



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash and Fund Cash Balances – All Fund Types	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types	4
Combined Statement of Receipts – Budget and Actual	5
Combined Statement of Disbursements and Encumbrances Compared with Expenditure Authority	6
Notes to the Financial Statements	9
Schedule of Federal Awards Expenditures	15
Notes to Schedule of Federal Awards Expenditures	16
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	17
Report of Independent Accountants on Compliance with Requirements Applicable to Major Federal Programs and Internal Control Over Compliance in Accordance with OMB Circular A-133	19
Schedule of Findings	21

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One Government Center
Room 1420
Toledo, Ohio 43604-2246
Telephone 419-245-2811
800-443-9276
Facsimile 419-245-2484
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health
Fulton County
606 South Shoop Avenue
Wauseon, Ohio 43567-1712

To the Board:

We have audited the accompanying financial statements of Fulton County District Board of Health (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 auditing standards generally accepted in the United States of America 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 cash and combined fund cash balances of the District Board of Health, Fulton County, as of December 31, 2000, and its combined cash receipts and disbursements and its combined budgeted and actual receipts and budgeted and actual disbursements and encumbrances, 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 August 10, 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 the audit committee, 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

August 10, 2001

DISTRICT BOARD OF HEALTH
FULTON COUNTY

COMBINED STATEMENT OF CASH AND
FUND CASH BALANCES - ALL FUND TYPES
AS OF DECEMBER 31, 2000

POOLED CASH

Cash (Held in Fulton County Treasury)	<u><u>\$819,994</u></u>
---------------------------------------	-------------------------

CASH BALANCES BY FUND TYPE

Governmental Fund Type:

General Fund	\$719,658
Special Revenue Fund	<u>100,336</u>

Total	<u><u>\$819,994</u></u>
--------------	-------------------------

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

**DISTRICT BOARD OF HEALTH
FULTON 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 Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Taxes	\$561,857		\$561,857
License and Permits	98,335	\$86,054	184,389
Intergovernmental Revenue	7,500	535,896	543,396
Fees		15,574	15,574
Contract Services	55,654		55,654
Other Receipts	60,454	181,546	242,000
Total Cash Receipts	783,800	819,070	1,602,870
Cash Disbursements:			
Salaries - Employees	309,760	455,593	765,353
Supplies	43,628	88,674	132,302
Equipment	27,370	11,927	39,297
Insurance	48,728	74,596	123,324
Contracts - Services	55,022	123,209	178,231
Rentals	50,000		50,000
Travel and Expenses	17,195	32,306	49,501
Compensation and Damages	1,520		1,520
Advertising and Printing	3,831	5,114	8,945
Public Employee's Retirement	34,968	56,521	91,489
Worker's Compensation	1,485	2,410	3,895
Medicare	4,186	6,075	10,261
Other Expenses	17,753	114,552	132,305
Total Cash Disbursements	615,446	970,977	1,586,423
Cash Receipts Over (Under) Cash Disbursements	168,354	(151,907)	16,447
Other Financing Sources and (Uses):			
Reimbursements	1,809		1,809
Refunds	740	2,165	2,905
Other Receipts		2,964	2,964
Transfers-In		141,150	141,150
Transfers-Out	(141,150)		(141,150)
Advances-In	37,500	20,000	57,500
Advances-Out	(20,000)	(37,500)	(57,500)
Total Other Financing Sources (Uses)	(121,101)	128,779	7,678
Cash Receipts and Other Financing Sources Over (Under) Cash Disbursements and Other Financing Uses	47,253	(23,128)	24,125
Fund Cash Balances at January 1, 2000	672,405	123,464	795,869
Fund Cash Balances at December 31, 2000	<u>\$719,658</u>	<u>\$100,336</u>	<u>\$819,994</u>

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

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

**COMBINED STATEMENT OF RECEIPTS
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Governmental Fund Type:			
General Fund	\$921,250	\$786,349	(\$134,901)
Special Revenue Funds	<u>1,175,690</u>	<u>965,349</u>	<u>(210,341)</u>
Totals (Memorandum Only)	<u>\$2,096,940</u>	<u>\$1,751,698</u>	<u>(\$345,242)</u>

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

DISTRICT BOARD OF HEALTH
FULTON COUNTY

COMBINED STATEMENT OF DISBURSEMENTS AND
ENCUMBRANCES COMPARED WITH EXPENDITURE AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Prior Year Carryover Appropriations</u>	<u>2000 Appropriations</u>
Governmental Fund Type:		
General Fund		\$921,250
Special Revenue Funds		<u>1,175,690</u>
Totals (Memorandum Only)		<u><u>\$2,096,940</u></u>

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

<u>Total</u>	<u>Actual 2000 Disbursements</u>	<u>Encumbrances Outstanding at 12/31/00</u>	<u>Total</u>	<u>Variance: Favorable (Unfavorable)</u>
\$921,250	\$756,596		\$756,596	\$164,654
1,175,690	970,977		970,977	204,713
<u>\$2,096,940</u>	<u>\$1,727,573</u>		<u>\$1,727,573</u>	<u>\$369,367</u>

This page intentionally left blank.

