



**DISTRICT BOARD OF HEALTH
PAULDING COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DISTRICT BOARD OF HEALTH
PAULDING COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health
Paulding County
101 West Perry Street
Paulding, Ohio 45879-1403

To the Members of the Board:

We have audited the accompanying financial statements of the Paulding County District Board of Health (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 audits.

We conducted our audits 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 audits 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 audits provide 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 of the District 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 July 26, 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 audits.

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

July 26, 2001

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**DISTRICT BOARD OF HEALTH
PAULDING 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:			
State Funds	\$18,129	\$84,346	\$102,475
Levies	67,867		67,867
Permits	18,290		18,290
Fees	44,341	14,104	58,445
Other Receipts		253	253
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	148,627	98,703	247,330
Cash Disbursements:			
Salaries - Employees	93,633	73,742	167,375
Remittance to State		1,480	1,480
Supplies	14,403	2,635	17,038
Insurance		534	534
Medicare		1,021	1,021
Contractual Services	612		612
Travel and Expenses	4,073	2,987	7,060
Public Employees Retirement System	13,367	9,685	23,052
Worker's Compensation	312	260	572
Other Expenses	21,596	2,406	24,002
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	147,996	94,750	242,746
Total Cash Receipts Over Cash Disbursements	<hr/>	<hr/>	<hr/>
	631	3,953	4,584
Other Financing Receipts/(Disbursements):			
Advances-In	5,000		5,000
Advances-Out		(5,000)	(5,000)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	5,000	(5,000)	
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<hr/>	<hr/>	<hr/>
	5,631	(1,047)	4,584
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>
	54,182	12,970	67,152
Fund Cash Balances, December 31	<hr/> \$59,813 <hr/>	<hr/> \$11,923 <hr/>	<hr/> \$71,736 <hr/>

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

**DISTRICT BOARD OF HEALTH
PAULDING 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:			
State Funds	\$3,507	\$91,257	\$94,764
Levies	66,453		66,453
Permits	15,065		15,065
Fees	50,607	13,691	64,298
License	2,652		2,652
	<u>138,284</u>	<u>104,948</u>	<u>243,232</u>
Total Cash Receipts			
	<u>138,284</u>	<u>104,948</u>	<u>243,232</u>
Cash Disbursements:			
Salaries - Employees	92,999	75,778	168,777
Remittance to State		1,590	1,590
Supplies	4,607	3,092	7,699
Contractual Services	902		902
Travel and Expenses	2,866	2,925	5,791
Public Employees Retirement System	11,494	11,515	23,009
Worker's Compensation	1,639		1,639
Other Expenses	27,410	4,454	31,864
	<u>141,917</u>	<u>99,354</u>	<u>241,271</u>
Total Cash Disbursements			
	<u>141,917</u>	<u>99,354</u>	<u>241,271</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(3,633)</u>	<u>5,594</u>	<u>1,961</u>
Other Financing Receipts/(Disbursements):			
Transfers-In		30	30
Advances-In	7,281	2,000	9,281
Transfers-Out	(30)		(30)
Advances-Out	(5,000)	(4,281)	(9,281)
	<u>2,251</u>	<u>(2,251)</u>	<u> </u>
Total Other Financing Receipts/(Disbursements)			
	<u>2,251</u>	<u>(2,251)</u>	<u> </u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>(1,382)</u>	<u>3,343</u>	<u>1,961</u>
Fund Cash Balances, January 1	<u>55,564</u>	<u>9,627</u>	<u>65,191</u>
Fund Cash Balances, December 31	<u><u>\$54,182</u></u>	<u><u>\$12,970</u></u>	<u><u>\$67,152</u></u>

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

**DISTRICT BOARD OF HEALTH
PAULDING COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The District Board of Health, Paulding 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 created under Section 3709.01, of the Ohio Revised Code. The District is directed by 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 of the County. Services provided by the District include recording of vital statistics, inspection of food service facilities, water wells, sewers, campgrounds, trailer parks, swimming pools, and they act upon various complaints made to the District Board of Health concerning the health and welfare of the County.

The District Board of Health has direct fiscal control over the funds as maintained by the Paulding County Treasurer with the Paulding 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

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

As required by Ohio Revised Code, the District's cash is held and invested by the Paulding 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.

**DISTRICT BOARD OF HEALTH
PAULDING COUNTY**

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

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 Fund:

Women, Infants, and Children (W.I.C.) Fund - This fund receives federal monies to provide supplemental feeding for pregnant women, infants, and children up to the age of five.

E. 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. The Members of the Board annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

3. Encumbrances

The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

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.

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

**DISTRICT BOARD OF HEALTH
PAULDING COUNTY**

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

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$224,730	\$148,627	(\$76,103)
Special Revenue	152,838	98,703	(54,135)
Total	<u>\$377,568</u>	<u>\$247,330</u>	<u>(\$130,238)</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Actual Expenditures	Variance
General	\$160,200	\$147,996	\$12,204
Special Revenue	121,500	94,750	26,750
Total	<u>\$281,700</u>	<u>\$242,746</u>	<u>\$38,954</u>

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$208,700	\$138,284	(\$70,416)
Special Revenue	114,676	104,978	(9,698)
Total	<u>\$323,376</u>	<u>\$243,262</u>	<u>(\$80,114)</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Actual Expenditures	Variance
General	\$156,000	\$141,947	\$14,053
Special Revenue	115,460	99,354	16,106
Total	<u>\$271,460</u>	<u>\$241,301</u>	<u>\$30,159</u>

3. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Members of 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 payments, the first half is due December 31. The second half payment is due the following June 20.

**DISTRICT BOARD OF HEALTH
PAULDING COUNTY**

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

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

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. For 1999 and 2000, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries during 1999 and the first half of fiscal year 2000. The District contributed a temporary rollback rate of 8.13% for the last half of fiscal year 2000. The District has paid all contributions required through December 31, 2000.

5 RISK MANAGEMENT

The District has obtained commercial insurance for general liability.

The Paulding County Commissioners maintain building and contents insurance coverage for the District.



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

District Board of Health
Paulding County
101 West Perry Street
Paulding, Ohio 45879-1403

To the Members of the Board:

We have audited the accompanying financial statements of the Paulding County District Board of Health (the District) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated July 26, 2001. We conducted our audits 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits 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 July 26, 2001.

Internal Control Over Financial Reporting

In planning and performing our audits, 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
Paulding 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 the audit committee, 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

July 26, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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PAULDING COUNTY DISTRICT BOARD OF HEALTH

PAULDING 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 16, 2001**