



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**JEFFERSON DISTRICT BOARD OF HEALTH  
JEFFERSON COUNTY**

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STATE OF OHIO  
OFFICE OF THE AUDITOR  
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## REPORT OF INDEPENDENT ACCOUNTANTS

Jefferson District Board of Health  
Jefferson County  
500 Market Street  
7<sup>th</sup> Floor  
Steubenville, Ohio 43952

To the Board:

We have audited the accompanying financial statements of the Jefferson District Board of Health, Jefferson 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 Jefferson District Board of Health 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 February 20, 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, District 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

February 20, 2001

JEFFERSON DISTRICT BOARD OF HEALTH  
JEFFERSON 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>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Intergovernmental	\$20,453	\$63,714	\$84,167
Federal Restricted Grants-In-Aid	8,071	392,869	400,940
Subdivisions	154,363		154,363
Levies	73,000		73,000
License, Permits, Fees	54,170		54,170
Miscellaneous	7,078	4,645	11,723
	<u>317,135</u>	<u>461,228</u>	<u>778,363</u>
Total Cash Receipts			
<b>Cash Disbursements:</b>			
Salaries	170,401	223,579	393,980
Retirements	18,463	29,454	47,917
Contracts - Services	14,968	1,921	16,889
Contracts - Repairs	495		495
Travel	11,882	5,458	17,340
Workers Compensation	3,173	6,108	9,281
Supplies	14,983	31,552	46,535
Equipment	8,942	12,405	21,347
Space Rental	3,995	9,525	13,520
Other Expenses	105,076	169,820	274,896
	<u>352,378</u>	<u>489,822</u>	<u>842,200</u>
Total Cash Disbursements			
Total Receipts (Under) Disbursements	<u>(35,243)</u>	<u>(28,594)</u>	<u>(63,837)</u>
<b>Other Financing Receipts/(Disbursements):</b>			
Transfers-In	23,930		23,930
Advances-In		39,742	39,742
Advances-Out	(47,625)		(47,625)
Refunds	1,516		1,516
	<u>(22,179)</u>	<u>39,742</u>	<u>17,563</u>
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	(57,422)	11,148	(46,274)
Fund Cash Balances January 1	<u>95,446</u>	<u>110,523</u>	<u>205,969</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$38,024</u></b>	<b><u>\$121,671</u></b>	<b><u>\$159,695</u></b>
Reserves for Encumbrances, December 31	<u>\$5,006</u>	<u>\$6,245</u>	<u>\$11,251</u>

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

**JEFFERSON DISTRICT BOARD OF HEALTH  
JEFFERSON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN FUND CASH BALANCES  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Permits	\$37,355
Fees	68,346
Miscellaneous	19,113
	124,814
<b>Operating Cash Disbursements:</b>	
Personal Services	66,488
Retirement	8,645
Travel	
Workers Compensation	1,530
State Remittance	8,389
Other Expenses	36,568
	121,620
Operating Income	3,194
Advances-In	7,883
Transfers-Out	(23,930)
Net Receipts (Under) Disbursements	(12,853)
Fund Cash Balances, January 1	29,891
<b>Fund Cash Balances, December 31</b>	<b>\$17,038</b>
Reserve for Encumbrances, December 31	\$3,140

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

**JEFFERSON DISTRICT BOARD OF HEALTH  
JEFFERSON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Jefferson District Board of Health, Jefferson County, (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, under Chapters 3707 and 3709, Revised Code. The District operates under a seven member body appointed pursuant to Ohio Revised Code § 3907.07. The Jefferson County Auditor acts as fiscal agent for the District.

The District is responsible for environmental services related to individual water systems, food service operations, trailer parks, and recreation areas for public use and nursing services to individuals in their homes. The District also has school health programs, communicable disease control programs and alcohol abuse programs.

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. 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:

*Special Supplemental Food Program for Women, Infants, and Children* - This fund is used to account for grant revenue and related expenditures.

*Maternal and Child Health Services Block Grant* - This fund is used to account for grant revenue and related expenditures.

**JEFFERSON DISTRICT BOARD OF HEALTH  
JEFFERSON COUNTY**

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

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

**3. Enterprise Funds**

These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The District had the following significant Enterprise Funds:

*Environmental Fund* - This fund receives fees for licenses and permits relating to sewage systems. It accounts for the cost of providing various services including site inspection.

*Food Service* - This fund receives licenses and permits relating to food service licenses. It accounts for the cost of providing various services including site inspection.

**D. Budgetary Process**

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

**1. Appropriations**

Budgetary expenditures (That is, disbursements and encumbrances ) should not exceed appropriations at the fund, Function or object level of control, and appropriations should not exceed estimated resources. The Board of Health annually approves appropriation measures and subsequent amendments. The County Budget Commission also approves the annual appropriations 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 of funds are made. Encumbrances outstanding at year end are carried over and need not be reappropriated.

