



**BUTLER COUNTY DISTRICT BOARD OF HEALTH  
BUTLER COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



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

---

**STATE OF OHIO**



**BUTLER COUNTY DISTRICT BOARD OF HEALTH  
TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Report of Independent Accountants .....	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999 .....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1998 .....	4
Notes to the Financial Statements .....	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	9

**This page intentionally left blank.**



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street  
Suite 150 E  
Cincinnati, Ohio 45202  
Telephone 513-361-8550  
800-368-7419  
Facsimile 513-361-8577  
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS**

Butler County District Board of Health  
Butler County  
202 South Monument Avenue  
Hamilton, Ohio 45011

To the Board of Health:

We have audited the accompanying financial statements of the Butler County District Board of Health, Butler County, Ohio (the District), as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our 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 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 District as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2000, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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.

A handwritten signature in black ink, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

August 24, 2000

**This page intentionally left blank.**

**BUTLER COUNTY DISTRICT BOARD OF HEALTH  
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES -  
 FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Taxes	\$136,724		\$136,724
Grants	95,503		95,503
Reimbursements	69,151		69,151
Fees	74,697	\$5,188	79,885
Licenses	86,154	166,524	252,678
Permits	823,030		823,030
Other	13,876	32,644	46,520
	<u>1,299,135</u>	<u>204,356</u>	<u>1,503,491</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
Salaries & Benefits	768,386	143,621	912,007
Supplies	33,788	20,144	53,932
Equipment	35,599	49,525	85,124
Contracts - Repair	1,512		1,512
Advertising and Printing	6,923		6,923
Travel	6,280		6,280
State Portion of Fees		15,585	15,585
Other	204,375	8,052	212,427
	<u>1,056,863</u>	<u>236,927</u>	<u>1,293,790</u>
<b>Total Disbursements</b>			
Total Receipts Over/(Under) Disbursements	<u>242,272</u>	<u>(32,571)</u>	<u>209,701</u>
<b>Other Financing Receipts/(Disbursements):</b>			
Transfers-In		10,000	10,000
Transfers-Out	(10,000)		(10,000)
Sale of Assets	3,996		3,996
	<u>(6,004)</u>	<u>10,000</u>	<u>3,996</u>
<b>Total Other Financing Receipts/(Disbursements)</b>			
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	236,268	(22,571)	213,697
Fund Cash Balances, January 1	<u>540,127</u>	<u>164,360</u>	<u>704,487</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$776,395</u></b>	<b><u>\$141,789</u></b>	<b><u>\$918,184</u></b>
Reserves for Encumbrances, December 31	<u>\$0</u>	<u>\$2,751</u>	<u>\$2,751</u>

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

**BUTLER COUNTY DISTRICT BOARD OF HEALTH  
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES -  
 FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Taxes	\$133,276		\$133,276
Grants	103,229		103,229
Reimbursements	63,454		63,454
Fees	65,017	\$5,948	70,965
Licenses	84,577	155,773	240,350
Permits	651,221		651,221
Other	1,999	28,191	30,190
	<u>1,102,773</u>	<u>189,912</u>	<u>1,292,685</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Current:			
Salaries & Benefits	723,682	149,951	873,633
Supplies	39,002	19,334	58,336
Equipment	533		533
Contracts - Repair	866		866
Advertising and Printing	7,189		7,189
Travel	5,015		5,015
State Portion of Fees		15,205	15,205
Other	185,971	9,245	195,216
	<u>962,258</u>	<u>193,735</u>	<u>1,155,993</u>
<b>Total Disbursements</b>			
Total Receipts Over/(Under) Disbursements	<u>140,515</u>	<u>(3,823)</u>	<u>136,692</u>
<b>Other Financing Receipts/(Disbursements):</b>			
Transfers-In from County		<u>32,000</u>	<u>32,000</u>
Total Other Financing Receipts/(Disbursements)	<u>0</u>	<u>32,000</u>	<u>32,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	140,515	28,177	168,692
Adjusted Fund Cash Balances, January 1	<u>399,612</u>	<u>136,183</u>	<u>535,795</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$540,127</u></b>	<b><u>\$164,360</u></b>	<b><u>\$704,487</u></b>
Reserves for Encumbrances, December 31	<u>\$1,793</u>	<u>\$0</u>	<u>\$1,793</u>

