



**DISTRICT BOARD OF HEALTH  
MONROE 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  
TABLE OF CONTENTS**

| <b>TITLE</b>  | <b>PAGE</b> |
|---|-------------|
| Report of Independent Accountants .....   | 1           |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in<br>Fund Cash Balances – All Governmental Fund Types –<br>For the Year Ended December 31, 1999 ..... | 3           |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in<br>Fund Cash Balances – All Governmental Fund Types –<br>For the Year Ended December 31, 1998 ..... | 4           |
| Notes to the Financial Statements .....   | 5           |
| Report of Independent Accountants on Compliance and on Internal Control<br>Required by <i>Government Auditing Standards</i> .....   | 9           |

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## REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health  
Monroe County  
118 Home Avenue  
Woodsfield, Ohio 43793

To the Members of the Board:

We have audited the accompanying financial statements of the District Board of Health, Monroe County, Ohio, (the District) as of and for the years ended December 31, 1999 and 1998. 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 of the District Board of Health, Monroe County, as of December 31, 1999 and 1998, and its combined cash receipts and 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 April 21, 2000 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.

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.

A handwritten signature in black ink, appearing to read "Jim Petro", written over a horizontal line.

**Jim Petro**  
Auditor of State

April 21, 2000



**DISTRICT BOARD OF HEALTH  
 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<br/>(Memorandum<br/>Only)</b> |
|---|--------------------------------|----------------------------|---|
|   | <u>General</u>                 | <u>Special<br/>Revenue</u> |   |
| <b>Cash Receipts:</b>   |                                |                            |   |
| State Funds   | \$                             | \$19,293                   | \$19,293                                |
| Federal Funds   |                                | 226,685                    | 226,685                                 |
| Subdivision Taxes   | 85,607                         |                            | 85,607                                  |
| Donations   |                                | 2,004                      | 2,004                                   |
| Fees  | 19,097                         | 258                        | 19,355                                  |
| Licenses  |                                | 6,804                      | 6,804                                   |
| Permits   |                                | 1,965                      | 1,965                                   |
| Other Receipts  | 171                            | 2,880                      | 3,051                                   |
|   | <u>104,875</u>                 | <u>259,889</u>             | <u>364,764</u>                          |
| <b>Total Cash Receipts</b>  |                                |                            |   |
|   | <u>104,875</u>                 | <u>259,889</u>             | <u>364,764</u>                          |
| <b>Cash Disbursements:</b>  |                                |                            |   |
| Salaries - Employees  | 80,343                         | 162,127                    | 242,470                                 |
| Supplies  |                                | 246                        | 246                                     |
| Contract - Services   | 9,333                          | 16,560                     | 25,893                                  |
| Travel and Expenses   | 1,694                          | 6,118                      | 7,812                                   |
| Equipment   |                                | 1,942                      | 1,942                                   |
| Remittance - State  |                                | 2,201                      | 2,201                                   |
| Other Expenses  | 13,999                         | 43,716                     | 57,715                                  |
|   | <u>105,369</u>                 | <u>232,910</u>             | <u>338,279</u>                          |
| <b>Total Cash Disbursements</b>   |                                |                            |   |
|   | <u>105,369</u>                 | <u>232,910</u>             | <u>338,279</u>                          |
| <b>Total Receipts Over/(Under) Disbursements</b>  | <u>(494)</u>                   | <u>26,979</u>              | <u>26,485</u>                           |
| <b>Other Financing Receipts/(Disbursements):</b>  |                                |                            |   |
| Transfers-In  | 500                            |                            | 500                                     |
| Advances-In   | 9,089                          | 9,089                      | 18,178                                  |
| Transfers-Out   |                                | (500)                      | (500)                                   |
| Advances-Out  | (9,089)                        | (9,089)                    | (18,178)                                |
| Other Sources   | 17,000                         | 524                        | 17,524                                  |
| Other Uses  | (17,524)                       |                            | (17,524)                                |
|   | <u>(24)</u>                    | <u>24</u>                  | <u>0</u>                                |
| <b>Total Other Financing Receipts/(Disbursements)</b>   |                                |                            |   |
|   | <u>(24)</u>                    | <u>24</u>                  | <u>0</u>                                |
| <b>Excess of Cash Receipts and Other Financing<br/>Receipts Over/(Under) Cash Disbursements<br/>and Other Financing Disbursements</b> | <u>(518)</u>                   | <u>27,003</u>              | <u>26,485</u>                           |
| <b>Fund Cash Balances, January 1</b>  | <u>10,907</u>                  | <u>52,932</u>              | <u>63,839</u>                           |
| <b>Fund Cash Balances, December 31</b>  | <u><u>\$10,389</u></u>         | <u><u>\$79,935</u></u>     | <u><u>\$90,324</u></u>                  |

