



**DISTRICT BOARD OF HEALTH  
FRANKLIN COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**DISTRICT BOARD OF HEALTH  
FRANKLIN COUNTY**

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**STATE OF OHIO  
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**REPORT OF INDEPENDENT ACCOUNTANTS**

District Board of Health  
Franklin County  
410 South High Street  
Columbus, Ohio 43215

We have audited the accompanying financial statements of the District Board of Health, Franklin County, Ohio, (the Board) as of and for the years ended December 31, 1999 and December 31, 1998, as listed in the table of contents. These financial statements are the responsibility of the Board'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 Board 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 general accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Board 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 July 7, 2000 on our consideration of the Board'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 management, the Board 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.

A handwritten signature in black ink, appearing to read "Jim Petro".

**JIM PETRO**  
Auditor of State

July 7, 2000



**DISTRICT BOARD OF HEALTH  
FRANKLIN 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**

	Governmental Fund Types		(Memorandum Only)
	General	Special Revenue	Total
<b>Receipts:</b>			
Receipts from Local Sources			
Subdivision Property Taxes	\$1,123,092	\$44,000	\$1,167,092
Intergovernmental	168,535	679,582	848,117
Charges for Services	138,013	546,895	684,908
License and Permits	0	1,038,380	1,038,380
Fines and Forfeitures	0	11,160	11,160
Miscellaneous	7,061	12,295	19,356
<b>Total Cash Receipts</b>	<b>1,436,701</b>	<b>2,332,312</b>	<b>3,769,013</b>
<b>Disbursements:</b>			
Personal Services	630,184	1,834,832	2,465,016
Materials and Supplies	35,367	110,936	146,303
Contractual Services	370,860	618,765	989,625
Capital Outlay	40,743	49,206	89,949
<b>Total Cash Disbursements</b>	<b>1,077,154</b>	<b>2,613,739</b>	<b>3,690,893</b>
Excess of Cash Receipts Over/(Under) Cash Disbursements	359,547	(281,427)	78,120
<b>Other Financing Sources/(Uses):</b>			
Sale of Fixed Assets	81,789	0	81,789
Transfers-In	0	346,934	346,934
Transfers-Out	(346,934)		(346,934)
<b>Total Other Financing Sources/(Uses)</b>	<b>(265,145)</b>	<b>346,934</b>	<b>81,789</b>
Excess of Cash Receipts and Other Sources Over/(Under) Cash Disbursements and Other Uses	94,402	65,507	159,909
Beginning Fund Balances, January 1, 1999	101,464	211,771	313,235
<b>Ending Fund Balances, December 31, 1999</b>	<b>\$195,866</b>	<b>\$277,278</b>	<b>\$473,144</b>

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

**DISTRICT BOARD OF HEALTH  
FRANKLIN 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**

	Governmental Fund Types		(Memorandum Only)
	General	Special Revenue	Total
<b>Receipts:</b>			
Receipts from Local Sources			
Subdivision Property Taxes	\$1,050,312	\$39,000	\$1,089,312
Intergovernmental	159,474	667,380	826,854
Charges for Services	131,350	825,683	957,033
License and Permits	0	974,595	974,595
Fines and Forfeitures	0	22,555	22,555
Miscellaneous	16,524	7,977	24,501
<b>Total Cash Receipts</b>	<b>1,357,660</b>	<b>2,537,190</b>	<b>3,894,850</b>
<b>Disbursements:</b>			
Personal Services	511,911	2,036,742	2,548,653
Materials and Supplies	46,723	133,185	179,908
Contractual Services	372,793	710,783	1,083,576
Capital Outlays	33,421	13,600	47,021
<b>Total Cash Disbursements</b>	<b>964,848</b>	<b>2,894,310</b>	<b>3,859,158</b>
Excess of Cash Receipts Over/(Under) Cash Disbursements	392,812	(357,120)	35,692
<b>Other Financing Sources/(Uses):</b>			
Transfers-In	30,052	335,000	365,052
Transfers-Out	(335,000)	(30,052)	(365,052)
<b>Total Other Financing Sources/(Uses)</b>	<b>(304,948)</b>	<b>304,948</b>	<b>0</b>
Excess of Cash Receipts and Other Sources Over/(Under) Cash Disbursements and Other Uses	87,864	(52,172)	35,692
Beginning Fund Balances, January 1, 1998	13,600	263,747	277,347
<b>Ending Fund Balances, December 31, 1998</b>	<b>\$101,464</b>	<b>\$211,575</b>	<b>\$313,039</b>

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



**DISTRICT BOARD OF HEALTH  
FRANKLIN COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. DESCRIPTION OF THE ENTITY**

The District Board of Health, Franklin County, Ohio, (the Board) is a county health department as defined by Section 301.24, Ohio Revised Code. The Board operates under an appointed five member board and is responsible for the administration of all health programs established by the Revised Code. Services provided by the Board include the inspection and licensing of food establishments, inspection of sewer and water systems, inspection and licensing of solid waste facilities, inspection of trailer parks and public health nursing programs.

