> |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | (6,759) | 64,862 | 58,103 |
| Fund Cash Balances, January 1, 1999 | <u>67,518</u> | <u>70,578</u> | <u>138,096</u> |
| Fund Cash Balances, December 31, 1999 | <u>\$60,759</u> | <u>\$135,440</u> | <u>\$196,199</u> |

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

**GENERAL HEALTH DISTRICT
PICKAWAY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES
IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

| | <u>General</u> | <u>Special Revenue</u> | <u>(Memorandum Only) Total</u> |
|---|-----------------|----------------------------|--|
| Cash receipts: | | | |
| Charges for Services | \$234,310 | \$36,670 | \$270,980 |
| Intergovernmental | 18,068 | 297,405 | 315,473 |
| Fines, Licenses, & Permits | 74,670 | 63,905 | 138,575 |
| Miscellaneous | 12,966 | 6,043 | 19,009 |
| Total Cash Receipts | <u>340,014</u> | <u>404,023</u> | <u>744,037</u> |
| Cash Disbursements: | | | |
| Current: | | | |
| Salaries and Benefits | 229,865 | 96,951 | 326,816 |
| Supplies | 19,614 | 12,159 | 31,773 |
| Contracts-Repairs | 1,549 | 0 | 1,549 |
| Contracts-Services | 7,955 | 17,434 | 25,389 |
| Travel and Expenses | 13,037 | 0 | 13,037 |
| Other Expenses | 36,924 | 4,460 | 41,384 |
| State Fees | 0 | 9,165 | 9,165 |
| Project Fund Expenses | 0 | 236,130 | 236,130 |
| Total Cash Disbursements | <u>308,944</u> | <u>376,299</u> | <u>685,243</u> |
| Total Cash Receipts Over/(Under) Cash Disbursements | 31,070 | 27,724 | 58,794 |
| Other Financing Receipts/(Disbursements): | | | |
| Transfers-in | 21,619 | 2,483 | 24,102 |
| Transfers- out | (2,483) | (21,619) | (24,102) |
| Total Other Financing Receipts/(Disbursements) | <u>19,136</u> | <u>(19,136)</u> | <u>0</u> |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | 50,206 | 8,588 | 58,794 |
| Fund Cash Balances, January 1, 1998 | <u>17,312</u> | <u>61,990</u> | <u>79,302</u> |
| Fund Cash Balances, December 31, 1998 | <u>\$67,518</u> | <u>\$70,578</u> | <u>\$138,096</u> |

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

**GENERAL HEALTH DISTRICT
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

General Health District, Pickaway County, Ohio, (the District) is defined by Ohio Revised Code, Section 3709.01. The District operates under an appointed five-member board and is responsible for the administration of all health programs established by the Ohio Revised Code, the Ohio Department of Health, and the Public Health Council. Services provided by the District include, but are not limited to, the inspection and licensing of public health programs, community nursing activities, the control of communicable diseases, environmental health programs and home health activities.

By law, the Pickaway County Auditor and Treasurer are fiscal agents of the District.

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 made).

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

C. 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.

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 Funds:

WIC: This fund is a Federal Grant Fund used to support the general public for pregnant women, mothers, and infants with specific education and supplemental nutritional needs.

Children and Family Health Fund: This fund is a Federal Grant that is used to outreach to the general public with a complete well child clinic. A staff of four physicians, a registered dietician, a speech therapist, and a social worker are employed to provide public health services.

**GENERAL HEALTH DISTRICT
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. 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 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 1998 budgetary activity appears in Note 2.

E. Property, Plant and Equipment

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

F. 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. EQUITY IN POOLED CASH AND INVESTMENTS

The District's cash and investments are maintained by Pickaway County, its statutory fiscal agent. The Ohio Revised Code prescribes allowable deposits and investments, and the County is responsible for compliance. As of December 31, 1999, and December 31, 1998, the District's share of the County's Cash and Investments pool were \$196,199 and \$138,096, respectively. All risks associated with such deposits are the responsibility of Pickaway County.

**GENERAL HEALTH DISTRICT
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

3. BUDGETARY ACTIVITY

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

1999 Budgeted vs. Actual Receipts

| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
|-----------------|-------------------------|-------------------------|------------------------|
| General | \$424,211 | \$403,366 | (\$20,845) |
| Special Revenue | <u>412,990</u> | <u>456,766</u> | <u>43,776</u> |
| Total | <u><u>\$837,201</u></u> | <u><u>\$860,132</u></u> | <u><u>\$22,931</u></u> |

1999 Budgeted vs. Actual Budgetary Basis Expenditures

| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
|-----------------|----------------------------|---------------------------|------------------------|
| General | \$436,371 | \$410,125 | \$26,246 |
| Special Revenue | <u>387,956</u> | <u>391,904</u> | <u>(3,948)</u> |
| Total | <u><u>\$824,327</u></u> | <u><u>\$730,029</u></u> | <u><u>\$22,298</u></u> |

1998 Budgeted vs. Actual Receipts

| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
|-----------------|-------------------------|-------------------------|-------------------------|
| General | \$395,173 | \$361,633 | (\$33,540) |
| Special Revenue | <u>376,811</u> | <u>406,506</u> | <u>29,695</u> |
| Total | <u><u>\$771,984</u></u> | <u><u>\$768,139</u></u> | <u><u>(\$3,845)</u></u> |

1998 Budgeted vs. Actual Budgetary Basis Expenditures

| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
|-----------------|----------------------------|---------------------------|------------------------|
| General | \$412,485 | \$311,427 | \$10,105 |
| Special Revenue | <u>396,150</u> | <u>397,918</u> | <u>(1,768)</u> |
| Total | <u><u>\$808,635</u></u> | <u><u>\$709,345</u></u> | <u><u>\$99,290</u></u> |

**GENERAL HEALTH DISTRICT
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

4. RETIREMENT SYSTEM

The District's full-time 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 post retirement 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 and 1998, members of PERS 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.

5. RISK MANAGEMENT

The Pickaway County Commissioners maintain, on behalf of the District, comprehensive insurance coverage with private carriers for real property and building contents. Real property and contents are 90 percent co-insured. The District is covered by these policies. The District also maintains additional insurance coverage in the form of public officials' liability policy.



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

Board of Commissioners
General Health District
Pickaway County
110 Island Road
Circleville, Ohio 43113

We have audited the accompanying financial statements of General Health District, Pickaway County, Ohio (the District), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated June 20, 2000. We conducted our audits 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 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 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 Commissioners, 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 stylized flourish at the end.

JIM PETRO
Auditor of State

June 20, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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GENERAL HEALTH DISTRICT

PICKAWAY 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 18, 2000**