



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

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**STATE OF OHIO**



**COLUMBIANA DISTRICT BOARD OF HEALTH  
COLUMBIANA COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

Columbiana District Board of Health  
Columbiana County  
7360 State Route 45  
Lisbon, Ohio 44432

To the Board of Health:

We have audited the accompanying financial statements of the Columbiana District Board of Health, Columbiana 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 Columbiana District Board of Health 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 of the District 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 6, 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 the Board of Health, management, 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 6, 2001

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**COLUMBIANA DISTRICT BOARD OF HEALTH  
COLUMBIANA 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>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes		\$80,257	\$80,257
Intergovernmental	35,955	246,800	282,755
Subdivision/Undivided Taxes	162,504		162,504
Fees/Sanitation	161,983		161,983
Fees/Vital Statistics	72,314		72,314
Fees, License, Permits		154,994	154,994
Other Revenue	58,759	299,537	358,296
	<u>491,514</u>	<u>781,588</u>	<u>1,273,102</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
Salaries	237,105	161,122	398,227
Supplies	27,681	7,047	34,728
Equipment	122		122
State Remittance	14,279	20,973	35,251
Contract Services	19,325	29,621	48,946
Maintenance and Repairs	484		484
Travel	29,730	12,105	41,835
Membership and Subscriptions	5,213		
Advertisement	1,044		1,044
PERS	27,311	19,889	
Other Expenses	32,054	10,936	
Hospitalization	78,980	43,956	
Medicare	2,890	1,729	
Project Fund Expenses		447,900	
Debt Service:			
Redemption of Principal	22,511		
Interest and Fiscal Charges	2,971		2,971
	<u>501,698</u>	<u>755,278</u>	<u>563,607</u>
<b>Total Cash Disbursements</b>			
Total Receipts Over/(Under) Disbursements	<u>(10,184)</u>	<u>26,311</u>	<u>16,127</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements			
	(10,184)	26,311	16,127
Fund Cash Balances, January 1	<u>34,949</u>	<u>148,980</u>	<u>183,929</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$24,765</b></u>	<u><b>\$175,290</b></u>	<u><b>\$200,055</b></u>

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

**COLUMBIANA DISTRICT BOARD OF HEALTH  
COLUMBIANA 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**

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Local Taxes		\$79,740	\$79,740
Intergovernmental	61,173	354,673	415,846
Subdivision/Undivided Taxes	162,504		162,504
Fees/Sanitation	168,235		168,235
Fees/Vital Statistics	55,868		55,868
Fees, License, Permits		164,019	164,019
Earnings on Investments			
Other Revenue	27,141	56,121	83,262
	<u>474,920</u>	<u>654,553</u>	<u>1,129,473</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
Salaries	209,069	195,999	405,068
Supplies	20,968	11,729	32,697
Equipment		588	
State Remittance	13,455	23,162	36,617
Contract Services	64,856	23,904	88,760
Maintenance and Repairs	104		104
Travel	20,625	17,746	38,371
Membership and Subscriptions	2,513		2,513
Advertisement	1,630	622	2,252
PERS	30,213	26,003	56,216
Other Expenses	51,901	26,548	78,449
Hospitalization	104,227	40,905	145,131
Medicare	2,727	1,993	4,721
Project Fund Expenses		344,025	
Debt Service:			
Redemption of Principal	1,810		1,810
Interest and Fiscal Charges	292		292
	<u>524,389</u>	<u>713,225</u>	<u>1,237,614</u>
<b>Total Cash Disbursements</b>			
Total Receipts Under Disbursements	<u>(49,469)</u>	<u>(58,671)</u>	<u>(108,140)</u>
<b>Other Financing Receipts</b>			
Proceeds from notes	70,000		70,000
Advances-Out	(1,700)		
Advances- In		1,700	
Total Other Financing Receipts	<u>68,300</u>	<u>1,700</u>	<u>70,000</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/Under Cash Disbursements and Other Financing Disbursements</b>			
	18,831	(56,971)	(38,140)
Fund Cash Balances, January 1	<u>16,118</u>	<u>205,951</u>	<u>222,069</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$34,949</u></b>	<b><u>\$148,980</u></b>	<b><u>\$183,929</u></b>

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

**COLUMBIANA DISTRICT BOARD OF HEALTH  
COLUMBIANA COUNTY**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Columbiana District Board of Health, Columbiana 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 a duly appointed five-member Board of Health. The County Auditor and County Treasurer are responsible for fiscal control of the resources of the Columbiana District Board of Health which are maintained in the funds described below. The District provides general health services within the county.