The Board's management believes these financial statements present all activities for which the Board 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 approved).

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

**C. FUND ACCOUNTING**

The Board uses fund accounting to segregate cash that is restricted as to use. The Board classifies its funds into the following types:

**General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

**Special Revenue Funds**

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The Board had the following significant Special Revenue funds:

Public Health Nursing Fund - This fund receives money from subdivision tax, health services contracts, grants, and charges for services.

Environmental Fund - This fund receives money from license and permit fees, fines and forfeitures, grants, and charges for services.

**DISTRICT BOARD OF HEALTH  
FRANKLIN COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. BUDGETARY PROCESS**

**Appropriations**

The Board of Health shall, annually, on or before the first Monday of April, adopt an itemized appropriation measure and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**Estimated Resources**

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

**Encumbrances**

The District uses the encumbrance method of accounting. 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.

**E. 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.

**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 Board.

**G. FISCAL AGENT**

Franklin County served as the fiscal agent for the Board of Health for the period January 1, 1998 through December 31, 1999. The Board's funds are maintained as an agency fund on the County's accounting records.

**2. EQUITY IN POOLED CASH**

The Franklin County Treasurer maintains a cash pool used by all the County's funds, including those of the Board of Health. The Ohio Revised Code prescribes allowable deposits and investments. The Board's carrying amount of cash on deposit with the County at December 31, 1999 was \$473,144 and at December 31, 1998 was \$313,039. The Franklin County Treasurer, as fiscal agent for the Board, is responsible for maintaining adequate depository collateral for all funds maintained in the Franklin County's pooled and deposit accounts.

**DISTRICT BOARD OF HEALTH  
FRANKLIN COUNTY**

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

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 1999 and December 31, 1998 follows:

**1999 Budgeted vs. Actual Receipts**

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,471,100	\$1,518,490	\$47,390
Special Revenue	2,602,400	2,679,245	76,845
Total	<u>\$4,073,500</u>	<u>\$4,197,735</u>	<u>\$124,235</u>

**1999 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,440,070	\$1,424,088	\$15,982
Special Revenue	2,633,470	2,613,737	19,733
Total	<u>\$4,073,540</u>	<u>\$4,037,825</u>	<u>\$35,715</u>

**1998 Budgeted vs. Actual Receipts**

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,336,162	\$1,387,712	\$51,550
Special Revenue	2,755,369	2,872,190	116,821
Total	<u>\$4,091,531</u>	<u>\$4,259,902</u>	<u>\$168,371</u>

**1998 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,354,777	\$1,299,848	\$54,929
Special Revenue	2,980,422	2,924,362	56,060
Total	<u>\$4,335,199</u>	<u>\$4,224,210</u>	<u>\$110,989</u>

**DISTRICT BOARD OF HEALTH  
FRANKLIN COUNTY**

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

**4. RETIREMENT SYSTEM**

The Board's full-time employees contribute to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provide retirement benefits, including post retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 1999 and 1998, PERS members contributed 8.5% of their gross salaries. The Board contributed an amount equal to 13.55% of participants' gross salaries. The Board has paid all contributions required through December 31, 1999.

**5. RISK MANAGEMENT**

The Board has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

The Board also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

**6. CONTINGENT LIABILITIES**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.



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

District Board of Health  
Franklin County  
410 South High Street  
Columbus, Ohio 43215

We have audited the financial statements of the District Board of Health, Franklin County, Ohio, (the Board) as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated July 7, 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 Board'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 Board'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 one matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Board in a separate letter dated July 7, 2000.

This report is intended for the information and use of the management and the Board of Health, 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". The signature is fluid and cursive, with a large loop at the end.

**JIM PETRO**  
Auditor of State

July 7, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**DISTRICT BOARD OF HEALTH**

**FRANKLIN 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  
AUGUST 29, 2000**