



**GENERAL HEALTH DISTRICT
ASHTABULA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GENERAL HEALTH DISTRICT
ASHTABULA COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

General Health District
Ashtabula County
12 West Jefferson Street
Jefferson, Ohio 44047

To the Board of Trustees:

We have audited the accompanying financial statements of General Health District, Ashtabula County, (the Health District) as of and for the years ended December 31, 2000 and December 31, 1999. These financial statements are the responsibility of the Health 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 Health 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 the General Health District, Ashtabula County, as of December 31, 2000 and December 31, 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 June 25, 2001 on our consideration of the Health 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 and Board of Trustees 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

June 25, 2001

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**GENERAL HEALTH DISTRICT
ASHTABULA 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>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Subdivision Assessments	\$480,000		\$480,000
Intergovernmental		242,246	242,246
Fees	31,940	137,258	169,198
Licenses	147,208	75,500	222,708
Permits		21,520	21,520
Miscellaneous	107,710	42,755	150,465
	<u>766,858</u>	<u>519,279</u>	<u>1,286,137</u>
Total Cash Receipts	766,858	519,279	1,286,137
Cash Disbursements:			
Current:			
Salaries	442,784	80,025	522,809
Supplies	13,288	24,129	37,417
Equipment	290		290
Contracts - Repair	3,430		3,430
Contracts - Services	31,026	150	31,176
Rentals	561		561
Travel and Expenses	51,608		51,608
Advertising and Printing	260		260
Public Employees' Retirement	64,379		64,379
Workers' Compensation	3,619		3,619
Remittances - State		16,841	16,841
Project Fund Expenditures		209,957	209,957
Other Expenditures	125,910	65,200	191,110
	<u>737,155</u>	<u>396,302</u>	<u>1,133,457</u>
Total Disbursements	737,155	396,302	1,133,457
Total Receipts Over/(Under) Disbursements	29,703	122,977	152,680
Fund Cash Balances January 1	70,573	647,296	717,869
Fund Cash Balances, December 31	<u>\$100,276</u>	<u>\$770,273</u>	<u>\$870,549</u>
Reserves for Encumbrances, December 31	<u>\$ 39,569</u>	<u>\$ 10,850</u>	<u>\$ 50,419</u>

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

**GENERAL HEALTH DISTRICT
ASHTABULA 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>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Subdivision Assessments	\$455,000		\$455,000
Intergovernmental		107,607	107,607
Fees	42,784	146,020	188,804
Licenses	147,424	75,600	223,024
Permits		29,215	29,215
Miscellaneous	74,969	15,192	90,161
	<u>720,177</u>	<u>373,634</u>	<u>1,093,811</u>
Cash Disbursements:			
Current:			
Salaries	438,169	53,006	491,175
Supplies	14,760	26,429	41,189
Equipment	3,166		3,166
Contracts - Repair	5,678		5,678
Contracts - Services	40,173	160	40,333
Rentals	425		425
Travel and Expenses	52,982		52,982
Advertising and Printing	314		314
Public Employees' Retirement	70,734		70,734
Workers' Compensation	14,121		14,121
Remittances - State		19,922	19,922
Project Fund Expenditures		97,812	97,812
Other Expenditures	122,421	65,000	187,421
	<u>762,943</u>	<u>262,329</u>	<u>1,025,272</u>
Total Receipts Over/(Under) Disbursements	(42,766)	111,305	68,539
Fund Cash Balances January 1	<u>113,339</u>	<u>535,991</u>	<u>649,330</u>
Fund Cash Balances, December 31	<u>\$70,573</u>	<u>\$647,296</u>	<u>\$717,869</u>
Reserves for Encumbrances, December 31	<u>\$ 23,398</u>	<u>\$ 18,364</u>	<u>\$ 41,762</u>

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

**GENERAL HEALTH DISTRICT
ASHTABULA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Empowered by Section 3709.01, Revised Code, the General Health District consists of the County's 27 Townships, 7 Villages, and 1 City not incorporated as a City Health District within Ashtabula County. The chief executive officer of each constituent political subdivision serves on the District Advisory Council, which meets annually on the first Monday in March to appoint the members of the Ashtabula County General Health District, or to fill any Board vacancies that may have occurred. The County General Health District appoints a Health Commissioner to a term not to exceed 2 years. As chief executive officer, the Health Commissioner presides over the County Health Department and reports to the Board at its regular meeting on the first Wednesday of each month.

