



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

---

**STATE OF OHIO**



**PORTAGE DISTRICT BOARD OF HEALTH  
PORTAGE COUNTY**

**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, 2000 .....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999 .....	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

Voinovich Government Center  
242 Federal Plaza West  
Suite 302  
Youngstown, Ohio 44503  
Telephone 330-797-9900  
800-443-9271  
Facsimile 330-797-9949  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

Portage District Board of Health  
Portage County  
449 South Meridian Street  
Ravenna, OH 44266

To the Board of Health:

We have audited the accompanying financial statements of the Portage District Board of Health, Portage County, Ohio, (the District) as of and for the years ended December 31, 2000 and 1999. 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, 2000 and 1999, 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 March 7, 2001 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. 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 result of our audit.

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

March 7, 2001

**This page intentionally left blank.**

**PORTAGE DISTRICT BOARD OF HEALTH  
PORTAGE 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>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Levies	\$286,022		\$286,022
Inspection Fees	144,579		144,579
Permits	303,790		303,790
Fees		118,599	118,599
Federal Grants		21,398	21,398
State Grants		62,986	62,986
Licenses	103,177	124,067	227,244
Fines	326		326
Reimbursements	39,369		39,369
Contractal Service	11,224		11,224
Other Revenue	169,076		169,076
	<u>1,057,563</u>	<u>327,050</u>	<u>1,384,613</u>
<b>Cash Disbursements:</b>			
Salaries	623,173	141,504	764,677
Supplies	58,622		58,622
Equipment	99,385		99,385
Contracts-Repair	12,453		12,453
Contracts-Services	1,756		1,756
Travel and Expenses	24,702	6,242	30,944
Advertising and Printing	2,942		2,942
PERS	65,514	17,146	82,660
Worker's Comp.	19,375	5,486	24,861
Project Fund Expenses - Federal		28,183	28,183
Remittance - State		11,300	11,300
Project Fund Expenses - State		130,229	130,229
Other Expenses	121,238	45,908	167,146
	<u>1,029,160</u>	<u>385,998</u>	<u>1,415,158</u>
Total Receipts Over (Under) Disbursements	<u>28,403</u>	<u>(58,948)</u>	<u>(30,545)</u>
Fund Cash Balances, January 1	<u>324,591</u>	<u>124,028</u>	<u>448,619</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$352,994</u></b>	<b><u>\$65,080</u></b>	<b><u>\$418,074</u></b>
Reserve for Encumbrances, December 31	<u>\$20,930</u>	<u>\$2,548</u>	<u>\$23,478</u>

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

**PORTAGE DISTRICT BOARD OF HEALTH  
PORTAGE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>General</b>	<b>Special Revenue</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Levies	\$275,892		\$275,892
Inspection Fees	137,982		137,982
Permits	306,216		306,216
Fees		116,192	116,192
Federal Grants		28,530	28,530
State Grants		103,265	103,265
Licenses	90,552	17,220	107,772
Fines	237		237
Reimbursements	38,554		38,554
Refunds	8,062		8,062
Contractal Service	13,249		13,249
Other Revenue	138,163	146,802	284,965
	<u>1,008,907</u>	<u>412,009</u>	<u>1,420,916</u>
<b>Cash Disbursements:</b>			
Salaries	614,774	185,300	800,074
Supplies	43,711		43,711
Equipment	2,488		2,488
Contracts-Repair	2,130		2,130
Contracts-Services	12,471		12,471
Travel and Expenses	25,626	7,285	32,911
Advertising and Printing	369		369
PERS	84,462	25,135	109,597
Worker's Comp.	17,278	6,434	23,712
Project Fund Expenses - Federal		21,645	21,645
Remittance - State		11,255	11,255
Project Fund Expenses - State		18,295	18,295
Other Expenses	124,456	55,126	179,582
	<u>927,765</u>	<u>330,475</u>	<u>1,258,240</u>
Total Receipts Over Disbursements	<u>81,142</u>	<u>81,534</u>	<u>162,676</u>
Fund Cash Balances, January 1, 1999 (Restated Note 5)	<u>243,449</u>	<u>42,494</u>	<u>285,943</u>
<b>Fund Cash Balances, December 31, 1999</b>	<b><u>\$324,591</u></b>	<b><u>\$124,028</u></b>	<b><u>\$448,619</u></b>
Reserve for Encumbrances, December 31, 1999	<u>\$24,614</u>	<u>\$2,548</u>	<u>\$27,162</u>

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



**PORTAGE DISTRICT BOARD OF HEALTH  
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Portage District Board of Health, Portage County, (the District) operates under Section 3709.01 of the Ohio Revised Code for Health Districts. The District consists of five Board Members who are elected by the Advisory Council of the Portage County Board of Health, and two members who are appointed by the Mayors of Aurora and Streetsboro Cities respectively. They are appointed for five-year overlapping terms. The primary purpose of the District is to provide a safe environment and promote wellness within the community.

