LEWIS COUNTY
HEALTH DEPARTMENT

Agreed-Upon Procedures
For the Years Ended
December 31, 2023 and 2022

Bobbi D. Clark
CERTIFIED PUBLIC ACCOUNTANT

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LEWIS COUNTY HEALTH DEPARTMENT
AGREED-UPON PROCEDURES
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Bobbi D. Clark

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees
Lewis County Health Department
Monticello, Missouri

I have performed the procedures enumerated below, which were agreed to by Lewis County Health Department, solely to assist the board with respect to a review of the accounting records of Lewis County Health Department as of and for the years ended December 31, 2022, and 2023. Lewis County Health Department's management is responsible for the Department's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

My procedures and findings are as follows:

1. **Tax Revenue**—Is tax revenue correctly reported in the financial statements?

   I obtained assessed valuations and tax levy information for the years 2021 and 2022 and calculated the expected revenue from real estate and personal property taxes for the years of 2020 and 2021. The vast majority of property taxes are remitted to the Department by the County Treasurer in the year following assessment. I then compared the calculated amounts of tax revenue to the actual amounts. The percentage of collection was 100% for 2022, and 104% for 2023. I reviewed the detail of the account and noted no exceptions.

   I confirmed tax payments to the Department with the Lewis County Treasurer using a negative confirmation process. No exceptions were noted.

2. **Revenues & Miscellaneous Revenues**—Are revenues and miscellaneous revenues appropriately classified?

   I performed an analytical review of revenues for 2022 and 2023 and investigated the detail of account balances when year-to-year variances exceeded 15% and $5,000. I noted that intergovernmental revenue for was 24% and 51% higher in 2023 and 2022, respectively, compared to the previous years. This was due to increased funding from federal grants in both years.

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I compared budgeted to actual revenues for each year of the engagement and investigated the detail of the account when the balance was at least 15% less than the prior year and the total variance exceeded $5,000. No exceptions were noted.

I selected one month of receipts to test the detail for accurate revenue classification and documentation. In the sample month I found $58 was erroneously classified as public health income. This amount should have been posted to registrar fees. The attached financial statements contain no adjustment for this minor posting error.

I reviewed the detail of miscellaneous income and found all items were appropriately classified. Miscellaneous revenues accounted for well under 1% of all revenues in both years. No exceptions were noted in my review of miscellaneous income.

3. **Expenditures**—Are expenditures and miscellaneous expenditures appropriately classified?

I performed an analytical review of expenditures for each year of the engagement and investigated the detail of account balances when variances exceeded 15% and $5,000 over the previous year.

I found other program expenditures were 50% higher in 2022 compared to 2021. This increase was due to increased spending for vaccines and the purchase of gift cards for use at the local meat locker. These gift cards were distributed to the public via the local food pantry. I found administrative expenditures were 43% higher in 2022 compared to 2021. This was due to increased spending for professional fees and office supplies and equipment.

Through my analytical review, I found a disbursement made in 2022 to Jewell Sign Company in the amount of $17,090 classified as office equipment. I found several large disbursements made in 2023 totaling $102,173 classified as building maintenance. These disbursements should be classified as capital expenditures. The attached financial statements reflect this reclassification.

I compared budgeted to actual expenditures for the year and investigated the detail of account balances when variances exceeded 15% and $5,000 over the budgeted amounts. No exceptions were noted.

I selected a sample of approximately 60 disbursements for each year of the engagement and verified the amount and payee for these disbursements. While a sample would not reveal all discrepancies, no exceptions were noted.

I also verified that all disbursement items paid by check in the sample above were appropriately authorized as indicated by the presence of two signatures on the cancelled check image. One item in the 2023 sample only had one signature on the cancelled check.

I selected a sub-sample of 20 items from each year to test for retention of proper documentation in the disbursement files. Documentation was missing for one item in the 2022 sub-sample. While a sample would not reveal all discrepancies, no exceptions were noted for documentation in the 2023 sub-sample.

I reviewed general ledger records for miscellaneous expenditures to test for appropriate classification. No exceptions were noted.

4. **Cash**—Are reported cash balances accurate and insured or secured?

I reviewed and re-performed all year-end reconciliations. No exceptions were noted.

