



**DISTRICT BOARD OF HEALTH
SENECA COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DISTRICT BOARD OF HEALTH
SENECA COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health
Seneca County
71 South Washington Street
Suite B
Tiffin, Ohio 44883-2351

To the Board of Health:

We have audited the accompanying financial statements of the Seneca County District Board of Health (the Health District) as of and for the year ended December 31, 2000. These financial statements are the responsibility of the Health 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 Note 1, the Health 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 Health District 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 June 19, 2001 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.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Health 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 general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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

June 19, 2001

**DISTRICT BOARD OF HEALTH
SENECA 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:			
Subdivisions	\$190,000		\$190,000
Levies	126,858		126,858
Intergovernmental Revenue	15,000	\$639,813	654,813
Licenses, Permits and Fees	252,506	632,533	885,039
Sales		1,202	1,202
Project Income		26,527	26,527
Contract Services		110,055	110,055
Gifts, Donations, and Bequests		18,893	18,893
Other Receipts	192	297	489
Total Cash Receipts	<u>584,556</u>	<u>1,429,320</u>	<u>2,013,876</u>
Cash Disbursements:			
Current:			
Salaries	381,409	306,386	687,795
Supplies	51,620	7,551	59,171
Equipment	92,812	15,250	108,062
Contracts - Repair	4,225	659	4,884
Contracts - Services	64,351	94,654	159,005
Project Fund Disbursements		834,451	834,451
Special Events	631		631
Advertising and Printing	3,378	1,567	4,945
Travel	24,505	14,579	39,084
Public Employee's Retirement	45,074	38,437	83,511
Worker's Compensation	1,417	1,094	2,511
Hospitalization	49,589	31,424	81,013
Remittance - State		69,966	69,966
Other	26,207	6,852	33,059
Total Disbursements	<u>745,218</u>	<u>1,422,870</u>	<u>2,168,088</u>
Total Receipts Over/(Under) Disbursements	<u>(160,662)</u>	<u>6,450</u>	<u>(154,212)</u>
Other Financing Receipts/(Disbursements):			
Transfers-In	11,512	19,890	31,402
Advances-In	28,000	31,000	59,000
Transfers-Out	(4,907)	(26,495)	(31,402)
Advances-Out	(31,000)	(28,000)	(59,000)
Proceeds of Loan	40,000		40,000
Reimbursements	23,983	260	24,243
Other Sources	3,051		3,051
Total Other Financing Receipts/(Disbursements)	<u>70,639</u>	<u>(3,345)</u>	<u>67,294</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(90,023)	3,105	(86,918)
Fund Cash Balances, January 1	<u>187,980</u>	<u>372,266</u>	<u>560,246</u>
Fund Cash Balances, December 31	<u>\$97,957</u>	<u>\$375,371</u>	<u>\$473,328</u>
Reserves for Encumbrances, December 31	<u>\$32,072</u>	<u>\$56,618</u>	<u>\$88,690</u>

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

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**DISTRICT BOARD OF HEALTH
SENECA COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Seneca County District Board of Health (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 a union of the Boards of Health of the Cities of Tiffin and Fostoria and operates under the control of a nine-member board made up of members from various cities, townships and villages of Seneca County.

The Health District services include medical assistance and public health and safety. By statute, the County Auditor of Seneca County is the fiscal agent responsible for fiscal control of the Health District's funds and financial report preparation.

The Health District believes these financial statements present all activities for which the Health 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 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 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 Health District had the following significant Special Revenue Fund:

Home Health Fund - This fund receives money from fees collected for health and medical services provided to home bound patients.

**DISTRICT BOARD OF HEALTH
SENECA COUNTY**

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

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 of Health 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 individual commitments 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 basis of accounting used by the Health District.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Seneca County Auditor acts as the District Board of Health's fiscal agent. All monies are deposited with the Seneca County Treasurer and all warrants are written by the Seneca County Auditor. These funds are included as part of the pooled cash maintained by the Treasurer. As of December 31, 2000, the carrying amount of the Health District's deposits was \$473,328. These deposits are covered by collateral obtained by the Seneca County Treasurer as presented in the Seneca County financial statements for 2000.

