



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

---

**STATE OF OHIO**



**DISTRICT BOARD OF HEALTH  
BELMONT COUNTY**

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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## REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health  
Belmont County  
68501 Bannock Road  
St. Clairsville, Ohio 43950

To Members of the Board:

We have audited the accompanying financial statement of the District Board of Health, Belmont County, Ohio (the Health District), as of and for the year ended December 31, 2001. This financial statement is the responsibility of the Health District's management. Our responsibility is to express an opinion on this financial statement 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 Health District prepares its financial statement 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 statement referred to above presents fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the District Board of Health, Belmont County, as of December 31, 2001, and its combined cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2002, on our consideration of the Health 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.

We performed our audit to form an opinion on the financial statement of the Health District, taken as a whole. The accompanying Schedule of Federal Awards Expenditures is presented for 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. We subjected this information to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement 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

March 15, 2002

DISTRICT BOARD OF HEALTH  
BELMONT COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
State Funds	\$20,813	\$33,540	\$54,353
Federal Funds		348,817	348,817
Subdivisions	278,469		278,469
Fees	47,789	142,076	189,865
Permits		3,448	3,448
Vital Statistics	33,475		33,475
Other Receipts	57,311	29,122	86,433
	<u>437,857</u>	<u>557,003</u>	<u>994,860</u>
<b>Total Cash Receipts</b>			
	<u>437,857</u>	<u>557,003</u>	<u>994,860</u>
<b>Cash Disbursements:</b>			
Salaries	234,442	286,422	520,864
Fringes		47,471	47,471
Supplies	14,997	6,694	21,691
Equipment	3,480		3,480
Education/Promotional		6,190	6,190
Liability Insurance	6,000		6,000
Travel and Expenses	24,975	2,651	27,626
Purchased Personal Services		2,310	2,310
Subsidies		10,057	10,057
Public Employees Retirement	28,147	8,000	36,147
Worker's Compensation	4,887		4,887
Unemployment Compensation	600		600
Remittance - State		14,115	14,115
Hospitalization	55,818		55,818
Medicare	2,750		2,750
Grant Holding Account		1,278	1,278
Other Expenses	25,989	74,034	100,023
	<u>402,085</u>	<u>459,222</u>	<u>861,307</u>
<b>Total Cash Disbursements</b>			
	<u>402,085</u>	<u>459,222</u>	<u>861,307</u>
Excess of Cash Receipts Over/(Under) Cash Disbursements	<u>35,772</u>	<u>97,781</u>	<u>133,553</u>
Fund Cash Balances, January 1	<u>77,694</u>	<u>115,677</u>	<u>193,371</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$113,466</b></u>	<u><b>\$213,458</b></u>	<u><b>\$326,924</b></u>
Reserves for Encumbrances, December 31	<u>\$1,000</u>	<u>\$200</u>	<u>\$1,200</u>

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

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**DISTRICT BOARD OF HEALTH  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The District Board of Health, Belmont County, Ohio (the Health 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 Health District is directed by an appointed five-member Board and an appointed Health Commissioner. The Health District provides general governmental services, which includes communicable disease investigations, immunization clinics, tuberculosis screening, home health visits, issuance of various licenses and permits, including inspections, birth and death certificates, and other related services.

The Health District's management believes this financial statement presents all activities for which the Health District is financially accountable.

**B. Basis of Accounting**

This financial statement follows 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).

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash**

As required by Ohio Revised Code, the County Treasurer is custodian for the Health District's cash. The Health District's cash is held in the County's cash and investment pool, and are valued at the County Auditor's carrying amount.

**D. Fund Accounting**

The Health District uses fund accounting to segregate cash and investments that are restricted as to use. The Health 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 restricted by law or contract.

**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 Health District had the following significant Special Revenue Funds:

Women, Infants, and Children (WIC) Grant Fund - This fund receives federal grant money and allocations from the Belmont County Commissioners for providing supplemental nutritious food and nutritious education as an adjunct to good health care to low-income persons in critical periods of growth and development.

**DISTRICT BOARD OF HEALTH  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001  
(Continued)**

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

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Food Service Fund - This fund receives food service license money.

**E. Budgetary Process**

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

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

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

The Ohio Revised Code requires the Health District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2001 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. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Health District's basis of accounting.

