



Certified Public Accountants, A.C.

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY
Regular Audit
For the Years Ended December 31, 2018 and 2017**

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OHIO AUDITOR OF STATE KEITH FABER



Board of Trustees
Belmont-Harrison Juvenile District
210 Fox-Shannon Place
St. Clairsville, Ohio 43950

We have reviewed the *Independent Auditor's Report* of the Belmont-Harrison Juvenile District, Belmont County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2017 through December 31, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Belmont-Harrison Juvenile District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

April 22, 2019

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**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

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INDEPENDENT AUDITOR'S REPORT

March 29, 2019

Belmont-Harrison Juvenile District
Belmont County
210 Fox-Shannon Place
St. Clairsville, Ohio 43950

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of **Belmont-Harrison Juvenile District**, Belmont County, Ohio (the District) as of and for the years ended December 31, 2018 and 2017.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the District does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2018 and 2017, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Belmont-Harrison Juvenile District, Belmont County as of December 31, 2018 and 2017, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2019, 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 grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGE IN FUND BALANCE (REGULATORY CASH BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>General</u>
Cash Receipts	
Charges for Services	\$ 925,594
Intergovernmental	<u>644,527</u>
<i>Total Cash Receipts</i>	<u>1,570,121</u>
Cash Disbursements	
Current:	
Salaries, PERS, Medicare, Health Insurance & Workers Compensation	1,431,653
Supplies	41,185
Contract Services	107,401
Food Service Expenses	78,354
Medical Assistance	13,983
Travel	12,098
Other	<u>2,632</u>
<i>Total Cash Disbursements</i>	<u>1,687,306</u>
<i>Net Change in Fund Cash Balances</i>	(117,185)
<i>Fund Cash Balances, January 1</i>	<u>315,983</u>
Fund Cash Balances, December 31	
Assigned	21,664
Unassigned	<u>177,134</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 198,798</u></u>

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

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Note 1 - Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Belmont-Harrison Juvenile District, Belmont County, Ohio (the District), as a body corporate and politic. The District is directed by an appointed seven-member Board of Trustees. The District provides governmental detention services for juveniles, including secured detention facilities, supervised group home facilities, and an aftercare program.

The District's management believes these financial statements present all activities for which the District is financially accountable.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a statement of receipts, disbursements and change in fund balance (regulatory cash basis).

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually. On or about May 1 of each year, the Belmont County Auditor sends a departmental budget form to the District for the succeeding calendar year. The District's Financial Officer completes the departmental budget form containing information on the expenditures for the prior year, appropriations for the current year, and the request for the next year. A personal service schedule accompanies the departmental budget and reflects each person's name, present rate of pay, rate of pay for the next year, and the amount requested for the next year. An estimate of anticipated revenue is also filed with the departmental budget. The Executive Director reviews the forms and they are filed with the County Commissioners by June 1. This information is then combined with all other county departmental budgets and the Belmont County subdivision budget is prepared. The budget of estimated cash receipts and disbursements is submitted to the County Auditor, as Secretary of the Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

Budgetary Process (Continued)

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control, and appropriations may not exceed estimated resources. The District Governing Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure.

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 approve estimated resources.

Encumbrances The Ohio Revised Code requires the 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 the 2018 budgetary activity appears in Note 3.

Deposits and Investments

The District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed Governing Board can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Governing amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Governing Board or a District official delegated that authority by resolution, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Note 3 - Budgetary Activity

Budgetary activity for the year ended December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,747,842	\$ 1,570,121	\$ (177,721)
Total	<u>\$ 1,747,842</u>	<u>\$ 1,570,121</u>	<u>\$ (177,721)</u>

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,747,983	\$ 1,725,789	\$ 22,194
Total	<u>\$ 1,747,983</u>	<u>\$ 1,725,789</u>	<u>\$ 22,194</u>

Note 4 – Deposits

As required by the Ohio Revised Code, the District's cash is held and invested by the Belmont County Treasurer, who acts as custodian for the District's 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. The carrying amount of cash at December 31, was as follows:

	2018
Demand Deposits	\$ 198,798
Total Deposits	<u>\$ 198,798</u>

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(Continued)**

Note 4 – Deposits (Continued)

Deposits

The District's deposits maintained by the County Treasurer are either insured by the Federal Deposit Insurance Corporation or were considered uncollateralized even though securities for collateral were held by the pledging financial institution's trust department in the County's name and all statutory requirements for the deposit of money had been followed.

Note 5 - Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Note 6 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System and State Teachers Retirement System

The District's employees belong to the Ohio Public Employees Retirement System (OPERS) or the State Teachers Retirement System of Ohio (STRS Ohio). OPERS and STRS Ohio are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14% of participants' gross salaries. STRS members contributed 14% of their gross salaries to STRS. The District contributed an amount equal to 14% of participants' gross salaries to STRS. The District has paid all contributions required through December 31, 2018.