I reviewed the schedule of outstanding items on the December 31 bank reconciliations for each year. A check is considered long-outstanding when more than 12 months have elapsed since the check was written. A deposit item is considered long-outstanding when more than 1 month as elapsed since the deposit was recorded in the books. There were no old outstanding items as of December 31, 2022, or 2023.

I confirmed the cash on deposit with the Bank of Monticello as of December 31, 2022, and 2023, to the amounts shown on the Department's bank reconciliations and to the balances shown on the Department's Statements of Net assets as of December 31, 2022, and 2023. No exceptions were noted.

I verified, through management inquiry and bank confirmations, that all cash balances are FDIC insured up to $250,000 and are further secured by pledged securities in excess of $350,000 as of December 31, 2023, and $375,000 as of December 31, 2022. State statute requires that any balances in excess of FDIC coverage limits are required to be secured by pledged securities. No exceptions were noted.

I compared interest recorded in the Department's books to the bank's records. The amounts reported by the financial institutions reconciled to the amounts shown in the Department's records for interest income. No exceptions were noted.

5. **Credit/Debit Cards**—Are credit/debit card policies established and followed?

I reviewed the Department's policy regarding security and use of its debit and and/or credit card. This policy is maintained in the Department's administrative manual.

I selected a sample of one month of debit card transactions from each year of the engagement to verify adherence to the policy. I found two transactions in the 2022 sample and one transaction in the 2023 sample for which there was no supporting documentation present in the disbursement file, i.e. no vendor invoice.

6. **Payroll**—Are payroll and payroll reporting accurate?

I compared the quarterly 941 reports to the W-2s. For both years, the quarterly 941 reports reconciled to the W-2s. No exceptions were noted.

I compared the W-2s to the payroll expenditures reported in the financial statements.

For 2022, I found a discrepancy between wages reported in the financial statements and wages reported on Forms W-2 in the amount of $188.17. I analyzed the accounting records to identify the source of the discrepancy and found three payments totaling $23.17 to employees for reimbursements that were erroneously posted to salaries. I found a payment in the amount of $165.00 to the Hep C Alliance that was erroneously posted to salaries.

For 2023, I found a discrepancy between wages reported in the financial statements and wages reported on Forms W-2 in the amount of $178.76. I found four payments totaling $178.76 to employees for reimbursements that were erroneously posted to salaries.

The attached financial statements contain no adjustments for these minor discrepancies.

I performed analytical procedures to test the accuracy of employer payroll taxes. Expenditures for employer payroll taxes are expected to be exactly 7.65% of gross salary, after pre-tax deductions. No exceptions were noted for either year.

I performed analytical procedures to test the reasonableness of expenditures for health insurance and retirement. These expenditures are expected to vary no more than 5% year-to-year relative to gross salary. I found the ratio of health insurance-to-total payroll was 17% for 2022 and 2023. I found the ratio of retirement to total payroll was 12% for 2022 and 2023. No exceptions were noted.

I reviewed department policy on accrual of paid time off and compensatory time. I analyzed one month of payroll records to verify adherence to the policy. Department policy states that the maximum accrued comp time that can be carried forward from one month to the next is 20 hours. The spreadsheet used to track comp time indicates the maximum accrual is 40 hours. For the month sampled, one employee showed comp time carried forward of 46.75 and another employee showed comp time carried forward of 26 hours.

The Department should review and update leave policies as needed to match the Department's practices or adjust practices to comply with the stated policies on leave.

I performed a review of payroll disbursements for management and administrative staff to verify there were no unapproved pay increases. No exceptions were noted.

7. **Board Oversight**—is the Board providing proper financial and budgetary oversight and acting in compliance with the Sunshine Law?

I obtained a listing of all Board members for the period of the engagement.

I obtained board minutes and agendas for each month of the engagement period for the Department's open meetings. I selected a sample of six months to review for adherence to the Missouri Sunshine Law regarding open meetings.

I reviewed notices of open meetings to determine whether the Department provided proper public notice of upcoming meetings in accordance with Missouri Sunshine Law. No exceptions were noted.

I reviewed the minutes from the sample months to determine the Board is properly approving major items and reviewed financial records to verify that Board actions were carried out. No exceptions were noted.

I obtained budget documents from the Department and determined that both the 2022 and 2023 budgets were balanced, as required by Missouri Statute.

