



**ROSS, PICKAWAY, HIGHLAND AND FAYETTE JOINT SOLID WASTE
MANAGEMENT DISTRICT**

ROSS COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

ROSS, PICKAWAY, HIGHLAND, FAYETTE JOINT SOLID WASTE MANAGEMENT DISTRICT
ROSS COUNTY

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STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Directors
Ross, Pickaway, Highland, Fayette
Joint Solid Waste Management District
Ross County
78 West Main Street
Chillicothe, Ohio 45601

We have audited the accompanying financial statements of Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District, Ross County, Ohio, (the District) as of and for the years ended December 31, 1999 and December 31, 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 audits.

We conducted our audits 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 audits 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 audits provide 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 cash balances and reserves for encumbrances of the District as of December 31, 1999 and December 31, 1998., and its 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 April 10, 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 the management, the Board of Directors 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". The signature is fluid and cursive, with a large loop at the end.

JIM PETRO
Auditor of State

April 10, 2000

ROSS, PICKAWAY, HIGHLAND, FAYETTE JOINT SOLID WASTE MANAGEMENT DISTRICT
ROSS COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1999

Cash Receipts:

Intergovernmental	\$6,000
Charges for Services	150,419
Miscellaneous	<u>82</u>
Total cash receipts	<u>156,501</u>

Cash Disbursements:

Current:	
Salaries	79,544
Supplies and Materials	3,268
Equipment	4,122
Contracts - Repair	25
Contracts - Services	15,514
Public Employee's Retirement	10,662
Worker's Compensation	985
Adversising & Printing	2,311
Group Insurance	5,190
Utilities	3,374
Travel & Expenses	905
Other	<u>10,746</u>
Total Cash Disbursements	<u>136,646</u>

Total Cash Receipts Over/(Under) Cash Disbursements 19,855

Other Financing Receipts/(Disbursements):

Other Sources	4,878
Total Other Financing Receipts/(Disbursements)	<u>4,878</u>

Excess of Cash Receipts and Other Financing
Receipts Over/(Under) Cash Disbursements
and Other Financing Disbursements 24,733

Cash Balance, January 1 95,582

Cash Balance, December 31 \$120,315

Reserve for Encumbrances, December 31 \$1,307

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

**ROSS, PICKAWAY, HIGHLAND, FAYETTE JOINT SOLID WASTE MANAGEMENT DISTRICT
ROSS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1998**

Cash Receipts:

Intergovernmental	\$4,000
Charges for Services	121,178
Miscellaneous	<u>115</u>
Total Cash Receipts	<u>125,293</u>

Cash Disbursements:

Current:	
Salaries	75,694
Supplies and Materials	5,187
Equipment	3,701
Contracts - Repair	67
Contracts - Services	9,676
Public Employee's Retirement	10,131
Worker's Compensation	238
Advertising & Printing	3,179
Group Insurance	7,929
Utilities	3,391
Travel & Expenses	725
Other	<u>3,037</u>
Total Cash Disbursements	<u>122,955</u>

Total Cash Receipts Over/(Under) Cash Disbursements 2,338

Other Financing Receipts/(Disbursements):

Other Sources	<u>6,574</u>
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Excess of Cash Receipts and Other Financing
Receipts Over/(Under) Cash Disbursements
and Other Financing Disbursements 8,912

Cash Balance, January 1 86,670

Cash Balance, December 31 \$95,582

Reserve for Encumbrances, December 31 \$7,695

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

**ROSS, PICKAWAY, HIGHLAND, FAYETTE JOINT SOLID WASTE MANAGEMENT DISTRICT
ROSS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District, Ross 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 a twelve-member Board of Directors comprised of the three County Commissioners for each of the four Counties making up the District. The District provides solid waste disposal for the Counties comprising the District.

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 Investments

In accordance with Ohio Revised Code, the District's cash is held and invested by the Ross 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. 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 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.

**ROSS, PICKAWAY, HIGHLAND, FAYETTE JOINT SOLID WASTE MANAGEMENT DISTRICT
ROSS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Budgetary Process (Continued)

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 re-appropriated.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

E. 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.

F. Unpaid Vacation and Sick Leave

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

3. BUDGETARY ACTIVITY

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

1999 Budgeted vs. Actual Receipts			
	Budgeted Receipts	Actual Receipts	Variance
	<u>\$158,903</u>	<u>\$161,379</u>	<u>\$2,476</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
	Appropriation Authority	Budgetary Expenditures	Variance
	<u>\$202,553</u>	<u>\$137,953</u>	<u>\$64,600</u>

1998 Budgeted vs. Actual Receipts			
	Budgeted Receipts	Actual Receipts	Variance
	<u>\$98,800</u>	<u>\$131,867</u>	<u>\$33,067</u>

ROSS, PICKAWAY, HIGHLAND, FAYETTE JOINT SOLID WASTE MANAGEMENT DISTRICT
ROSS COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

3. BUDGETARY ACTIVITY (Continued)

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
	Appropriation	Budgetary	
	Authority	Expenditures	Variance
	<u>\$146,121</u>	<u>\$130,650</u>	<u>\$15,471</u>

4. 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.

5. CHARGES FOR SERVICES

The majority of the District's funding is provided through charges for services provided from its member counties for use of the landfill.

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JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

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

Board of Directors
Ross, Pickaway, Highland, Fayette
Joint Solid Waste District
Ross County
78 West Main Street
Chillicothe, Ohio 45601

We have audited the accompanying financial statements of Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District, Ross County, Ohio (the District), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated April 10, 2000. We conducted our audits 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 audits 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 audits, 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 a certain matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated April 10, 2000.

Ross, Pickaway, Highland, Fayette
Joint Solid Waste Management District
Ross 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 management, the Board of Directors, 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". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

JIM PETRO
Auditor of State

April 10, 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

ROSS, PICKAWAY, HIGHLAND, FAYETTE JOINT SOLID WASTE MANAGEMENT DISTRICT

ROSS 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
JUNE 27, 2000**