Note 7 - Postemployment Benefits

Both OPERS and STRS offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2018. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2018. STRS contributes 0 percent to fund these benefits.

Note 8 – Contingent Liabilities

The District is not a defendant in any lawsuits.

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGE IN FUND BALANCE (REGULATORY CASH BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>General</u>
Cash Receipts	
Charges for Services	\$ 1,037,261
Intergovernmental	<u>639,009</u>
<i>Total Cash Receipts</i>	<u>1,676,270</u>
Cash Disbursements	
Current:	
Salaries, PERS, Medicare, Health Insurance & Workers Compensation	1,425,720
Supplies	38,412
Equipment	5,972
Contract Services	116,590
Food Service Expenses	89,258
Medical Assistance	4,796
Travel	13,161
Other	<u>5,486</u>
<i>Total Cash Disbursements</i>	<u>1,699,395</u>
<i>Net Change in Fund Cash Balances</i>	(23,125)
<i>Fund Cash Balances, January 1 (Restated, See Note 9)</i>	<u>339,108</u>
Fund Cash Balances, December 31	
Assigned	26,500
Unassigned	<u>289,483</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 315,983</u></u>

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

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 1 - Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Belmont-Harrison Juvenile District, Belmont County, Ohio (the District), as a body corporate and politic. The District is directed by an appointed seven-member Board of Trustees. The District provides governmental detention services for juveniles, including secured detention facilities, supervised group home facilities, and an aftercare program.

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Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

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**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

Budgetary Process (Continued)

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control, and appropriations may not exceed estimated resources. The District Governing Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure.

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 approve estimated resources.

Encumbrances The Ohio Revised Code requires the 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 the 2017 budgetary activity appears in Note 3.

Deposits and Investments

The District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

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In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

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Committed Governing Board can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Governing amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Governing Board or a District official delegated that authority by resolution, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Note 3 - Budgetary Activity

Budgetary activity for the year ended December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,785,667	\$ 1,676,270	\$ (109,397)
Total	<u>\$ 1,785,667</u>	<u>\$ 1,676,270</u>	<u>\$ (109,397)</u>

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,785,808	\$ 1,725,895	\$ 59,913
Total	<u>\$ 1,785,808</u>	<u>\$ 1,725,895</u>	<u>\$ 59,913</u>

Note 4 – Deposits

As required by the Ohio Revised Code, the District's cash is held and invested by the Belmont County Treasurer, who acts as custodian for the District's 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. The carrying amount of cash at December 31, was as follows:

	2017
Demand Deposits	\$ 315,983
Total Deposits	<u>\$ 315,983</u>

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)**

Note 4 – Deposits (Continued)

Deposits

The District's deposits maintained by the County Treasurer are either insured by the Federal Deposit Insurance Corporation or were considered uncollateralized even though securities for collateral were held by the pledging financial institution's trust department in the County's name and all statutory requirements for the deposit of money had been followed.

Note 5 - Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Note 6 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System and State Teachers Retirement System

The District's employees belong to the Ohio Public Employees Retirement System (OPERS) or the State Teachers Retirement System of Ohio (STRS Ohio). OPERS and STRS Ohio are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14% of participants' gross salaries. STRS members contributed 14% of their gross salaries to STRS. The District contributed an amount equal to 14% of participants' gross salaries to STRS. The District has paid all contributions required through December 31, 2017.

Note 7 - Postemployment Benefits

Both OPERS and STRS offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2017. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2017. STRS contributes 0 percent to fund these benefits.

Note 8 – Contingent Liabilities

The District is not a defendant in any lawsuits.

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)**

Note 9 – Prior Period Adjustment

In the prior audit period, restricted grant monies used for program salaries were not expensed entirely. We are adjusting Restricted Grant Funds as follows:

	<u>General</u>	<u>Special Revenue</u>
Balance, December 31, 2016	\$ 338,967	\$ 141
Adjustment for Error	<u>141</u>	<u>(141)</u>
Balance, December 31, 2016 - restated	<u><u>\$ 339,108</u></u>	<u><u>\$ -</u></u>

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

March 29, 2019

Belmont-Harrison Juvenile District
Belmont County
210 Fox-Shannon Place
St. Clairsville, Ohio 43950

To the Board of Trustees:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts and disbursements by fund type of the **Belmont-Harrison Juvenile District**, Belmont County, (the District) as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, and have issued our report thereon dated March 29, 2019, wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**BELMONT-HARRISON JUVENILE DISTRICT
BELMONT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

Finding Number	Summary	Status	Additional Information
2016-001	Posting Receipts and Fund Balances	Corrected	None

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OHIO AUDITOR OF STATE KEITH FABER



BELMONT HARRISON JUVENILE DISTRICT

DELAWARE 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, 2019**