As a separate political entity, the General Health District operates autonomously from the government of Ashtabula County. However, the Revised Code charges the county auditor and county treasurer to serve in similar capacities for the District. Charged with maintaining the health and welfare of the General Health District, the General Health District is empowered to enforce the laws, rules and regulations as promulgated by the appropriate federal and state legislatures, departments, and agencies.

The General Health District's management believes these financial statements present all activities for which the District is financially accountable.

B. Basis of Accounting

These financial statements followed 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 General Health District uses fund accounting to segregate cash and investments that are restricted as to use. The District 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 to be accounted for in another fund.

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 General Health District had the following significant Special Revenue Funds:

**GENERAL HEALTH DISTRICT
ASHTABULA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (Continued)

Solid Waste Fund- This fund receives license and permit fees. The General Health District retains \$2,500 of each license fee collected and transmits the remainder to the Director of the Ohio Environmental Protection Agency.

C. Budgetary Process

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

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 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.

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.

Encumbrances

The Ohio Revised Code requires the Health 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.

D. 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.

E. 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 Health District.

**GENERAL HEALTH DISTRICT
ASHTABULA COUNTY**

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

2. EQUITY IN POOLED CASH AND INVESTMENTS

By virtue of the Revised Code, the Ashtabula County Treasurer acts as custodian of the funds of the General Health District. These funds are commingled with the deposits and investments of the County. While GASB Statement Number 3 requires categorization of the District's deposits regarding the risks associated with each category, it is impracticable to identify the District's deposits separately from those of the County.

3. BUDGETARY ACTIVITY

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

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$840,215	\$766,858	(\$73,357)
Special Revenue	<u>510,153</u>	<u>519,279</u>	<u>18,330</u>
Total	<u>\$1,350,368</u>	<u>\$1,286,137</u>	<u>(\$55,027)</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$910,790	\$776,724	\$134,066
Special Revenue	<u>553,039</u>	<u>407,152</u>	<u>145,887</u>
Total	<u>\$1,463,829</u>	<u>\$1,183,876</u>	<u>\$279,953</u>

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$762,715	\$720,177	(\$42,538)
Special Revenue	<u>315,876</u>	<u>373,634</u>	<u>57,758</u>
Total	<u>\$1,078,591</u>	<u>\$1,093,811</u>	<u>\$15,220</u>

**GENERAL HEALTH DISTRICT
ASHTABULA COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$864,179	\$786,341	\$77,838
Special Revenue	<u>380,243</u>	<u>280,693</u>	<u>99,550</u>
Total	<u>\$1,244,422</u>	<u>\$1,067,034</u>	<u>\$177,388</u>

4. RETIREMENT SYSTEM

The General Health District employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

PERS members contributed 8.5% of their gross salaries. The Health District contributed an amount equal to 13.55% in 1999 and 10.84% in 2000 of participants gross salaries. The Health District has paid all contributions required through December 31, 2000.

5. RISK MANAGEMENT

The General Health District is a member of the Public Entity Pool (PEP). PEP is a public entity self-insurance pool providing property and liability coverage to political subdivisions in the State of Ohio. The following risks are covered by the Public Entity Pool:

- Buildings & Contents
- Miscellaneous Property
- Vehicle Physical Damage (Emergency Vehicles)

The General Health District is provided additional coverage through Ashtabula County. The County contracted with the County Risk Sharing Authority (CORSA) for liability, property, and crime insurance. The CORSA program has a \$2,500 deductible per claim. With the exceptions of health insurance, life insurance, and workers' compensation, all insurance is held with CORSA.



**STATE OF OHIO
OFFICE OF THE AUDITOR**

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

General Health District
Ashtabula County
12 West Jefferson Street
Jefferson, Ohio 44047

To the Board of Trustees:

We have audited the accompanying financial statements of General Health District, Ashtabula County, Ohio (the Health District), as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated June 25, 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 Health 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. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Health District in a separate letter dated June 25, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Health 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 Health District in a separate letter dated June 25, 2001.

General Health District
Ashtabula County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
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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

June 25, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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ASHTABULA COUNTY GENERAL HEALTH DISTRICT

ASHTABULA 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 17, 2001**