



**DISTRICT BOARD OF HEALTH
MIAMI COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DISTRICT BOARD OF HEALTH
MIAMI COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

District Board of Health
Miami County
510 West Water Street, Suite 130
Troy, Ohio 45373

To the Board of Health:

We have audited the accompanying financial statements of the District Board of Health, Miami County, (the Board) as of and for the year ended December 31, 2000, as listed in the table of contents. These financial statements are the responsibility of the Board'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 Board 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 reserve for encumbrances of the District Board of Health, Miami County, 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 April 4, 2001 on our consideration of the Board'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 Board, 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 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 4, 2001

**DISTRICT BOARD OF HEALTH
MIAMI 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>		Total (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Federal Funds		\$531,378	\$531,378
State Funds	\$89,270	181,726	270,996
Levies	471,744		471,744
Licenses, Fees & Permits	331,054	106,822	437,876
Fines	253	578	831
Contractual Services	161,780	106,272	268,052
Other Receipts	33,378	15,060	48,438
Total Cash Receipts	<u>1,087,479</u>	<u>941,836</u>	<u>2,029,315</u>
Cash Disbursements:			
Salaries - Employees	753,180	568,291	1,321,471
Supplies	72,224	57,618	129,842
Equipment	172,878	9,161	182,039
Contracts	25,212	69,245	94,457
Rentals		2,640	2,640
Travel and Expenses	41,097	26,395	67,492
Advertising and Printing	7,309	21,629	28,938
Retirement & Benefits	85,290	63,252	148,542
Remittance to State	983	11,111	12,094
Other Disbursements	115,797	141,749	257,546
Total Cash Expenditures	<u>1,273,970</u>	<u>971,091</u>	<u>2,245,061</u>
Excess of Receipts Over / (Under) Disbursements	<u>(186,491)</u>	<u>(29,255)</u>	<u>(215,746)</u>
Other Financing Sources (Uses):			
Reimbursements / Refunds	3,464	1,781	5,245
Refund of Prior Year Receipt	(10,202)	(1,857)	(12,059)
Advance In	82,135	105,286	187,421
Advance Out	(105,286)	(82,135)	(187,421)
Transfer In		148	148
Transfer Out	(148)		(148)
Total Other Financing Sources (Uses)	<u>(30,037)</u>	<u>23,223</u>	<u>(6,814)</u>
Excess of Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing Uses	<u>(216,528)</u>	<u>(6,032)</u>	<u>(222,560)</u>
Fund Cash Balances at January 1, 2000	<u>1,047,877</u>	<u>123,728</u>	<u>1,171,605</u>
Fund Cash Balances at December 31, 2000	<u><u>\$831,349</u></u>	<u><u>\$117,696</u></u>	<u><u>\$949,045</u></u>
Reserves for Encumbrances, December 31, 2000	<u><u>\$25,179</u></u>	<u><u>\$26,456</u></u>	<u><u>\$51,635</u></u>

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

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**DISTRICT BOARD OF HEALTH
MIAMI COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Miami County District Board of Health (the Board) operates pursuant to Section 3709.07 of the Ohio Revised Code. It is responsible for health services in all of Miami County, including cities and villages. The Board operates under the direction of a seven member Board of Health. The County Auditor and County Treasurer are responsible for fiscal control of the resources of the Board. Services provided by the Board include: prevention and restriction of diseases, sanitation, vital statistics, abatement and removal of nuisances, and air pollution control.

B. Basis of Accounting

Miami County, as fiscal agent for the Board, prepares the Board's financial statements in accordance with 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 rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentation 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 Board's cash is held and invested by the Miami County Treasurer, who acts as custodian for Board monies. The Board's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. All interest earned is paid into the General Fund of the County as per State law.

D. Fund Accounting

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

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 Board had the following significant Special Revenue Funds:

Maternal and Child Health Fund - Receipts in this fund are primarily intergovernmental. Funds are used for health services for children.