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**

As required by the Ohio Revised Code, the District's cash is held and invested by the Portage County Treasurer, who acts as the custodian for District 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.

**D. Fund Accounting**

The District uses fund accounting to segregate cash and investments 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:

*Solid Waste Fund* - This fund receives monies from licenses and permits of wells, septic, plumbing, inspections, etc. that are related to housing activity.

**PORTAGE DISTRICT BOARD OF HEALTH  
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

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

*Food Service Fund* - This fund receives monies from the purchase of food service and vending licenses.

*Federal Fund* - This fund receives monies from the federal government specifically from the Health Services Block Grant.

*State Fund* - This fund receives monies from the state government specifically from the Immunization Action Grant, and the Rabies Prevention Grant.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

**1. Appropriations**

The Board of Health of the Portage District Board of Health, annually, on or before the first Monday of April, shall adopt an itemized appropriation measure. Such appropriation measure shall set forth the amounts for the current expenses of such District for the fiscal year beginning on the first day of January of the following year. The appropriation measure, together with an estimate in itemized form of the several sources of revenue available to the District, including the amount due from the state for the next fiscal year as provided in Section 3709.32 of the Revised Code and the amount which the Board anticipates will be collected in fees during the ensuing fiscal year, shall be certified to the Portage County Auditor. The Auditor will then submit this to the Portage County Budget Commission, which may reduce any item in such appropriation measure, but may not increase any item or the aggregate of all items.

**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.

A summary of 2000 and 1999 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 basis of accounting used by the District.

**PORTAGE DISTRICT BOARD OF HEALTH  
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**2. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,051,182	\$1,057,563	\$6,381
Special Revenue	321,623	327,050	5,427
Total	\$1,372,805	\$1,384,613	\$11,808

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,361,791	\$1,050,090	\$311,701
Special Revenue	408,953	388,546	20,407
Total	\$1,770,744	\$1,438,636	\$332,108

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$874,255	\$1,008,907	\$134,652
Special Revenue	314,182	412,009	97,827
Total	\$1,188,437	\$1,420,916	\$232,479

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,036,656	\$952,379	\$84,277
Special Revenue	320,594	333,023	(12,429)
Total	\$1,357,250	\$1,285,402	\$71,848

**3. RETIREMENT SYSTEMS**

All full-time employees of the District participate in the Public Employees Retirement System (PERS) of Ohio, a cost-sharing, multiple-employer public employee retirement system administered by the Public Employees Board. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215.

**PORTAGE DISTRICT BOARD OF HEALTH  
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 1999  
(Continued)**

**3. RETIREMENT SYSTEMS (Continued)**

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. For calendar year 2000, PERS instituted a temporary employer rollback for state and local governments. The 2000 employer pension contribution rate for the District was 6.54 percent of covered payroll, reduced from 9.35 percent in 1999. Contributions are authorized by State statute. The contribution rates are determined actuarially. The District has paid all contributions required through December 31, 2000.

**4. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

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

**5. RESTATEMENT OF FUND BALANCE**

The Special Revenue Fund Balance as of December 31, 1998 was restated due to an error in which the Special Revenue fund balance in the December 31, 1998 report included the General Fund balance in addition to the Special Revenue Fund balance.



**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

Voinovich Government Center  
242 Federal Plaza West  
Suite 302  
Youngstown, Ohio 44503  
Telephone 330-797-9900  
800-443-9271  
Facsimile 330-797-9949  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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

Portage District Board of Health  
Portage County  
449 South Meridian Street  
Ravenna, OH 44266

To the Board of Health:

We have audited the accompanying financial statements of Portage District Board of Health, Portage County, Ohio (the District), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 7, 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 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*.

**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.

Portage District Board of Health  
Portage 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, and the Board of Health, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

March 7, 2001



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

**PORTAGE DISTRICT BOARD OF HEALTH**

**PORTAGE 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 8, 2001**