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(As Required by Various Statutes)

A. Description of the Entity

The Fulton County District Board of Health (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is created under § 3709.01, Revised Code. The Board operates under the direction of a five-member board, appointed by the District Advisory Counsel. An appointed health commissioner is responsible for administering the laws relating to health and sanitation in the county. Services provided by the District include recording of vital statistics, inspection of food service facilities, water wells, sewers, campgrounds, trailer parks, public health and home nursing services, and they act upon various complaints made to the department concerning the health and welfare of the County.

The District maintains direct fiscal control over the funds as maintained by the Fulton County Treasurer with the Fulton County Auditor serving as fiscal officer.

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

B. Basis of Accounting

The District prepares its financial statements on a basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred. A general fixed asset group and long-term debt group of accounts are not recorded on the financial statements by the District under the basis of accounting used.

C. Fund Accounting

The District maintains its accounting records in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds. The restrictions associated with each class of funds are as follows:

Governmental Funds

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.

Special Revenue Funds - Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to disbursements for specified purposes.

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
(As Required by Various Statutes)

D. 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 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.

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 Health District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

E. Property, Plant and Equipment

Fixed assets acquired or constructed for general governmental service are recorded as expenditures. Depreciation is not recorded for these items.

F. Accumulated Unpaid Vacation and Sick Pay

Accumulated unpaid vacation and sick pay are not accrued under the cash basis of accounting described in note 1. All leave will either be absorbed by time off from work, or within certain limitations, be paid to the employees. It is not practicable to determine the actuarial value of these benefits as of December 31, 2000.

G. Total Columns on Financial Statements

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation. Interfund-type eliminations have not been made in the aggregation of this data.

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

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

2. POOLED CASH

The County Treasurer is mandated to maintain a cash pool to be utilized by all funds of the District. Each fund type's portion of this pool is displayed on the Statement of Cash and Fund Cash Balances as "Cash (Held in Fulton County Treasury)."

Deposits

At year-end, the carrying amount of the District's deposits was \$819,994 and the bank balance as reported by Fulton County was \$819,994. Because the District's deposits are commingled with Fulton County's deposits it was not feasible to determine the manner in which the District's deposits were insured. The extent of Fulton County's collateralization of funds is disclosed in its audit report for the year ended December 31, 2000.

3. INSURANCE

Real property and contents as well as bodily injury claims are insured by the Fulton County Commissioners as the County owns and maintains the building where the District offices are located. The District does maintain comprehensive coverage for other insurance needs as disclosed in Note 6 to the financial statements.

4. EMPLOYEES RETIREMENT SYSTEMS

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

Employees contribute 8.5 percent of gross salary. The employer matching share is 10.84 percent of gross salary. The pension contribution requirement for the District for the year ended December 31, 2000 was \$156,544 which consisted of \$65,055 from the employees and \$91,489 from the employer.

5. PROPERTY TAX

Real property taxes are levied on assessed values which equal 35 percent of appraised value. The county auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 2000.

Real property taxes become a lien on all non-exempt real property located in the County on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by August 7 of the following year. Under certain circumstances, state statute permits later payment dates to be established. The full tax rate applied to real property for the fiscal year ended December 31, 2000 was \$1.00 per \$1,000 of assessed valuation.

After adjustment of the rate for inflationary increases in property values, the effective tax rate was \$.61 per \$1,000 of assessed valuation for real property classified as residential/agricultural and \$.89 per \$1,000 of assessed valuation for all other real property. Real property owners' tax bills are further reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the District by the State of Ohio.

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

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

5. PROPERTY TAX (Continued)

Owners of tangible personal property are required to file a list of such property including costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost. The tax rate applied to tangible personal property for the fiscal year ended December 31, 2000, was \$1.00 per \$1,000 of assessed valuation.

Real Property - 2000	
Residential/Agriculture	\$482,827,490
Commercial/Industrial	98,344,400
Public Utilities	423,020
Tangible Personal Property - 2000	
General	130,941,010
Public Utilities	<u>61,175,740</u>
Total Valuation	<u><u>\$773,711,660</u></u>

The County Treasurer collects property tax on behalf of all taxing districts within the county. The County Auditor periodically remits to the taxing districts their portions of the taxes collected.

6. RISK MANAGEMENT

The District belongs to the Public Entities Pool of Ohio ("PEP"), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty insurance for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Insurance

PEP retains casualty risks up to \$250,000 per claim. Claims exceeding \$250,000 are reinsured with APEEP up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000, from the General Reinsurance Corporation.