Management believes these financial statements present all activities for which the District has the ability to exercise direct operating control.

**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.

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

**C. Investments**

Investment procedures are restricted by the provisions of the Revised Code. Purchased investments are valued at cost and are neither charged when purchased nor credited at the time of redemption to their respective fund balances. Interest earned is recognized and recorded when received.

**D. 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.

**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 Fund:

*Early Start Fund* - Nursing costs reimbursed by the County for home care visits.

**COLUMBIANA DISTRICT BOARD OF HEALTH  
COLUMBIANA COUNTY**

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

(Continued)

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

**E. Budgetary Process**

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

The board of health shall annually, on or before the first Monday of April, adopt an itemized appropriation measure. Such appropriation measure shall set forth the amounts for the current expenses of such district for the fiscal year beginning on the first day of January next ensuing. The appropriation measures, together with an estimate in itemized form, of several sources of revenue available to the district, including the amount due from the state for the next fiscal year as provided in section 3709.32 of the Revised Code and the amount which the board anticipates will be collected in fees during the next ensuing fiscal year, shall be certified to the county auditor and by the county auditor submitted to the county budget commission which may reduce any item in such appropriation measure but may not increase any item or the aggregate of all items.

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

**F. 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.

**G. 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**

The Columbiana County Auditor and County Treasurer serve as fiscal agents to the Columbiana County District Board of Health. As of December 31, 2000, the District had on deposit \$200,055 and as of December 31, 1999 they had on deposit \$183,929 in the Columbiana County Treasury. These amounts were accounted for by Columbiana County and were commingled with other county cash, deposits and investments and, as such, cannot be specifically identified. Columbiana County funds on deposit as of December 31, 2000 were fully collateralized as defined under Ohio Revised Code Section 135.37.

**COLUMBIANA DISTRICT BOARD OF HEALTH  
COLUMBIANA 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 follows:

**2000 Budgeted vs. Actual Receipts**

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$513,949	\$491,514	(\$22,436)
Special Revenue	816,547	781,588	(\$34,959)
Total	<u>\$1,330,496</u>	<u>\$1,273,102</u>	<u>(\$57,394)</u>

**2000 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$504,500	\$501,698	\$2,802
Special Revenue	796,511	755,278	41,233
Total	<u>\$1,301,011</u>	<u>\$1,256,976</u>	<u>\$44,035</u>

**1999 Budgeted vs. Actual Receipts**

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$538,000	\$544,920	\$6,920
Special Revenue	747,581	654,553	(93,028)
Total	<u>\$1,285,581</u>	<u>\$1,199,473</u>	<u>(\$86,108)</u>

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

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$538,000	\$524,389	\$13,611
Special Revenue	746,522	713,225	33,297
Total	<u>\$1,284,522</u>	<u>\$1,237,614</u>	<u>\$46,908</u>

**COLUMBIANA DISTRICT BOARD OF HEALTH  
COLUMBIANA COUNTY**

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

(Continued)

**4. DEBT**

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
General Obligation Note	\$45,968	5%

The general obligation note was issued to finance the repayment of the Lead-Based Paint Hazard Reduction Federal Program in which the District was found to have disallowed costs.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31, 2000:	General Obligation Note
2001	25,217
2002	23,116
Total	\$48,333

**5. RETIREMENT SYSTEMS**

The District's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS are cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post-retirement 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 Health District contributed an amount equal to 13.55% of participants' gross salaries through July 2000 and an amount equal to 10.84% after July 2000. The District has paid all contributions required through December 31, 2000.

**6. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

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

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

**COLUMBIANA DISTRICT BOARD OF HEALTH  
COLUMBIANA COUNTY**

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

**(Continued)**

**7. CONTINGENT LIABILITIES**

As December 31, 2000 a former employee of the Columbiana District Board of Health had appealed a termination of employment to the Ohio Board of Personnel Review. This appeal resulted in a settlement of \$10,000 to be paid by the General Health District. The payment of the settlement was mailed by registered mail on March 13, 2001.

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

Columbiana District Board of Health  
Columbiana County  
7360 State Route 45  
Lisbon, Ohio 44432

To the Board of Health:

We have audited the accompanying financial statements of the Columbiana District Board of Health, Columbiana County, Ohio (the District), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated April 6, 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 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 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 management of the District in a separate letter dated April 6, 2001.

Columbiana District Board of Health  
Columbiana 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 the Board of Health and management, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

April 6, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**DISTRICT BOARD OF HEALTH**

**COLUMBIANA 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 5, 2001**