A summary of 2000 budgetary activity appears in Note 3.

**E. 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.

**F. 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.

**JEFFERSON DISTRICT BOARD OF HEALTH  
JEFFERSON COUNTY**

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

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Jefferson County Auditor is fiscal officer for the District. The County maintains a cash and investment pool used by all funds. County funds on deposit as of December 31, 2000 were fully collateralized as defined under Ohio Revised Code § 135.37.

**3. 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	\$ 436,086	\$ 342,581	\$ (93,505)
Special Revenue	637,900	461,228	(176,672)
Enterprise	161,783	124,814	(36,969)
Total	<u>\$ 1,235,769</u>	<u>\$ 928,623</u>	<u>\$ (307,146)</u>

**2000 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 346,016	\$ 357,384	\$ (11,368)
Special Revenue	551,829	496,067	55,762
Enterprise	150,284	148,690	1,594
Total	<u>\$ 1,048,129</u>	<u>\$ 1,002,141</u>	<u>\$ 45,988</u>

**4. RETIREMENT SYSTEMS**

The District's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plans. 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, PERS members contributed 8.5% of their gross salaries. For 2000, the District contributed an amount equal to 10.84% of participants' gross salaries. The District has paid all contributions required through December 31, 2000.

**5. RISK MANAGEMENT**

The District is covered as part of Jefferson County's insurance coverage. County officials entered into an agreement with the County Risk Sharing Authority (CORSA), in conjunction with the County Commissioners Association of Ohio, to provide insurance coverage on property, buildings, vehicles, and equipment through a self insurance program. Real property and contents are 100% insured.

The District also provides employee health care coverage through a private carrier.

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**JEFFERSON DISTRICT BOARD OF HEALTH  
JEFFERSON COUNTY**

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

<b>FEDERAL GRANTOR/ Pass Through Grantor Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>Passed Through Ohio Department of Health and Human Services:</i>			
Maternal and Child Health Services Block Grant	41-1-01-F-AI-320-99	93.994	\$145,407
Preventive Health and Health Services Block Grant	41-1-01-P-BP-387-99	93.991	19,161
Medical Assistance Program	3-4100-0000-01	93.778	5,037
Immunization Grants	41-1-01-P-AZ-GRF-99	93.268	<u>8,965</u>
Total U.S. Department of Health and Human Services			<u><b>178,570</b></u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Ohio Department of Health</i>			
Special Supplemental Food Program for Women, Infants, and Children	41-1-01-F-CL-389-99	10.557	237,502
<b>TOTAL FEDERAL EXPENDITURES OF AWARDS</b>			<u><u><b>\$416,072</b></u></u>

*The accompanying notes to this schedule are an integral part of this schedule.*

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

Jefferson District Board of Health  
Jefferson County  
500 Market Street  
7<sup>th</sup> Floor  
Steubenville, OH 43952

To the Board:

We have audited the accompanying financial statements of the Jefferson District Board of Health, Jefferson County, Ohio (the District), as of and for the year ended December 31, 2000, and have issued our report thereon dated February 20, 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*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated February 20, 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 function. 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 February 20, 2001.

District Board of Health  
Jefferson 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, District Board, and 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

February 20, 2001



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS  
MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Jefferson District Board of Health  
Jefferson County  
500 Market Street  
7<sup>th</sup> Floor  
Steubenville, Ohio 43952

To the Board:

**Compliance**

We have audited the compliance of the Jefferson District Board of Health, Jefferson County, (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 are 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 generally accepted auditing standards; 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.

Jefferson District Board of Health  
Jefferson County  
Report on Compliance With Requirements Applicable to Each Major  
Federal Program 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 non-compliance 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, District Board, and 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

February 20, 2001

**DISTRICT BOARD OF HEALTH  
JEFFERSON COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2000**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
(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 non-compliance 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 Woman.	CFDA # 10.557
(d)(1)(viii)	Dollar Threshold: Type A/B Programs:	A>\$300,000 B-ALL REMAINING PROGRAMS
(d)(1)(ix)	Low Risk Auditee?	No

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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None

<b>3. FINDINGS FOR FEDERAL AWARDS</b>
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None

**DISTRICT BOARD OF HEALTH  
JEFFERSON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
DECEMBER 31, 2000**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
99-61241-001	Annual reconciliation report for CFDA # 93.994 not filed within required time period.	Yes	
99-61241-002	No control procedures in place over federal reporting requirements.	Yes	



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**JEFFERSON DISTRICT BOARD OF HEALTH**

**JEFFERSON 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  
APRIL 10, 2001**