



**DISTRICT BOARD OF HEALTH
CHAMPAIGN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DISTRICT BOARD OF HEALTH
CHAMPAIGN COUNTY**

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health
Champaign County
1512 South US Hwy 68
Urbana, Ohio 43078

To the Board of Directors:

We have audited the accompanying financial statements of the District Board of Health, Champaign County, (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 the Champaign Health District, Champaign 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 17, 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 17, 2001

**DISTRICT BOARD OF HEALTH
CHAMPAIGN 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**

	General	Special Revenue	Total (Memorandum) Only
Cash Receipts:			
State Subsidy	\$13,092	\$23,602	\$36,694
Subdivisions & Local	167,500		167,500
Permits	98,033		98,033
Fees	33,735		33,735
Licenses	3,921	35,749	39,670
	<u>316,281</u>	<u>59,351</u>	<u>375,632</u>
Total Cash Receipts			
Cash Disbursements:			
Salaries - Employees	213,027	26,796	239,823
Supplies	8,703	77	8,780
Equipment	308		308
Contracts - Service & Repair	8,613	12,000	20,613
Travel and Expenses	8,778	7,162	15,940
Fringe Benefits	36,258		36,258
Advertising and Printing	606		606
Medicare	2,601	389	2,990
Public Employees Retirement	29,869	3,850	33,719
Workmen's Compensation	1,424	162	1,586
Other Expenses	10,539	11,415	21,954
	<u>320,726</u>	<u>61,851</u>	<u>382,577</u>
Total Cash Disbursements			
Total Receipts (Under) Disbursements	(4,445)	(2,500)	(6,945)
Other Financing Receipts:			
Other Sources	99	3	102
	<u>99</u>	<u>3</u>	<u>102</u>
Cash Receipts and Other Financing Receipts (Under) Cash Disbursements	(4,346)	(2,497)	(6,843)
Fund Cash Balances January 1	81,722	33,773	115,495
	<u>81,722</u>	<u>33,773</u>	<u>115,495</u>
Fund Cash Balances, December 31	<u>\$77,376</u>	<u>\$31,276</u>	<u>\$108,652</u>
Reserves for Encumbrances, December 31	<u>\$935</u>	<u>\$353</u>	<u>\$1,288</u>

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

**DISTRICT BOARD OF HEALTH
CHAMPAIGN 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>General</u>	<u>Special Revenue</u>	<u>Total (Memorandum) Only</u>
Cash Receipts:			
State Subsidy	\$12,328	\$3,602	\$15,930
Subdivisions & Local	167,500		167,500
Permits	85,906		85,906
Fees	37,473		37,473
Licenses	2,055	36,031	38,086
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	305,262	39,633	344,895
Cash Disbursements:			
Salaries - Employees	212,082	25,724	237,806
Supplies	7,271	92	7,363
Equipment	9,478	443	9,921
Contracts - Service & Repair	11,802		11,802
Travel and Expenses	5,839	6,488	12,327
Fringe Benefits	28,298		28,298
Advertising and Printing	546		546
Medicare	2,324	373	2,697
Public Employees Retirement	28,155	2,640	30,795
Workmen's Compensation	6,405	624	7,029
Other Expenses	9,053	3,565	12,618
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	321,253	39,949	361,202
Total Receipts (Under) Disbursements	(15,991)	(316)	(16,307)
Other Financing Receipts:			
Other Sources	136	10	146
	<hr/>	<hr/>	<hr/>
Cash Receipts and Other Financing Receipts (Under) Cash Disbursements	(15,855)	(306)	(16,161)
Fund Cash Balances January 1	97,577	34,079	131,656
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	<u>\$81,722</u>	<u>\$33,773</u>	<u>\$115,495</u>
Reserves for Encumbrances, December 31	<u>\$328</u>	<u>\$156</u>	<u>\$484</u>

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

**DISTRICT BOARD OF HEALTH
CHAMPAIGN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The District Board of Health, Champaign County, (the District) is a combined health district pursuant to Ohio Revised Code Section 3709.07. The Board of Health operates under the direction of an appointed five member board of health and is responsible for the administration of all health programs established by the Revised Code and the Ohio Department of Health. Services provided by the Board of Health include, but are not limited to, the prevention and restriction of disease, the inspection and licensing of public health programs, community nursing activities, and home health activities.

By law, the Champaign County Auditor and Treasurer are the fiscal agents of the Champaign Health District.

The District's management believes these financial statements present all of the funds of the District over which the members of the Board have 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 (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 and Investments

The District funds are part of a cash pool maintained by Champaign County, which is the fiscal agent for the District. This pool includes funds under the primary oversight responsibility of entities other than the Health District, including the Champaign County Board of Commissioners.

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
CHAMPAIGN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources that are restricted to expenditure for specific purposes. The District had the following significant Special Revenue Fund:

Food Service Fund - This fund is used to record the revenues and expenditures associated with providing food service licenses and inspections of food service operations.

E. Budgetary Process

The Ohio Revised Code requires the District to adopt a tax budget annually.

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 Board of Health annually approves appropriation measures. The County Budget Commission also approves the annual appropriation measure.

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 also approves estimated resources.

3. Encumbrances

The District reserves (encumbers) appropriations when individual 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 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.

**DISTRICT BOARD OF HEALTH
CHAMPAIGN COUNTY**

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

2. 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	\$305,000	\$316,380	\$11,380
Special Revenue	39,171	59,354	20,183
Total	<u>\$344,171</u>	<u>\$375,734</u>	<u>\$31,563</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$341,581	\$321,661	\$19,920
Special Revenue	65,207	62,204	3,003
Total	<u>\$406,788</u>	<u>\$383,865</u>	<u>\$22,923</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$305,000	\$305,398	\$398
Special Revenue	37,579	39,643	2,064
Total	<u>\$342,579</u>	<u>\$345,041</u>	<u>\$2,462</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$339,738	\$321,581	\$18,157
Special Revenue	43,581	40,105	3,476
Total	<u>\$383,319</u>	<u>\$361,686</u>	<u>\$21,633</u>

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 of Health. 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. The second half payment is due the following June 20.

**DISTRICT BOARD OF HEALTH
CHAMPAIGN COUNTY**

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

3. PROPERTY TAX (Continued)

Public utilities are also taxed on personal and real property located within the Health District.

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 Health District.

4. RETIREMENT SYSTEMS

The District officials and full-time 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 for January 1999 through June 2000 and an amount equal to 8.13% of participants' gross salaries for July through December 2000. The District has paid all contributions required through December 31, 2000.

5. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- General Liability

The District is uninsured for the following risks:

- Errors and omissions.

The District also provides health insurance coverage to full-time employees as procured through their fiscal agent.



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One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688
www.auditor.state.oh.us

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

District Board of Health
Champaign County
1512 South US Hwy 68
Urbana, Ohio 43080

To the Board of Directors:

We have audited the accompanying financial statements of the District Board of Health, Champaign County, (the District), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated April 17, 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*. However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated April 17, 2001.

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 management of the District in a separate letter dated April 17, 2001.

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

Jim Petro
Auditor of State

April 17, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

DISTRICT BOARD OF HEALTH

CHAMPAIGN 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**