**2. BUDGETARY ACTIVITY**

Budgetary activity for the year ended December 31, 2001, follows:

**DISTRICT BOARD OF HEALTH  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001  
(Continued)**

**2. BUDGETARY ACTIVITY (Continued)**

2001 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$383,669	\$437,857	\$54,188
Special Revenue	<u>489,503</u>	<u>557,003</u>	<u>67,500</u>
Total	<u>\$873,172</u>	<u>\$994,860</u>	<u>\$121,688</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$423,911	\$403,085	\$20,826
Special Revenue	<u>585,275</u>	<u>459,422</u>	<u>125,853</u>
Total	<u>\$1,009,186</u>	<u>\$862,507</u>	<u>\$146,679</u>

**3. SUBDIVISION REVENUE**

Pursuant to Ohio Revised Code Section 3709.28, the aggregate appropriation of a general health district, as fixed by the county budget commission, shall be apportioned by the county auditor among the townships and municipalities which compose the general health district. The apportionment shall be based upon the taxable valuations of real, public utility property, and taxable personal property as listed on the County's general tax duplicate.

The County Auditor shall pay the amounts withheld from the township and municipal semiannual apportionments to the designated fund of the Health District. The amount designated to the Health District during 2001 totaled \$278,469.

**4. RETIREMENT SYSTEM**

The Health District's 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 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 2001, PERS members contributed 8.5% of their gross salaries. The Health District contributed an amount equal to 13.55% of participants' gross salaries through June 30, 2000. PERS temporarily reduced employer contributions to 8.13% effective July 1, 2000. The Health District has paid all contributions required through December 31, 2001.

**5. RISK MANAGEMENT**

The Belmont County Board of County Commissioners maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicles. The County provides health

**DISTRICT BOARD OF HEALTH  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001  
(Continued)**

**6. CONTINGENT LIABILITIES**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material

**DISTRICT BOARD OF HEALTH  
BELMONT COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2001**

<b>FEDERAL GRANTOR</b> <i>Pass-Through Grantor</i> Program Title	Federal CFDA Number	Pass-Through Entity Number	Disbursements
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Ohio Department of Health:</i>			
Special Supplemental Food Program for Women, Infants and Children Program (WIC)	10.557	07-1-001-1-CL-01	<u>\$241,327</u>
Total United States Department of Agriculture			<u>241,327</u>
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>Passed Through Ohio Department of Health:</i>			
Preventive Health and Health Services Block Grant	93.991	07-1-01-P-BP-387/H338	2,694
Elderhealth Promotion Program	93.991	07-1-01-P-AP-387/H338	4,488
Immunization Action Plan	93.268	07-1-001-2-AZ-01	<u>8,013</u>
<i>Total Passed Through Ohio Department of Health</i>			<u>15,195</u>
<i>Passed Through Belmont County Jobs and Family Services:</i>			
Temporary Assistance for Needy Families (TANF)	93.558	N/A	<u>54,966</u>
<i>Total Passed Through Belmont County Jobs and Family Services</i>			<u>54,966</u>
Total United States Department of Health and Human Services			<u>70,161</u>
<b>Total Federal Awards Expenditures</b>			<b><u><u>\$311,488</u></u></b>

*The notes to the Schedule of Federal Awards Expenditures are an integral part of this Schedule.*

**DISTRICT BOARD OF HEALTH  
BELMONT COUNTY**

**NOTE TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
DECEMBER 31, 2001**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Health District's federal award programs. The Schedule has been prepared under the cash basis of accounting.



**STATE OF OHIO  
OFFICE OF THE AUDITOR**

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

District Board of Health  
Belmont County  
68501 Bannock Road  
St. Clairsville, Ohio 43950

To Members of the Board:

We have audited the accompanying financial statement of the District Board of Health, Belmont County, Ohio (the Health District), as of and for the year ended December 31, 2001, and have issued our report thereon dated March 15, 2002. We conducted our audit in accordance with auditing standards generally accepted by 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 Health District's financial statement is 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 Health District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement 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  
Belmont County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

This report is intended solely 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

March 15, 2002





STATE OF OHIO  
OFFICE OF THE AUDITOR

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

District Board of Health  
Belmont County  
68501 Bannock Road  
St. Clairsville, Ohio 43950

To Members of the Board:

**Compliance**

We have audited the compliance of the District Board of Health, Belmont County, Ohio (the Health 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, 2001. The Health 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 Health District's management. Our responsibility is to express an opinion on the Health 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 Health 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 Health District's compliance with those requirements.

In our opinion, the Health 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, 2001.

**Internal Control Over Compliance**

The management of the Health 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 Health 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  
Belmont County  
Report of Independent Accountants on Compliance with Requirements  
Applicable to the 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 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

March 15, 2002

**DISTRICT BOARD OF HEALTH  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS - OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2001**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Supplemental Food Program for Women, Infants and Children Program (WIC), C.F.D.A. # 10.557
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	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  

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**BELMONT COUNTY DISTRICT BOARD OF HEALTH**

**BELMONT COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MAY 9, 2002**