



***ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
DRUG ADDICTION, AND MENTAL HEALTH  
SERVICES ATHENS COUNTY***

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**Basic Financial Statements**

**For the Year Ended  
December 31, 2019**

**J.L. UHRIG**  
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS



**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
DRUG ADDICTION, AND MENTAL HEALTH SERVICES  
ATHENS COUNTY**  
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*For the Year Ended December 31, 2019*

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Board of Directors  
Athens-Hocking-Vinton Board of Alcohol,  
Drug Addiction, and Mental Health Services  
Athens County  
P.O. Box 130  
Athens, OH 45701

Management is responsible for the accompanying financial statements of Athens-Hocking-Vinton Board of Alcohol, Drug Addiction, and Mental Health Services (the Board), Athens County, Ohio as of and for the year ended December 31, 2019, and related notes to the financial statements in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United State of America.

*J. L. Uhrig and Associates, Inc.*

J. L. UHRIG AND ASSOCIATES, INC.  
Chillicothe, Ohio

January 27, 2020

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**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
DRUG ADDICTION, AND MENTAL HEALTH SERVICES  
ATHENS COUNTY**  
*Combined Statement of Receipts, Disbursements, and  
Changes in Fund Balances (Cash Basis)  
For the Year Ended December 31, 2019*

	Governmental Fund Types			Totals
	General	Special Revenue	Capital Projects	
<b><u>Cash Receipts:</u></b>				
Property Taxes	\$3,575,798	\$0	\$0	\$3,575,798
Charges for Services	0	47,364	0	47,364
Intergovernmental	4,845,084	171,374	0	5,016,458
Interest	0	0	4,469	4,469
Miscellaneous	24,544	0	60,000	84,544
<i>Total Cash Receipts</i>	<u>8,445,426</u>	<u>218,738</u>	<u>64,469</u>	<u>8,728,633</u>
<b><u>Cash Disbursements:</u></b>				
Salaries	468,615	0	0	468,615
Fringe Benefits	76,734	0	0	76,734
Supplies and Materials	5,572	0	0	5,572
Contract Services	7,598,287	214,735	0	7,813,022
Equipment	2,104	0	92,438	94,542
Other	498,157	41,335	0	539,492
<i>Total Cash Disbursements</i>	<u>8,649,469</u>	<u>256,070</u>	<u>92,438</u>	<u>8,997,977</u>
<i>Excess of Cash Receipts Over (Under) Cash Disbursement</i>	(204,043)	(37,332)	(27,969)	(269,344)
<b><u>Other Financing Sources(Uses):</u></b>				
Transfers In	0	300,000	200,000	500,000
Transfers Out	(300,000)	(200,000)	0	(500,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(300,000)</u>	<u>100,000</u>	<u>200,000</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	(504,043)	62,668	172,031	(269,344)
<i>Fund Cash Balances - January 1</i>	<u>2,998,885</u>	<u>1,116,132</u>	<u>138,684</u>	<u>4,115,017</u>
Restricted	0	1,178,800	0	1,178,800
Committed	0	0	310,715	310,715
Assigned	824,427	0	0	824,427
Unassigned	1,670,415	0	0	1,670,415
<i>Fund Cash Balances - December 31</i>	<u><u>\$2,494,842</u></u>	<u><u>\$1,178,800</u></u>	<u><u>\$310,715</u></u>	<u><u>\$3,984,357</u></u>

The notes to the basic financial statements are an integral part of this statement.  
See accountant's compilation report.

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
DRUG ADDICTION, AND MENTAL HEALTH SERVICES  
ATHENS COUNTY**  
*Notes to the Financial Statements  
For the Year Ended December 31, 2019*

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**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Athens-Hocking-Vinton Alcohol, Drug Addiction and Mental Health Services Board, Athens County, (the Board) as a body corporate and politic. An eighteen-member Board is the governing Body. The Ohio Department of Mental Health and Addiction Services approves eight members, and the legislative authorities of the political subdivisions making up the Board appoint the other Board members. Those subdivisions are Athens County, Hocking County, and Vinton County. Board members are residents of the three subdivisions. The Board provides alcohol, drug addiction and mental health services and programs to citizens of the Board. Private and public agencies are the primary service providers, through Board contracts.

The Board's management believes these financial statements present all activities for which the Board is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

**Basis of Presentation**

The Board's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

**Basis of Accounting**

These financial statements follow the basis of accounting permitted by the financial reporting provisions of the Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 adequately disclose material matters the financial reporting provisions of the Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

**Fund Accounting**

The Board uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Board are presented below:

**General Fund** The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The General Fund balance is available to the Board for any purpose provided it is expended or transferred according to the general laws of Ohio.

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
DRUG ADDICTION, AND MENTAL HEALTH SERVICES  
ATHENS COUNTY**  
*Notes to the Financial Statements  
For the Year Ended December 31, 2019*

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**Note 2 – Summary of Significant Accounting Policies** - (continued)

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Board had the following significant Special Revenue Funds:

***Osteopathic Heritage Foundation*** – This fund accounts for receipts from community support initiatives, Capital Support and Fund Matching. Funds are paid out primarily to contracts to associated initiatives throughout the community.

***Construction (OHFA)*** – This fund accounts for receipts from community support initiatives, Capital Support and Fund Matching. Funds are paid out primarily to contracts to associated initiatives throughout the community.

***Capital Project Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Board had the following significant capital project funds:

***317 Board Building Construction Fund*** – This fund receives revenue from other funds to make capital acquisitions and improvements to Board-owned facilities.

**Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

***Appropriations*** – Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Board must annually approve appropriation measures and subsequent amendments.

***Estimated Resources*** – Estimated Resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

***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 2019 budgetary activity appears in Note 3.

**Fund Balances**

Fund balance is divided into five classifications based primarily on the extent to which the Board must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Nonspendable:** The Board classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
DRUG ADDICTION, AND MENTAL HEALTH SERVICES  
ATHENS COUNTY  
Notes to the Financial Statements  
For the Year Ended December 31, 2019**

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**Note 2 – Summary of Significant Accounting Policies** - (continued)

**Restricted:** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**Committed:** The Board can *commit* amounts via formal action (resolution). The Board must adhere to these commitments unless the Board amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Assigned:** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted or committed*. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the General Fund, assigned amounts represent intended uses established by Board or a Board official delegated that authority by resolution, or by State Statute.

**Unassigned:** Unassigned fund balance is the residual classification for the General Fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Board applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**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.

**Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.



**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
DRUG ADDICTION, AND MENTAL HEALTH SERVICES  
ATHENS COUNTY**  
*Notes to the Financial Statements  
For the Year Ended December 31, 2019*

**Note 3 – Budgetary Activity**

The Board’s budgetary activity for the years ending December 31, 2019 was as follows:

2019 Budgeted vs. Actual Receipts			
	Receipts		
Fund Type	Budgeted	Actual	Variance
General	\$7,943,678	\$8,445,426	\$501,748
Special Revenue	363,500	518,738	155,238
Capital Projects	255,400	264,469	9,069
<i>Total</i>	\$8,562,578	\$9,228,633	\$666,055

2019 Budgeted vs. Actual Budgetary Disbursements			
	Appropriation	Budgetary	
Fund Type	Authority	Disbursements	Variance
General	\$9,843,202	\$8,949,469	\$893,733
Special Revenue	720,000	456,070	263,930
Capital Projects	300,000	92,438	207,562
<i>Total</i>	\$10,863,202	\$9,497,977	\$1,365,225

**Note 4 – Deposits and Investments**

As required by the Ohio Revised Code, the Athens County Treasurer is custodian for the Board’s deposits. The County’s deposit and investment pool holds the Board’s assets, valued at the Treasurer’s reported carrying amount.

**Note 5 – Taxes**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Board.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Board.

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
DRUG ADDICTION, AND MENTAL HEALTH SERVICES  
ATHENS COUNTY**  
*Notes to the Financial Statements  
For the Year Ended December 31, 2019*

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**Note 6 - Risk Management**

Workers' Compensation coverage is provided by the State of Ohio. The Board pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs (if material).

***Commercial Insurance***

The Board has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Workers Compensation
- Business Owners
- Inland Marine
- Crime

**Note 7- Retirement Systems**

The Board's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes plan benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2019, OPERS members contributed 10 percent of their gross salaries and the Commission contributed an amount equaling 14 percent, respectively, of participants' gross salaries. The Commission has paid all contributions required through December 31, 2019.

**Note 8 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefits postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualified benefit recipients of both the traditional pension and the combined plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2019.

**ATHENS-HOCKING-VINTON BOARD OF ALCOHOL,  
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ATHENS COUNTY  
Notes to the Financial Statements  
For the Year Ended December 31, 2019**

**Note 9 – Construction and Contractual Commitments**

Contractor	Contract Term	Total Contract Amount	Total Unpaid Balance at 12/31/19	Fund Code
Athens Photographic	7/01/19 - 6/30/20	\$92,955	\$22,558	2707 530100
Hopewell Health Centers Inc.	7/01/19 - 6/30/20	2,269,857	1,659,199	2707 530100
Health Recovery Services	7/01/19 - 6/30/20	1,855,549	1,197,752	2707 530100
Integrated Services	7/01/19 - 6/30/20	513,445	478,165	2707 530100
My Sister's Place	7/01/19 - 6/30/20	239,149	46,468	2707 530100
TASC of Southeast Ohio	7/01/19 - 6/30/20	626,013	336,212	2707 530100
The Gathering Place	7/01/19 - 6/30/20	232,647	156,753	2707 530100
Vinton County Senior Citizens	7/01/19 - 6/30/20	35,894	20,939	2707 530100
Athens County Family & Children First	7/01/19 - 6/30/20	90,022	45,011	2707 530100
Hocking County Family & Children First	7/01/19 - 6/30/20	57,634	28,817	2707 530100
Vinton County Family & Children First	7/01/19 - 6/30/20	26,134	13,067	2707 530100
John W. Clem Recovery House	7/01/19 - 6/30/20	235,943	202,430	2707 530100
NAMI Athens	7/01/19 - 6/30/20	30,230	18,415	2707 530100
Rural Action	7/01/19 - 6/30/20	9,950	4,975	2707 530100
Vinton County Schools	7/01/19 - 6/30/20	67,500	67,500	2707 530100
Southeastern Ohio Regional Jail	7/01/19 - 6/30/20	25,000	14,040	2707 530100
Serenity Grove	7/01/19 - 6/30/20	79,444	66,467	2707 530100
Scenic Hills Senior Center	7/01/19 - 6/30/20	4,852	2,426	2707 530100
Ohio Health - O'Bleness	7/01/19 - 6/30/20	103,652	75,983	2707 530100
Bobbi Beale - Adv. Therapy	7/01/19 - 6/30/20	48,900	42,900	2707 530100
		<u>\$6,644,770</u>	<u>\$4,500,077</u>	

**Note 10 – Contingent Liabilities**

Amounts grantor agencies pay to the Board are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.