



**BELMONT HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**BELMONT HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Belmont Harrison Juvenile District
Belmont County
210 Fox-Shannon Place
St. Clairsville, Ohio 43950

To the Board of Trustees:

We have audited the accompanying financial statements of the Belmont Harrison Juvenile District, Belmont County, Ohio (the District), as of and for the years ended December 31, 2000 and 1999. 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 audit.

We conducted our audit 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 audit 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 audit provides 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 and reserves for encumbrances of Belmont Harrison Juvenile District, Belmont County, as of December 31, 2000 and 1999, 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 April 11, 2001, 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of management, the Board 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.

Jim Petro
Auditor of State

April 11, 2001

**BELMONT HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$306,897	\$77,586	\$384,483
Subsidy from Belmont County	284,802		284,802
Subsidy from Harrison County	67,504		67,504
Charges for Services	284,752	380,327	665,079
Miscellaneous Revenue	<u>11,784</u>	<u>6,729</u>	<u>18,513</u>
Total Cash Receipts	955,739	464,642	1,420,381
Cash Disbursements:			
Salaries	565,826	245,209	811,035
Supplies	30,588	14,563	45,151
Materials	6,665	3,221	9,886
Contract Services	52,889	16,181	69,070
Contract Repairs	111,440	2,526	113,966
Equipment	11,517	7,170	18,687
Rental Expenses		19,125	19,125
Workers' Compensation	1,960	788	2,748
Medical Fees	16,871		16,871
Food	48,309	23,303	71,612
Travel and Expense	10,151	21,550	31,701
Public Employees Retirement System	69,250	26,252	95,502
Medicare	7,673	3,492	11,165
Hospitalization	87,985	39,160	127,145
Unemployment Compensation	783		783
Union Expenses	2,903		2,903
Contingency-Girls		5,575	5,575
Contingency-Boys		4,677	4,677
Group Home Expenses		2,646	2,646
Training		<u>5,051</u>	<u>5,051</u>
Total Cash Disbursements	<u>1,024,810</u>	<u>440,489</u>	<u>1,465,299</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(69,071)</u>	<u>24,153</u>	<u>(44,918)</u>
Other Financing Receipts/(Disbursements):			
Advances-in	55,974	8,000	63,974
Advances-Out	<u>(8,000)</u>	<u>(55,974)</u>	<u>(63,974)</u>
Total Other Financing Receipts/(Disbursements)	<u>47,974</u>	<u>(47,974)</u>	<u>0</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(21,097)	(23,821)	(44,918)
Fund Cash Balances, January 1	<u>176,549</u>	<u>83,064</u>	<u>259,613</u>
Fund Cash Balances, December 31	<u>\$155,452</u>	<u>\$59,243</u>	<u>\$214,695</u>
Reserve for Encumbrances, December 31	<u>\$37,170</u>	<u>\$24,570</u>	<u>\$61,740</u>

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

**BELMONT HARRISON JUVENILE DISTRICT
BELMONT 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		Total (Memorandum Only)
	General	Special Revenue	
Cash Receipts:			
Intergovernmental	\$229,497	\$28,964	\$258,461
Subsidy from Belmont County	280,000		280,000
Subsidy from Harrison County	50,000		50,000
Charges for Services	364,102	249,559	613,661
Miscellaneous Revenue	2,158	1,661	3,819
Total Cash Receipts	925,757	280,184	1,205,941
Cash Disbursements:			
Salaries	521,649	208,166	729,815
Supplies	25,342	12,182	37,524
Materials	4,939	965	5,904
Contract Services	55,958	14,005	69,963
Contract Repairs	5,352	2,186	7,538
Equipment	11,155	5,426	16,581
Rental Expenses		18,270	18,270
Workers' Compensation	9,227	2,214	11,441
Medical Fees	13,044		13,044
Food	44,628	21,994	66,622
Travel and Expense	6,342	19,031	25,373
Public Employees Retirement System	69,565	26,382	95,947
Medicare	7,091	3,005	10,096
Hospitalization	79,190	18,681	97,871
Unemployment Compensation	512		512
Union Expenses	486		486
Contingency-Girls		5,090	5,090
Contingency-Boys		5,370	5,370
Group Home Expenses		3,958	3,958
Training		3,786	3,786
Total Cash Disbursements	854,480	370,711	1,225,191
Total Cash Receipts Over/(Under) Cash Disbursements	71,277	(90,527)	(19,250)
Other Financing Receipts/(Disbursements):			
Advances-in		100,974	100,974
Advances-Out	(100,974)		(100,974)
Total Other Financing Receipts/(Disbursements)	(100,974)	100,974	0
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(29,697)	10,447	(19,250)
Fund Cash Balances, January 1	206,246	72,617	278,863
Fund Cash Balances, December 31	\$176,549	\$83,064	\$259,613
Reserve for Encumbrances, December 31	\$33,719	\$21,634	\$55,353

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

**BELMONT HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Belmont Harrison Juvenile District, Belmont County (the District), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by an appointed seven-member Board of Trustees. The District provides governmental detention services for juveniles, including secured detention center facilities, supervised boys' and girls' group homes, and an aftercare program.

