



**DISTRICT BOARD OF HEALTH
LOGAN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 -1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**LOGAN COUNTY DISTRICT BOARD OF HEALTH
LOGAN COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Logan County District Board of Health
Logan County
310 S. Main Street
Bellefontaine, Ohio 43311

To Members of the Board:

We have audited the accompanying financial statements of the Logan County District Board of Health, Logan 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 Logan County District Board of Health, Logan 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 27, 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 the 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 27, 2001

**LOGAN COUNTY DISTRICT BOARD OF HEALTH
LOGAN 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:			
Taxes	\$709,409		\$709,409
Federal Grants		115,189	115,189
Intergovernmental	13,677		13,677
Licenses & Permits	19,152	95,048	114,200
Fees	111,400	364,919	476,319
Landfill	29,086		29,086
Reimbursements	33,067		33,067
Other Receipts	7,850	11,549	19,399
	<u>923,641</u>	<u>586,705</u>	<u>1,510,346</u>
Total Cash Receipts			
Cash Disbursements:			
Salaries	562,252	267,475	829,727
Supplies	25,489	5,727	31,216
Equipment	11,229		11,229
Contracts - Services/Repairs	50,968	54,720	105,688
Debt Service	31,594		31,594
Utilities	23,243		23,243
Advertising and Printing	1,281		1,281
Travel	26,535	12,036	38,571
Public Employee's Retirement	70,895	20,982	91,877
Worker's Compensation	8,815	2,285	11,100
Hospitalization	60,697	23,459	84,156
Federal Grant Expenditures		119,482	119,482
Remittances to State		78,361	78,361
Other	40,412	6,058	46,470
	<u>913,410</u>	<u>590,585</u>	<u>1,503,995</u>
Total Disbursements			
Total Receipts Over/(Under) Disbursements	<u>10,231</u>	<u>(3,880)</u>	<u>6,351</u>
Other Financing Receipts/(Disbursements):			
Advances-In		11,000	11,000
Advances-Out	(11,000)		(11,000)
	<u>(11,000)</u>	<u>11,000</u>	<u>0</u>
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(769)	7,120	6,351
Fund Cash Balances, January 1	<u>421,580</u>	<u>322,270</u>	<u>743,850</u>
Fund Cash Balances, December 31	<u><u>\$420,811</u></u>	<u><u>\$329,390</u></u>	<u><u>\$750,201</u></u>
Reserves for Encumbrances, December 31	<u><u>\$30,356</u></u>	<u><u>\$17,411</u></u>	<u><u>\$47,767</u></u>

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

**LOGAN COUNTY DISTRICT BOARD OF HEALTH
LOGAN 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:			
Taxes	\$721,419		\$721,419
Federal Grants		110,913	110,913
Intergovernmental	13,586		13,586
Licenses & Permits	19,280	94,332	113,612
Fees	121,041	387,702	508,743
Landfill	29,573		29,573
Reimbursements	12,774		12,774
Other Receipts	2,525	617	3,142
	<u>920,198</u>	<u>593,564</u>	<u>1,513,762</u>
Total Cash Receipts			
Cash Disbursements:			
Salaries	542,416	247,810	790,226
Supplies	39,766	15,160	54,926
Equipment	25,039	24,299	49,338
Contracts - Services/Repairs	25,594	53,887	79,481
Debt Service	31,594		31,594
Utilities	22,855	1,447	24,302
Advertising and Printing	1,035		1,035
Travel	21,194	14,084	35,278
Public Employee's Retirement	76,663	27,535	104,198
Worker's Compensation	13,020		13,020
Hospitalization	57,749	19,980	77,729
Federal Grant Expenditures		116,262	116,262
Remittances to State		74,297	74,297
Other	25,938	7,398	33,336
	<u>882,863</u>	<u>602,159</u>	<u>1,485,022</u>
Total Disbursements			
Total Receipts Over/(Under) Disbursements	<u>37,335</u>	<u>(8,595)</u>	<u>28,740</u>
Other Financing Receipts/(Disbursements):			
Transfers-In	5,995		5,995
Transfers-Out		(5,995)	(5,995)
	<u>5,995</u>	<u>(5,995)</u>	<u>0</u>
Total Other Financing Receipts/(Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	43,330	(14,590)	28,740
Fund Cash Balances, January 1	<u>378,250</u>	<u>336,860</u>	<u>715,110</u>
Fund Cash Balances, December 31	<u>\$421,580</u>	<u>\$322,270</u>	<u>\$743,850</u>
Reserves for Encumbrances, December 31	<u>\$27,583</u>	<u>\$17,474</u>	<u>\$45,057</u>