I compared total disbursements to budgeted amounts for each year to determine whether total disbursements exceeded final budget appropriations. Total disbursements did not exceed total appropriations for either year of the engagement. No exceptions were noted.

I was not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

Bobbi D. Clark
Certified Public Accountant

We are required to be independent of the Lewis County Health Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Lewis County Health Department and its Board of Trustees and is not intended to be and should not be used by anyone other than those specified parties.

Bobbi Clark

Bobbi D. Clark, CPA
Edina, Missouri
October 7, 2024

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LEWIS COUNTY HEALTH DEPARTMENT
STATEMENT OF NET POSITION—CASH BASIS
December 31, 2023 and 2022

ASSETS

	12/31/2023		12/31/2022	
Cash on Hand	$	115	$	115
Checking Account		-		517
Money Market Account		387,119		273,497
Total Assets	**$**	**387,234**	**$**	**274,129**

LIABILIITIES

Checking Account (Overdraft)	$	1,742	$	-
Total Liabilities	**$**	**1,742**	**$**	**-**

NET ASSETS

Net Assets				
Unrestricted	$	385,492	$	274,129
Total Net Assets	**$**	**385,492**	**$**	**274,129**

See Independent Accountant's Agreed-Upon Procedures Report.

LEWIS COUNTY HEALTH DEPARTMENT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION—CASH BASIS

For the Years Ended December 31, 2023 and 2022

	12/31/2023	12/31/2022
Operating Revenues		
Home Health Revenue	$ 649,428	$ 582,216
EPHS Reimbursement	50,215	45,259
Other Service Revenue	44,966	39,756
Intergovernmental Revenue	558,609	445,060
TOTAL OPERATING REVENUES	**1,303,218**	**1,112,291**
Operating Expenses		
Salaries & Benefits	1,190,100	1,098,205
Contracted Services	163,379	157,961
Other Program Expenditures	84,980	97,153
Administration	37,026	63,114
Facilities Expense	36,034	39,106
Capital Expenditures	102,173	17,090
TOTAL OPERATING EXPENSES	**1,613,692**	**1,472,629**
OPERATING INCOME (LOSS)	**(310,474)**	**(360,338)**
Nonoperating Revenues (Expenses)		
Tax Revenue	415,163	377,259
Interest Income	6,549	1,551
Donations/Other Income	125	350
TOTAL NONOPERATING REVENUES (EXPENSES)	**421,837**	**379,160**
NET INCOME	**$ 111,363**	**$ 18,822**
Net Position, January 1	**274,129**	**255,307**
Net Position, December 31	**$ 385,492**	**$ 274,129**

See Independent Accountant's Agred-Upon Procedures Report.

LEWIS COUNTY HEALTH DEPARTMENT
STATEMENT OF CASH RECEIPTS BY SOURCE
For the Years Ended December 31, 2023 and 2022

	12/31/2023	12/31/2022
Receipts		
Local		
Lab Fees	$ 16,705	$ 12,348
Immunizations	13,074	11,409
Family Planning	9,076	9,025
Registrar Fee	6,111	6,974
Total Local	**44,966**	**39,756**
County		
Taxes	415,163	377,259
Total County	**415,163**	**377,259**
State		
PHEP	10,630	19,605
CCHC	5,637	7,759
Core Public Health	52,530	48,489
Total State	**68,797**	**75,853**
Federal		
Medicaid	2,368	2,951
MCH	18,405	17,513
WIC	57,257	51,229
Federal Grants	410,160	296,104
Lead Testing & Child Care Inspections	1,622	1,410
Total Federal	**489,812**	**369,207**
Home Health		
Home Health Services	649,428	582,216
Total Home Health	**649,428**	**582,216**
Other		
EPHS Reimbursement	50,215	45,259
Miscellaneous/Donations	125	350
Interest Income	6,549	1,551
Total Other	**56,889**	**47,160**
Total Receipts	**$ 1,725,055**	**$ 1,491,451**

See Independent Accountant's Agreed-Upon Procedures Report.

