

**Date:** October 26, 2023 **Prepared For:** [Your Intended Audience] **Subject:** Review of State Audit Reports for the Pottawatomie County Board of County Health (Fiscal Years 2013-2023)

## **1. Executive Summary:**

This briefing document summarizes the key financial data and processes of the Pottawatomie County Board of County Health as presented in the annual State Audit reports for Fiscal Years 2013-2023. These reports, prepared by independent auditors and filed with the State Auditor and Inspector, provide an overview of the Board's financial standing, revenue sources, expenditures, and adherence to state regulations. The consistent filing of these reports indicates a degree of financial transparency and oversight. The data primarily focuses on the "Health Fund" and does not extensively detail other potential funds like the "Sinking Fund" or "Capital Project Funds," which consistently show no activity across the reviewed years.

## **2. Main Themes and Important Ideas/Facts:**

### **2.1. Consistent Reporting and Structure:**

The audit reports follow a consistent format across the years, including:

An index outlining the exhibits included.

Financial statements such as the "Estimate of Needs and Financial Statement of the Fiscal Year," detailing assets, liabilities, reserves, revenue, requirements (expenditures), and cash fund balances.

Schedules breaking down revenue by source (e.g., charges for services, intergovernmental revenue, miscellaneous revenue), expenditures by department (e.g., personal services, maintenance and operation), and warrant activity.

A "Certificate of Excise Board" which certifies the Board's financial statement and the valuations of property within the county.

Statistical data on property valuation.

The reports are typically filed with the State Auditor and Inspector in October following the end of the fiscal year (June 30th).

Each report includes a signed "Affidavit of Publication" confirming the financial statement was published in a legally qualified newspaper.

### **2.2. Primary Funding Source: Ad Valorem Tax:**

A significant portion of the Health Fund's revenue consistently comes from the apportionment of ad valorem (property) taxes.

In FY 2014, "Current Ad Valorem Tax Apportioned" was reported as \$764,842.77.

This trend continues, with "Current Ad Valorem Tax Apportioned" reaching \$978,974.51 in FY 2020 and \$1,049,133.13 in FY 2022.

*Integrity of the Game vs Economic Impact (Politics); The Oklahoma Business Plan*

The "Certificate of Excise Board" regularly details the "Total Valuation of Property" in Pottawatomie County, which forms the base for these taxes. This valuation generally shows an upward trend over the decade.

FY 2013 valuation: \$341,709,709.00

FY 2016 valuation: \$350,133,845.00

FY 2019 valuation: \$398,468,695.00

FY 2021 valuation: \$415,140,803.00

FY 2023 valuation: \$471,368,509.00

**2.3. Other Revenue Sources:**

The Health Fund also receives revenue from other sources, including:

"Charges For Services," which varies annually but includes items like clinical services and immunizations. For example, in FY 2023, the "Actually Collected" amount for "Total Charges For Services" was \$997.65.

"Intergovernmental Revenue - Local Sources," primarily consisting of "Housing Authority Payments In Lieu of Tax Revenue," which shows some fluctuation.

"Intergovernmental Revenues - State Sources," including state land payments.

"Miscellaneous Revenue," which can include insurance recoveries and other sundry income.

**2.4. Expenditures Primarily for General Health Services:**

The "Report Of Prior Year's Expenditures" (Schedule 8(a)) details how appropriated funds are used. The main category is consistently "92 COUNTY HEALTH BUDGET ACCOUNT," encompassing:

"92a Personal Services": This is typically the largest expenditure category, covering salaries and benefits.

"92d Maintenance and Operation": Includes costs for running the health department.

"92e Capital Outlay": Expenditures for assets, which can vary significantly year to year.

"92f Intergovernmental": Payments to other governmental entities.

**2.5. Cash Balances and Reserves:**

The Health Fund generally maintains a positive cash balance at the end of each fiscal year.

Cash Balance June 30, 2014: \$936,521.01

Cash Balance June 30, 2017: \$677,136.97

Cash Balance June 30, 2020: \$1,019,797.32

Cash Balance June 30, 2023: \$1,326,620.81

*Integrity of the Game vs Economic Impact (Politics); The Oklahoma Business Plan*

The reports also show "Reserve for Warrants Outstanding" and "Reserves From Schedule 8," indicating funds set aside for specific obligations.

**2.6. Property Valuation and Tax Levy:**

The "Certificate of Excise Board" (Exhibit "Y") confirms that the net assessed valuation of property has been adjusted and equalized according to the State Board of Equalization. It also details the rate of levy required for the Health Fund and other county-wide levies. The millage rate for the "Total County Wide Levy" remains consistent at 2.54 mills across the reviewed years.

**2.7. Inactive "G" and "J" Funds:**

Exhibits consistently show "Exhibit 'G' Sinking Fund" and "Exhibit 'J' Capital Project Funds" marked as "No" under the "Exhibits" section and show no financial activity in the detailed schedules throughout the reviewed fiscal years. This suggests these funds were not actively used during this period.

**3. Notable Quotes:**

From the "Certificate of Excise Board" (FY 2014): "We further certify that the net assessed valuation of the Property, subject to ad valorem taxes, after the amount of all Homestead Exemptions deducted in the said County as finally equalized and certified by the State Board of Equalization for the current year 2014-2015 is as follows:..." This language is consistent across the years, highlighting the certification process.

The descriptions of revenue and expenditure categories in Schedule 2 and Schedule 8(a) provide a clear breakdown of the Board's financial activities. For example, under "Schedule 2, Revenue and Requirements," various revenue sources are listed with their corresponding amounts.

**4. Conclusion:**

The State Audit reports for the Pottawatomie County Board of County Health provide a consistent and detailed overview of the Board's financial operations between Fiscal Years 2013 and 2023. The reliance on ad valorem tax as a primary revenue source, the consistent structure of expenditures focused on general health services, and the maintenance of positive cash balances are key features highlighted in these reports. The inactivity in the Sinking and Capital Project Funds suggests a focused use of the Health Fund for ongoing operational needs during this period. These reports serve as important documents for transparency and accountability in the use of public funds for county health initiatives.

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