If losses exhaust PEP's retained earnings, APEEP covers PEP losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

Property Insurance

PEP retains property risks, including automobile physical damage up to \$100,000 on any specific loss. The Travelers Indemnity Company reinsures specific losses exceeding \$100,000. The Travelers Indemnity Company also provides aggregate excess coverage for property including automobile physical damage subject to an annual stop loss. When the stop loss is reached in any year, The Travelers Indemnity Company provides coverage in excess of \$10,000.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

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

6. RISK MANAGEMENT (Continued)

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

<u>Casualty Coverage</u>	<u>2000</u>	<u>1999</u>
Assets	\$17,112,129	\$15,295,389
Liabilities	<u>7,715,035</u>	<u>6,636,543</u>
Retained earnings	<u><u>\$9,397,094</u></u>	<u><u>\$8,658,846</u></u>
<u>Property Coverage</u>	<u>2000</u>	<u>1999</u>
Assets	\$1,575,614	\$1,118,222
Liabilities	<u>281,561</u>	<u>279,871</u>
Retained earnings	<u><u>\$1,294,053</u></u>	<u><u>\$838,351</u></u>

7. CONTRACTUAL COMMITMENT

The District has an agreement with the Fulton County Commissioners to pay for the construction of the health facilities. The original amount of the obligation was \$990,000 in 1993. The balance as of December 31, 2000 is \$200,000, which is to be paid in annual installments of \$50,000 each year for the next four years.

This page intentionally left blank.

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

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

FEDERAL GRANTOR <i>Pass-through Grantor</i> Program Title	Federal CFDA Number	Project Number	Disbursements
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES <i>Passed Through the Ohio Department of Health</i>			
Preventive Health and Health Services Block Grant	93.991	26-1-01-P-BP-387	\$7,500
Breast and Cervical Care Prevention Program	93.919	26-1-01-P-AE-392 26-1-001-2-AE-01	124,286 <u>7,586</u>
Total Breast and Cervical Prevention			131,872
Immunization Action Plan	93.268	26-1-01-P-AZ-GRF	15,000
Maternal and Child Health Service Block Grant	93.994	26-1-01-F-AI-320 26-1-001-1-AI-01	47,089 <u>8,129</u>
Total Maternal and Child Health Service			55,218
Family Planning - Title X	93.217	26-1-01-F-XX-GRF 26-1-01-F-XX	11,890 <u>25,090</u>
Total Family Planning			<u>36,980</u>
Total Department of Health and Human Services			<u>246,570</u>
UNITED STATES DEPARTMENT OF EDUCATION <i>Passed Through the Ohio Department of Health:</i>			
Early Intervention	84.181	26-1-01-F-AN-392 26-1-01-F-AN	73,993 <u>9,381</u>
Total Early Intervention			83,374
UNITED STATES DEPARTMENT OF AGRICULTURE <i>Passed Through the Ohio Department of Health</i>			
Special Supplement Food Program for Women, Infants, and Children	10.557	26-1-01-F-CL-389 26-1-001-1-CL-01	144,466 <u>26,306</u>
Total Women, Infants, and Children			<u>170,772</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u><u>\$500,716</u></u>

The accompany notes are an integral part of this schedule.

**DISTRICT BOARD OF HEALTH
FULTON 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.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One Government Center
Room 1420
Toledo, Ohio 43604-2246
Telephone 419-245-2811
800-443-9276
Facsimile 419-245-2484
www.auditor.state.oh.us

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

District Board of Health
Fulton County
606 South Shoop Avenue
Wauseon, Ohio 43567-1712

To the Board:

We have audited the financial statements of Fulton County District Board of Health (the District) as of and for the year ended December 31, 2000, and have issued our report thereon dated August 10, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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.

District Board of Health
Fulton 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 audit committee, management, the Board, 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

August 10, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

One Government Center
Room 1420
Toledo, Ohio 43604-2246
Telephone 419-245-2811
800-443-9276
Facsimile 419-245-2484
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO MAJOR FEDERAL PROGRAMS AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

District Board of Health
Fulton County
606 South Shoop Avenue
Wauseon, Ohio 43567-1712

To the Board:

Compliance

We have audited the compliance of Fulton County District Board of Health (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 is 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 program 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 auditing standards generally accepted in the United States of America; 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 occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. 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.

District Board of Health
Fulton County
Report of Independent Accountants on Compliance with Requirements
Applicable to Major Federal Programs 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.

This report is intended for the information and use of the audit committee, management, the Board, 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

August 10, 2001

**DISTRICT BOARD OF HEALTH
FULTON COUNTY**

**SCHEDULE OF FINDINGS
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 Supplemental Nutrition Program for Women, Infants, and Children (WIC) Grant CFDA #10.557
(d)(1)(viii)	Dollar Threshold: Type A/B 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 AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.



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

FULTON 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
AUGUST 28, 2001**