WIC Fund - Receipts in this fund are all federal receipts. Funds are used for the administration of a program to provide nutrition to women and children.

**DISTRICT BOARD OF HEALTH
MIAMI COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, and appropriations may not exceed estimated resources. The Board 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 Board to reserve (encumber) appropriations when 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 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 cash basis of accounting used by the Board.

**DISTRICT BOARD OF HEALTH
MIAMI COUNTY**

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

2. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2000 was as follows:

2000 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,138,755	\$1,173,078	\$34,323
Special Revenue	<u>1,139,910</u>	<u>1,049,051</u>	<u>(90,859)</u>
Total	<u>\$2,278,665</u>	<u>\$2,222,129</u>	<u>(\$56,536)</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,539,075	\$1,414,785	\$124,290
Special Revenue	<u>1,117,256</u>	<u>1,081,539</u>	<u>35,717</u>
Total	<u>\$2,656,331</u>	<u>\$2,496,324</u>	<u>\$160,007</u>

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 Board.

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 Board.

**DISTRICT BOARD OF HEALTH
MIAMI COUNTY**

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

4. RETIREMENT SYSTEMS

The Board'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 December 31, 2000, PERS members contributed 8.5% of their gross salaries. The Board contributed an amount equal to 13.55% of participants' gross salaries for January 2000 through June 2000 and an amount equal to 8.13% of participants' gross salaries for July 2000 through December 2000. The Board has paid all contributions required through December 31, 2000.

5. Risk Management

The Board is a member of the Public Entities Pool of Ohio (the Pool), which was formed during April 1987, for the primary purpose of managing and funding third-party claims against members. This provided for various levels of liability coverage including:

General Liability	\$1,000,000 Per Occurrence with \$1,000 Deductible
Property Coverage	\$250,000 Total Value with \$250 Deductible

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
MIAMI COUNTY**

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

Federal Grantor / Pass Through Grantor Program Title	Pass Through Entity Number	CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>Passed through Ohio Department of Health</i>			
Special Supplemental Food Program For Women, Infants, and Children	55-1-01-F-CL-389	10.557	\$249,997
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Passed through Ohio Department of Public Safety</i>			
State and Community Highway Safety		20.600	28,624
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed through Ohio Department of Health</i>			
Abstinence Education Program	55-1-01-F-CS-320	93.235	109,503
Maternal and Children Health Services Block Grant	55-1-01-F-AI-320	93.994	<u>86,650</u>
Total U.S. Department of Health and Human Services			<u>196,153</u>
Total Federal Assistance			<u><u>\$474,774</u></u>

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

**DISTRICT BOARD OF HEALTH
MIAMI COUNTY**

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

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

Federal monies received are commingled with other revenue. It is assumed that Federal monies were expended first.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require the Board contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Board has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the schedule.



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

District Board of Health
Miami County
510 West Water Street, Suite 130
Troy, Ohio 45373

To the Board of Health:

We have audited the financial statements of the District Board of Health, Miami County (the Board), as of and for the year ended December 31, 2000, and have issued our report thereon dated April 4, 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 Board'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 an immaterial instance of noncompliance that we have reported to the management of the Board in a separate letter dated April 4, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Board'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 Board in a letter dated April 4, 2001.

District Board of Health
Miami 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, and federal awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

April 4, 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
Miami County
510 West Water Street, Suite 130
Troy, Ohio 45373

To the Board of Health:

Compliance

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

In our opinion, District Board of Health, Miami County, 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 Board 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 Board'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.

**Internal Control Over Compliance
(Continued)**

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, Board of Health, and federal awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

April 4, 2001

**DISTRICT BOARD OF HEALTH
MIAMI 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 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):	CDFA # 10.557: Special Supplemental Food Program for Women, Infants, and Children
(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



STATE OF OHIO
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DISTRICT BOARD OF HEALTH

MIAMI 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 15, 2001**