**DISTRICT BOARD OF HEALTH
SENECA COUNTY**

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

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	\$416,020	\$608,102	\$192,082
Special Revenue	1,043,606	1,449,470	405,864
Total	\$1,459,626	\$2,057,572	\$597,946

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$801,292	\$727,197	\$74,095
Special Revenue	1,372,806	1,505,983	(133,177)
Total	\$2,174,098	\$2,233,180	(\$59,082)

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. 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.

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

**DISTRICT BOARD OF HEALTH
SENECA COUNTY**

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

5. DEBT

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
Loan from County Commissioners	\$40,000	0%

The Seneca County Commissioner made an interest free loan to the District Board of Health for the purchase of new equipment for their new office facility. The loan is payable over a period of five years at \$8,000 per year.

Amortization of the above debt, including interest, is scheduled as follows:

Year Ending December 31:	Loan from Seneca County Commissioners
2001	\$8,000
2002	8,000
2003	8,000
2004	8,000
2005	8,000
Total	\$40,000

6. RETIREMENT SYSTEMS

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

7. RISK MANAGEMENT

The Health District participates in the Seneca County Health Insurance Plan. The employees share of the premiums are withheld by voluntary payroll deduction. Health insurance claims are billed by the Seneca County Auditor's Office.

8. SUBSEQUENT EVENTS

The Health District discontinued its home health services in March, 2001. Area hospitals and doctors began providing this service when the Health District discontinued this service.

**DISTRICT BOARD OF HEALTH
SENECA COUNTY**

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

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Ohio Department of Health:</i>			
Special Supplemental Nutrition Program for Women, Infants and Children	74-1-01-F-CL-389	10.557	<u>\$226,139</u>
Total U.S. Department of Agriculture			<u>226,139</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Ohio Department of Health:</i>			
Maternal and Child Health Services	74-1-01-F-AI-320	93.994	159,979
Preventative Health and Health Services Block Grant	74-1-01-P-BP-387	93.991	27,925
Rural Health Outreach	6D03RH	93.912	167,159
Immunization Grants	74-1-01-P-AZ-392	93.268	<u>41,246</u>
Total U.S. Department of Health and Human Services			<u>396,309</u>
U.S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY			
<i>Passed Through Ohio Department of Health:</i>			
Ohio Environmental Protection Agency Grant	97-H-EPA-7	66.459	39,315
Indoor Radon Grants	74-1-01-P-BA-392	66.032	<u>12,830</u>
Total U.S. Department of Environmental Protection Agency			<u>52,145</u>
Total			<u><u>\$674,593</u></u>

The accompanying notes are an integral part of this schedule.

**DISTRICT BOARD OF HEALTH
SENECA COUNTY**

**FISCAL YEAR ENDED DECEMBER 31, 2000
NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

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 on the cash basis of accounting.



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

District Board of Health
Seneca County
71 South Washington Street
Suite B
Tiffin, Ohio 44883-2351

To the Board of Health:

We have audited the financial statements of the Seneca County District Board of Health (the Health District) as of and for the year ended December 31, 2000, and have issued our report thereon dated June 19, 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 Health 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 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 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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Health District in a separate letter dated June 19, 2001.

District Board of Health
Seneca 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, Board of Health, 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

June 19, 2001



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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
Seneca County
71 South Washington Street
Suite B
Tiffin, Ohio 44883-2351

To the Board of Health:

Compliance

We have audited the compliance of the Seneca County District Board of Health (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 each of its major federal programs for the year ended December 31, 2000. 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 each of its major federal programs for the year ended December 31, 2000.

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.

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 of Health, 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

June 19, 2001

**DISTRICT BOARD OF HEALTH
SENECA 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 – 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.



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DISTRICT BOARD OF HEALTH

SENECA 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
JULY 5, 2001**