



**DISTRICT BOARD OF HEALTH
CRAWFORD COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DISTRICT BOARD OF HEALTH
CRAWFORD COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health
Crawford County
112 East Mansfield Street
Bucyrus, Ohio 44820

To the Board:

We have audited the accompanying financial statements of the District Board of Health, Crawford 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 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 District as of December 31, 2000, 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 March 23, 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 of Health, 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

March 23, 2001

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**DISTRICT BOARD OF HEALTH
CRAWFORD COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Subdivisions	\$74,635	\$0	\$74,635
Local Grant	23,071	0	23,071
State Subsidy	7,671	0	7,671
Fees, Licenses, and Permits	37,062	66,336	103,398
Federal Grants	0	173,120	173,120
Contracts	0	68,517	68,517
Immunizations and Home Visits	0	40,317	40,317
All Other Receipts	752	2,514	3,266
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	143,191	350,804	493,995
Cash Disbursements:			
Salaries	85,616	89,412	175,028
Travel and Expenses	6,180	3,960	10,140
Public Employees Retirement	9,125	11,647	20,772
Hospital Premiums	6,125	2,647	8,772
Liabilities Insurance Premiums	1,451	1,400	2,851
State Remittances	1,750	32,608	34,358
Project Fund Expenses	0	163,726	163,726
Water Testing Fee	0	2,198	2,198
Medicare	1,080	1,294	2,374
Equipment and Supplies	394	871	1,265
Contract Services	3,160	0	3,160
Other Disbursements	7,108	8,110	15,218
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	121,989	317,873	439,862
Total Cash Receipts Over Cash Disbursements	<hr/>	<hr/>	<hr/>
	21,202	32,931	54,133
Other Financing Receipts/(Disbursements):			
Advances-In	919	919	1,838
Advances-Out	(919)	(919)	(1,838)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	0	0	0
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	<hr/>	<hr/>	<hr/>
	21,202	32,931	54,133
Fund Cash Balances, January 1, 2000	<hr/>	<hr/>	<hr/>
	12,329	31,053	43,382
Fund Cash Balances, December 31, 2000	<hr/> \$33,531 <hr/>	<hr/> \$63,984 <hr/>	<hr/> \$97,515 <hr/>
Reserve for Encumbrances, December 31, 2000	<hr/>	<hr/>	<hr/>
	\$1,578	\$8,393	\$9,971

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

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**DISTRICT BOARD OF HEALTH
CRAWFORD COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The District Board of Health, Crawford 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 five-member Board and a Health Commissioner. The District Advisory Council, made up of the president of the board of county commissioners, the chief executive of each municipal corporation not constituting a city health district and chairman of the board of trustees of each township, appoints the District board members. Services provided by the District include recording of vital statistics; inspection of food service facilities, water wells, and sewers; issuance of various licenses and permits; and public health nursing services. Also, the Women, Infants, and Children's Program (WIC) (with its own director and eight member board) is under the auspices of the Crawford County District Board of Health.

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 and Investments

In accordance with Ohio Revised Code, the District's cash is held and invested by the Crawford 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 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. 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 Funds:

**DISTRICT BOARD OF HEALTH
CRAWFORD COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

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.

Public Health Nursing Fund - This fund receives money to provide public health nursing services, such as immunizations, home visits, and school nurses.

E. Budgetary Process

1. Appropriations

An appropriation measure is adopted by the District on or before the first Monday of April in each year for the period January 1 to December 31 of the following year. The appropriation measure, together with the itemized estimate of the sources of revenue available to the District for the next fiscal year, is submitted to the County Auditor, who in turn submits it to the County Budget Commission.

The County Budget Commission reviews the appropriation measure and may reduce any item in the appropriation measure, but may not increase any item or the aggregate amount of all items in the appropriation measure.

The appropriation measure, as amended by the County Budget Commission, controls expenditures by the District for the period January 1 to December 31 of the following year. The District may, by resolution, transfer funds from one item to another in the appropriation measure, reduce or increase any item, create new items, and make additional appropriations, subject to the availability of funds and to the approval of the County Budget Commission.

2. Encumbrances

The District uses the encumbrance method of accounting. Under this system, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year 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 capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**DISTRICT BOARD OF HEALTH
CRAWFORD COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 cash basis of accounting used by the District.

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	\$136,579	\$143,191	\$6,612
Special Revenue	341,434	350,804	9,370
Total	<u>\$478,013</u>	<u>\$493,995</u>	<u>\$15,982</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$136,731	\$123,567	\$13,164
Special Revenue	344,028	326,266	17,762
Total	<u>\$480,759</u>	<u>\$449,833</u>	<u>\$30,926</u>

3. RETIREMENT SYSTEM

The Public Employees Retirement System of Ohio (PERS) is a state operated, cost-sharing, multiple employer public employee retirement system. PERS provides retirement benefits to vested employees who are eligible to retire based upon years of service. PERS also provides survivor and disability benefits to vested employees.

Contribution rates are also prescribed by the Ohio Revised Code. The District's PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries from January 1, 2000 - June 30, 2000. Due to a rollback in employer contribution rates, this amount was reduced to 8.13% from July 1, 2000 - December 31, 2000. The District has paid all contributions required through December 31, 2000.

**DISTRICT BOARD OF HEALTH
CRAWFORD COUNTY**

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

4. RISK MANAGEMENT

The District has obtained commercial insurance for comprehensive property and general liability. The District also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

5. CONTINGENT LIABILITIES

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



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

District Board of Health
Crawford County
112 East Mansfield Street
Bucyrus, Ohio 44820

To the Board:

We have audited the accompanying financial statements of the District Board of Health, Crawford County, Ohio (the District), as of and for the year ended December 31, 2000, and have issued our report thereon dated March 23, 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 a 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 March 23, 2001.

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

JIM PETRO
Auditor of State

March 23, 2001



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CRAWFORD COUNTY DISTRICT BOARD OF HEALTH

CRAWFORD 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
MAY 1, 2001**