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

**DISTRICT BOARD OF HEALTH  
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND CASH BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 1998**

|   | <u>Governmental Fund Types</u> |                            | <b>Totals<br/>(Memorandum<br/>Only)</b> |
|---|--------------------------------|----------------------------|---|
|   | <u>General</u>                 | <u>Special<br/>Revenue</u> |   |
| <b>Cash Receipts:</b>   |                                |                            |   |
| State Funds   | \$4,649                        | \$67,806                   | \$72,455                                |
| Federal Funds   |                                | 207,388                    | 207,388                                 |
| Subdivision Taxes   | 82,901                         |                            | 82,901                                  |
| Donations   |                                | 1,641                      | 1,641                                   |
| Fees  | 4,850                          |                            | 4,850                                   |
| Licenses  |                                | 7,282                      | 7,282                                   |
| Permits   | 3,475                          | 2,190                      | 5,665                                   |
| Other Receipts  | 8,909                          | 2,988                      | 11,897                                  |
|   | <u>104,784</u>                 | <u>289,295</u>             | <u>394,079</u>                          |
| <b>Total Cash Receipts</b>  |                                |                            |   |
|   | <u>104,784</u>                 | <u>289,295</u>             | <u>394,079</u>                          |
| <b>Cash Disbursements:</b>  |                                |                            |   |
| Salaries - Employees  | 85,131                         | 144,691                    | 229,822                                 |
| Supplies  | 2,301                          | 5,648                      | 7,949                                   |
| Contract - Services   |                                | 13,462                     | 13,462                                  |
| Travel and Expenses   | 2,314                          | 11,635                     | 13,949                                  |
| Equipment   |                                | 3,806                      | 3,806                                   |
| Remittance - State  |                                | 2,484                      | 2,484                                   |
| Other Expenses  | 16,239                         | 102,442                    | 118,681                                 |
|   | <u>105,985</u>                 | <u>284,168</u>             | <u>390,153</u>                          |
| <b>Total Cash Disbursements</b>   |                                |                            |   |
|   | <u>105,985</u>                 | <u>284,168</u>             | <u>390,153</u>                          |
| <b>Total Receipts Over/(Under) Disbursements</b>  | <u>(1,201)</u>                 | <u>5,127</u>               | <u>3,926</u>                            |
| <b>Other Financing Receipts/(Disbursements):</b>  |                                |                            |   |
| Transfers-In  | 3,303                          | 2,958                      | 6,261                                   |
| Advances-In   | 2,500                          | 2,500                      | 5,000                                   |
| Transfers-Out   |                                | (6,261)                    | (6,261)                                 |
| Advances-Out  | (2,500)                        | (2,500)                    | (5,000)                                 |
| Other Financing Sources   | 10,317                         | 1,549                      | 11,866                                  |
| Other Financing Uses  | (3,000)                        | (9,415)                    | (12,415)                                |
|   | <u>10,620</u>                  | <u>(11,169)</u>            | <u>(549)</u>                            |
| <b>Total Other Financing Receipts/(Disbursements)</b>   |                                |                            |   |
|   | <u>10,620</u>                  | <u>(11,169)</u>            | <u>(549)</u>                            |
| <b>Excess of Cash Receipts and Other Financing<br/>Receipts Over/(Under) Cash Disbursements<br/>and Other Financing Disbursements</b> | <u>9,419</u>                   | <u>(6,042)</u>             | <u>3,377</u>                            |
| <b>Fund Cash Balances, January 1</b>  | <u>1,488</u>                   | <u>58,974</u>              | <u>60,462</u>                           |
| <b>Fund Cash Balances, December 31</b>  | <u><u>\$10,907</u></u>         | <u><u>\$52,932</u></u>     | <u><u>\$63,839</u></u>                  |