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

**LOGAN COUNTY DISTRICT BOARD OF HEALTH
LOGAN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Logan County District Board of Health, Logan County, (the District) is a combined health district pursuant to Ohio Rev. Code Section 3709.07. The District 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 Ohio Rev. Code and the Ohio Department of Health. The District provides the prevention and restriction of disease, the inspection and licensing of public health programs, community nursing activities, and home health activities.

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 & Investments

As required by Ohio Revised Code, the District's cash is held and invested by the Logan 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 County 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:

Public Health Nursing Fund - This fund is used to record the revenues and expenditures for home health services provided by the District. Revenue is derived from fees charged for services provided and expenditures are directly related to the cost of providing these services.

**LOGAN COUNTY DISTRICT BOARD OF HEALTH
LOGAN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Solid Waste Fund - This fund is used to record the revenues and expenditures for the solid waste services provided by the District. Revenue is derived from the landfill services and expenditures are directly related to the cost of providing these services.

Water System Fund - This fund is used to record the revenues and expenditures for the water services provided by the District. Revenue is derived from water permits, alterations, and samples taken and expenditures are directly related to the cost of providing these services.

E. Budgetary Process

The District budgets each fund annually.

1. Appropriations

At the beginning of April each year, the District adopts an itemized appropriation resolution. It is certified to the County Auditor and submitted to the County Budget Commission, which may reduce any item in such appropriation measure but may not increase any item or the aggregate of all items.

2. Estimated Resources

At the beginning of April each year, the District certifies to the County Auditor (for the fiscal year beginning on the first day of January next ensuing) an estimate, of the several sources of revenue available to the District. This estimate serves as a basis for the annual appropriation measure.

3. Encumbrances

The District utilizes the encumbrance method of accounting. Under this system, purchase orders, contract 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 unencumbered appropriation balance is carried forward to the succeeding fiscal year 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.

**LOGAN COUNTY DISTRICT BOARD OF HEALTH
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
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	\$905,440	\$923,641	\$18,201
Special Revenue	533,173	586,705	53,532
Total	\$1,438,613	\$1,510,346	\$71,733

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,084,868	\$943,766	\$141,102
Special Revenue	689,044	607,996	81,048
Total	\$1,773,912	\$1,551,762	\$222,150

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$854,500	\$926,193	\$71,693
Special Revenue	442,323	593,564	151,241
Total	\$1,296,823	\$1,519,757	\$222,934

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$998,390	\$910,446	\$87,944
Special Revenue	665,073	625,628	39,445
Total	\$1,663,463	\$1,536,074	\$127,389

**LOGAN COUNTY DISTRICT BOARD OF HEALTH
LOGAN COUNTY**

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

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. 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. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

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

4. RETIREMENT SYSTEMS

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 post-retirement 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:

- Comprehensive property and general liability
- Professional Liability

The District is uninsured for the following risks:

- Errors and omissions

The District also provides health insurance to full-time employees through a private carrier.



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

Logan County District Board of Health
Logan County
310 S. Main Street
Bellefontaine, Ohio 43311

To Members of the Board:

We have audited the accompanying financial statements of Logan County District Board of Health, Logan County, (the District), as of and for the years ended December 31, 2000, and 1999, and have issued our report thereon dated April 27, 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered 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 27, 2001.

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

Jim Petro
Auditor of State

April 27, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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LOGAN COUNTY DISTRICT BOARD OF HEALTH

LOGAN 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 12, 2001**