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



**BUTLER COUNTY DISTRICT BOARD OF HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Butler County District Board of Health, Butler County, Ohio (the District), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by an eight-member Board. Members of the Board are appointed to serve three-year terms by the District Advisory Council, which consists of the Chief Executive of each municipal corporation not constituting a City Health District and the Chairman of the Board of Township Trustees of each Township in the General Health District or their alternates, selected by their respective governing bodies.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Deposits**

In accordance with Ohio Revised Code, the District's cash is held and invested by the Butler County Treasurer, who acts as custodian for District monies. The District's assets are held in the County's cash and investment pool, and are valued at the Treasurer's reported carrying amount.

**D. Fund Accounting**

The District uses fund accounting to segregate cash and deposits that are restricted as to use. The District classifies its funds into the following types:

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The District had the following significant Special Revenue Funds:

*Food Service Fund* - This fund receives money for licenses, inspections, and consultations for food service operations.

*Tuberculosis Fund* - This fund receives money used to detect, prevent, and treat residents for Tuberculosis.

**BUTLER COUNTY DISTRICT BOARD OF HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

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

*Mobile Home Inspection Fund* - This fund receives money for licenses and inspections of mobile home parks.

**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 object level of control, and appropriations may not exceed estimated resources. The District 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 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 1999 and 1998 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the District.

**BUTLER COUNTY DISTRICT BOARD OF HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**2. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,103,000	\$1,303,131	\$200,131
Special Revenue	229,900	214,356	(15,544)
Total	<u>\$1,332,900</u>	<u>\$1,517,487</u>	<u>\$184,587</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,187,300	\$1,066,863	\$120,437
Special Revenue	350,679	239,678	111,001
Total	<u>\$1,537,979</u>	<u>\$1,306,541</u>	<u>\$231,438</u>

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 968,700	\$1,102,773	\$134,073
Special Revenue	214,920	221,912	6,992
Total	<u>\$1,183,620</u>	<u>\$1,324,685</u>	<u>\$141,065</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,130,200	\$ 964,051	\$166,149
Special Revenue	219,331	193,735	25,596
Total	<u>\$1,349,531</u>	<u>\$1,157,786</u>	<u>\$191,745</u>

**3. RETIREMENT SYSTEMS**

The 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 post-retirement 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 1999 and 1998, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. The District has paid all contributions required through December 31, 1999.

**BUTLER COUNTY DISTRICT BOARD OF HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**4. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles

**5. ADJUSTMENT OF PRIOR YEAR FUND CASH BALANCES**

The beginning fund cash balances for 1998 were adjusted due to correction of posting errors in a prior period.

The adjustments affected fund balances as follows:

	<u>Fund cash balance at December 31, 1997</u>	<u>Adjustment</u>	<u>Fund cash balance at January 1, 1998</u>
General Fund	\$399,407	\$205	\$399,612
Special Revenue Funds	136,331	(148)	136,183



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street  
Suite 150 E  
Cincinnati, Ohio 45202  
Telephone 513-361-8550  
800-368-7419  
Facsimile 513-361-8577  
www.auditor.state.oh.us

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

Butler County District Board of Health  
Butler County  
202 South Monument Avenue  
Hamilton, Ohio 45011

To the Board of Health:

We have audited the accompanying financial statements of the Butler County District Board of Health, Butler County, Ohio (the District), as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated August 24, 2000. 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 District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our 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 certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated August 24, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. 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 District in a separate letter dated August 24, 2000.

This report is intended for the information and use of management and the Board, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

**Jim Petro**  
Auditor of State

August 24, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**BUTLER COUNTY DISTRICT BOARD OF HEALTH**

**BUTLER 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  
SEPTEMBER 12, 2000**