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



**DISTRICT BOARD OF HEALTH  
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, Monroe County, (the District) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District operates under the direction of a five-member appointed Board and an appointed Health Commissioner. These members are appointed by the District Advisory Council which is made up of the Chairman of each of the Townships of the County, the Mayors of each of the Villages and the chairman of the County Commissioners. Services provided by the District include referrals to Bureau of Crippled Children Services Program, communicable disease investigations, immunization clinics, tuberculosis screening, various licenses and permits, including inspections, birth and death certificates, and other related services. The County Auditor and County Treasurer of Monroe County are responsible for fiscal control of the resources of the District which are maintained in the fund types described below.

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.

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 Monroe 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 that is 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.

**DISTRICT BOARD OF HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

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

**D. 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:

Women, Infants and Children (WIC) Grant Fund - This fund receives federal grant money to provide supplemental nutritious food and nutrition education as an adjunct to good health care to low income persons in critical periods of growth and development.

Early Intervention Grant Fund - This fund receives federal grant money to provide for early intervention services for infants and toddlers with disabilities and their families.

**E. Budgetary Process**

Each year, the District's fiscal officer completes the departmental budget and files an estimate of the anticipated revenue with the departmental budget. These are filed with the County Commissioners.

This information is then combined with all other County departmental budgets and the Monroe County subdivision budget is prepared. The budget of estimated cash receipts and disbursements is submitted to the County Auditor, as Secretary of the Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

**1. Appropriations**

The Board annually approves appropriation measures and subsequent amendments. This appropriation measure is submitted to the County Auditor to be approved as part of the County's annual appropriation resolution. Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control. Appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

**3. Encumbrances**

The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

**DISTRICT BOARD OF HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

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

**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 Monroe County Auditor serves as the fiscal agent for the District. The District maintains no control over the investment of its funds. The carrying amount of cash and investments at December 31 was as follows:

|                 | <u>1999</u> | <u>1998</u> |
|-----------------|-------------|-------------|
| Demand deposits | \$90,324    | \$63,839    |
| Total deposits  | \$90,324    | \$63,839    |

**Deposits:** Deposits are either insured by the Federal Deposit Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

**3. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the District. 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.

**DISTRICT BOARD OF HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(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 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 1999, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. The District has paid all contributions required through December 31, 1999.

**5. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- General liability and casualty
- Public officials' liability
- Property

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

**6. ADVANCES/TRANSFERS FROM MONROE COUNTY**

Advances and Transfers from/to Monroe County are being reported on the financial statements as Other Financing Sources and Other Financing Uses. Due to cash flow problems for some reimbursement type grants, Monroe County advances funds to the Health Department.



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

District Board of Health  
Monroe County  
118 Home Avenue  
Woodsfield, Ohio 43793

To the Members of the Board:

We have audited the accompanying financial statements of District Board of Health, Monroe County, Ohio, (the District) as of and for the year ended December 31, 1999 and 1998, and have issued our report thereon dated April 21, 2000. 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 another matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated April 21, 2000.

District Board of Health  
Monroe 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 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

April 21, 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**

**MONROE 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  
JULY 6, 2000**