



**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Members of the Board
Delaware City/County District Board of Health
Delaware County
109 N. Sandusky Street
Delaware, Ohio 43015

We have audited the accompanying financial statements of the Delaware City/County District Board of Health, Delaware County, Ohio, (the District) as of and for the year ended December 31, 2000. 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 described 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 Delaware City/County District Board of Health, Delaware County, Ohio, as of December 31, 2000, and its combined cash receipts and cash disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 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.

Our audit was performed for the purpose of forming an opinion on the financial statements of the District, taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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.

JIM PETRO
Auditor of State

February 12, 2001

**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE 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**

	Governmental Fund Types		Totals (Memorandum Only)
	General Fund	Special Revenue	
Receipts:			
Federal/State Funds	\$157,101	\$577,107	\$734,208
Subdivisions	59,875	0	59,875
Levies	1,202,892	0	1,202,892
Inspection Fees	72,384	0	72,384
Permits	523,678	18,201	541,879
Fees	132,142	8,061	140,203
Licenses	0	24,564	24,564
Other	17,220	223,406	240,626
Total Receipts	<u>2,165,292</u>	<u>851,339</u>	<u>3,016,631</u>
Disbursements:			
Salaries	1,212,990	150,376	1,363,366
Supplies	76,437	231	76,668
Equipment	70,822	0	70,822
Contracts	85,949	2,046	87,995
Rentals	13,224	0	13,224
Travel and Expense	26,010	6,716	32,726
Project Expenses	0	624,613	624,613
Advertising and Printing	38,459	0	38,459
Benefits	149,549	19,376	168,925
Personal Service	0	11,239	11,239
Remittance to State	0	13,496	13,496
Other Expenses	266,078	25,323	291,401
Total Disbursements	<u>1,939,518</u>	<u>853,416</u>	<u>2,792,934</u>
Other Financing Sources and Uses:			
Operating Transfers In	19,058	24,390	43,448
Operating transfers Out	(24,390)	(19,058)	(43,448)
Reimbursements	11,872	0	11,872
Other Receipts	28,598	600	29,198
Total Other Financing Sources/Uses	<u>35,138</u>	<u>5,932</u>	<u>41,070</u>
Excess of Receipts and Other Sources Over/(Under) Disbursements and Other Uses	260,912	3,855	26,476
Fund Cash Balance, January 1, 2000	<u>920,279</u>	<u>425,813</u>	<u>1,346,092</u>
Fund Cash Balance, December 31, 2000	<u>\$1,181,191</u>	<u>\$429,668</u>	<u>\$1,610,859</u>
Reserve for Encumbrances, December 31, 2000	<u>\$20,106</u>	<u>\$6,802</u>	<u>\$26,908</u>

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

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**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(As Required by Various Statutes)

A. Description of the Entity

The Delaware City/County District Board of Health (the District) is a combined general health district as defined by Section 3709.07, Revised Code. It was established as a contractual union of the Delaware City Health District with the Delaware County Health District. The District operates under a seven member board appointed under Section 3709.02 and Section 3709.07, Revised Code, and is responsible for the administration of all health programs established by the Ohio Revised Code and Administrative Codes and any programs deemed necessary by the District. Services provided by the District include, but are not limited to, the review of public health programs, community nursing activities, the control of communicable diseases, environmental health programs, the recording of certificates of vital statistics, home health activities, and health promotion and safety activities.

By law, the Delaware County Auditor and Treasurer are the fiscal agents 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. Cash

As required by Ohio Revised Code, the District's cash is held and invested by the Delaware County Treasurer, who acts as custodian for District 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.

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 of the District. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds

To account for proceeds of specific revenue sources (other than funds from trusts or for capital projects) that are legally restricted to expenditure for specific purposes. The District had the following significant Special Revenue Funds:

The Federal Fund, which accounts for receipts and expenditures of federal grant funds, and the State Fund, which accounts for receipts and expenditures of state grant funds.

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function and object level of control, and appropriations may not exceed estimated resources. The Board 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.

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 re-appropriated.

A summary of 2000 budgetary activity appears in Note 2.

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.

**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2000
(Continued)**

2. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2000 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,040,723	\$2,224,820	\$184,097
Special Revenue	855,762	876,329	20,567
Total	\$2,896,485	\$3,101,149	\$204,664

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,447,861	\$1,984,014	\$463,847
Special Revenue	977,553	879,276	98,277
Total	\$3,425,414	\$2,863,290	\$562,124

3. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

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 post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by Ohio Revised Code. PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 10.84% of the participants' gross salaries. The District has paid all contributions required through December 31, 2000.

**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2000
(Continued)**

5. RISK MANAGEMENT

The Delaware County Commissioners maintain, on behalf of the District, commercial insurance for the following risks:

- Comprehensive property

The District has obtained commercial insurance for the following risks:

- General liability
- Vehicles
- Errors and omissions

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

6. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by 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.

The District is defendant in a lawsuit. Although the outcome of this suit is not presently determinable, management believes that the resolution of these matters will not materially adversely affect the District's financial condition.

**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2000**

Federal Grantor/ Pass Through Grantor / Program Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
<i>Passed through Ohio Department of Health</i>		421-f	
Special Supplement Food Program for Women, Infants, and Children	10.557		\$ 244,911
U.S. Environmental Protection Agency			
<i>Passed through Ohio Department of Health</i>		421-f	
State Indoor Radon Grant	66.032		22,484
U.S. Department of Education			
<i>Passed through Ohio Department of Health</i>		421-f	
Special Education - Grants for Infants and Families with Disabilities	84.181		80,887
U.S. Department of Health and Human Services			
<i>Passed through Ohio Department of Health</i>		421-f	
Preventive Health and Human Services Block Grant	93.991		9,052
Maternal and Child Health Services Block Grant	93.994		133,774
Total U.S. Department of Health and Human Services			142,826
Total Federal Award Expenditures			\$ 491,108

**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
DECEMBER 31, 2000**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



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

Members of the Board
Delaware City/County District Board of Health
Delaware County
109 N. Sandusky Street
Delaware, Ohio 43015

We have audited the financial statements of the Delaware City/County District Board of Health, Delaware County, Ohio, (the District) as of and for the year ended December 31, 2000, and have issued our report thereon dated February 12, 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 February 12, 2001.

Delaware City/County District Board of Health
Delaware County
Report on Compliance and on Internal Control Required by
Government Auditing Standards
Page 2

This report is intended for the information and use of management, the Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

JIM PETRO
Auditor of State

February 12, 2001



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Members of the Board
Delaware City/County District Board of Health
Delaware County
109 N. Sandusky Street
Delaware, Ohio 43015

Compliance

We have audited the compliance of the Delaware City/County District Board of Health, Delaware County, Ohio, (the District) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2000. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2000.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Delaware City/County District Board of Health
Delaware County
Report on Compliance with Requirements Applicable to Each
Major Federal Program and Internal Control over Compliance
in Accordance with OMB Circular A-133
Page 2

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated February 12, 2001.

This report is intended for the information and use of the management, the Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

JIM PETRO
Auditor of State

February 12, 2001

**DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH
DELAWARE COUNTY**

**FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2000**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Special Supplement Food Program for Women, Infants, and Children (WIC) / 10.557
(d)(1)(viii)	Dollar Threshold: Type AIB Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

NONE.

3. FINDINGS FOR FEDERAL AWARDS

NONE.



STATE OF OHIO
OFFICE OF THE AUDITOR

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DELAWARE CITY/COUNTY DISTRICT BOARD OF HEALTH

DELAWARE 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
APRIL 10, 2001**