LEWIS COUNTY HEALTH DEPARTMENT
STATEMENT OF CASH DISBURSEMENTS BY OBJECT
For the Years Ended December 31, 2023 and 2022

	12/31/2023	12/31/2022
Disbursements		
Salaries & Benefits		
Salaries	$ 869,651	$ 802,130
Payroll Taxes	65,316	59,688
Retirement	101,043	95,979
Health Insurance	145,879	133,320
Worker's Compensation	8,211	7,088
	1,190,100	**1,098,205**
Contracted Services		
Contracted Personnel	163,379	157,961
	163,379	**157,961**
Other Program Expenditures		
Travel & Lodging	35,654	32,265
Medical Supplies & Equipment	14,099	28,181
Vaccines	14,731	18,927
Education	9,727	6,019
Ads/Subscriptions/Literature	1,618	4,447
Dues/Licenses	1,020	525
Lab Fees	7,797	6,328
Miscellaneous	334	461
	84,980	**97,153**
Administration		
Office Supplies & Equipment	20,238	43,453
Insurance	9,791	9,466
Professional Fees	6,997	10,195
	37,026	**63,114**
Facilities Expense		
Building Repairs & Maintenance	17,394	15,539
Telecommunications	8,584	13,711
Utilities	10,056	9,856
	36,034	**39,106**
Capital Expenditures		
Capital Expenditures	102,173	17,090
	102,173	**17,090**
Total Disbursements	**$ 1,613,692**	**$ 1,472,629**
Excess (Deficiency) of Receipts Over Disbursements	111,363	18,822
Cash Basis Fund Balance, January 1	274,129	255,307
Cash Basis Fund Balance, December 31	**$ 385,492**	**$ 274,129**

See Independent Accountant's Agreed-Upon Procedures Reports.

LEWIS COUNTY HEALTH DEPARTMENT
BUDGET-TO-ACTUAL COMPARISON
For the Year Ended December 31, 2023

	Business-Type Activities		
	ACTUAL	BUDGET	VARIANCE
Receipts			
Local Receipts	44,966	38,909	6,057
Tax Revenue	415,163	423,400	(8,237)
State of Missouri	68,797	64,283	4,514
Federal Government	489,812	584,826	(95,014)
Home Health	649,428	599,570	49,858
EPHS Reimbursement	50,215	48,096	2,119
Interest Income	6,549	1,500	5,049
Other Revenues	125	4,000	(3,875)
Total Receipts	**$ 1,725,055**	**$ 1,764,584**	**$ (39,529)**
DISBURSEMENTS			
Salaries, Taxes & Benefits	1,190,100	1,168,586	21,514
Contracted Services	163,379	154,000	9,379
Other Program Expenditures	84,980	310,603	(225,623)
Administration	37,026	76,695	(39,669)
Facilities Expense	36,034	54,700	(18,666)
Capital Expenditures	102,173	-	102,173
Total Disbursements	**$ 1,613,692**	**$ 1,764,584**	**$ (150,892)**
Transfer From Reserves	-	-	$ -
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	**$ 111,363**	**$ -**	**$ 111,363**

See Independent Accountant's Agreed-Upon Procedures Report.

LEWIS COUNTY HEALTH DEPARTMENT
BUDGET-TO-ACTUAL COMPARISON
For the Year Ended December 31, 2022

	Business-Type Activities		
	ACTUAL	BUDGET	VARIANCE
Receipts			
Local Receipts	39,756	40,000	(244)
Tax Revenue	377,259	401,081	(23,822)
State of Missouri	75,853	65,008	
Federal Government	369,207	459,287	(90,080)
Home Health	582,216	686,000	(103,784)
EPHS Reimbursement	45,259	33,861	
Interest Income	1,551	1,200	351
Other Revenues	350	1,500	(1,150)
Total Receipts	**$ 1,491,451**	**$ 1,687,937**	**$ (196,486)**
DISBURSEMENTS			
Salaries, Taxes & Benefits	1,098,205	1,019,240	78,965
Contracted Services	157,961	198,048	(40,087)
Other Program Expenditures	97,153	361,349	(264,196)
Administration	63,114	54,300	8,814
Facilities Expense	39,106	55,000	(15,894)
Capital Expenditures	17,090	-	17,090
Total Disbursements	**$ 1,472,629**	**$ 1,687,937**	**$ (215,308)**
Transfer From Reserves	-	-	$ -
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	**$ 18,822**	**$ -**	**$ 18,822**

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