Per motion of the Belmont County Commissioners, as of January 1, 1999, the District will no longer be responsible for the Ohio Valley Recycling Center. The activity of the Recycling Center was previously reflected as an Enterprise Fund 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 approved).

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. The District's General Fund receives grants, tuition, billings for residents, and transfers (subsidies) from the County General Fund for the general operations of the correctional facility.

**BELMONT HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

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:

Group Home Fund - This fund receives federal grants, state grants, and resident billings for activities associated with the operation of the home.

Prevention, Retention and Contingency (PRC) Grant Fund - This fund receives grant monies from the Belmont County Department of Job and Family Services to provide preventative and after-care of juveniles.

D. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually. On or about May 1 of each year, the Belmont County Auditor sends a departmental budget form to the District for the succeeding calendar year. The District's fiscal officer completes the departmental budget form containing information on the expenditures for the prior year, appropriations for the current year and the request for the next year. A personal service schedule accompanies the departmental budget and reflects each person's name, present rate of pay, rate of pay for the next year and the amount requested for the next year. An estimate of anticipated revenue is also filed with the departmental budget. The Executive Director reviews the forms and they are filed with the County Commissioners by June 1. This information is then combined with all other county departmental budgets and the Belmont County subdivision budget is prepared. The budget of estimated cash receipts and disbursements is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

1. 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 County Commissioners must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. 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.

**BELMONT HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

3. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

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 basis of accounting used by the District.

2. EQUITY IN POOLED CASH AND INVESTMENTS

As required by Ohio Revised Code, the District's cash is held and invested by the Belmont County Treasurer, who acts as custodian for the District's monies. The District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. The carrying amount of cash at December 31 was as follows:

	<u>2000</u>	<u>1999</u>
Deposits	\$ 214,695	\$ 259,613

Deposits: The District's deposits maintained by the County Auditor are either insured by the Federal Deposit Insurance Corporation or were considered uncollateralized even though securities for collateral were held by the pledging financial institutions' trust department in the county's name and all state statutory requirements for the deposit of money had been followed.

**BELMONT HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999, was as follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 949,299	\$ 1,011,713	\$ 62,414
Special Revenue	472,144	472,642	498
Total	\$ 1,421,443	\$ 1,484,355	\$ 62,912

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,125,848	\$ 1,069,980	\$ 55,868
Special Revenue	555,802	521,033	34,769
Total	\$ 1,681,650	\$ 1,591,013	\$ 90,637

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 875,838	\$ 925,757	\$ 49,919
Special Revenue	350,102	381,158	31,056
Total	\$ 1,225,940	\$ 1,306,915	\$ 80,975

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,082,085	\$ 989,173	\$ 92,912
Special Revenue	422,719	392,345	30,374
Total	\$ 1,504,804	\$ 1,381,518	\$ 123,286

**BELMONT HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

4. RETIREMENT SYSTEMS

The District's 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 postretirement 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 2000 and 1999, members of PERS contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries through June 30, 2000. For the period July 1, 2000 through December 31, 2000, PERS temporarily reduced the employer's contribution rate to 8.13% of participants' gross salaries. The District has paid all contributions required through December 31, 2000.

5. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks through the County Commissioners:

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

The District, through the County Commissioners, also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

6. CONTINGENT LIABILITY

The District is a defendant in a lawsuit. The outcome of such case has not been determined and no effect on the District's financial statements could be determined.

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

Belmont Harrison Juvenile District
Belmont County
210 Fox-Shannon Place
St. Clairsville, Ohio 43950

To the Board of Trustees:

We have audited the accompanying financial statements of the Belmont Harrison Juvenile District, Belmont County, Ohio (the District), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated April 11, 2001. We conducted our audit 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 audit 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 audit, 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. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the management of the District in a separate letter dated April 11, 2001.

Belmont Harrison Juvenile District
Belmont County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of management and the Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

April 11, 2001



STATE OF OHIO
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JIM PETRO, AUDITOR OF STATE

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BELMONT HARRISON JUVENILE DISTRICT

BELMONT 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
JUNE 7, 2001**