



**COSHOCTON FAIRFIELD LICKING AND PERRY
SOLID WASTE DISTRICT
LICKING COUNTY**

REGULAR AUDIT

FOR YEARS ENDED DECEMBER 31, 1999 AND 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**COSHOCTON, FAIRFIELD, LICKING AND PERRY SOLID WASTE DISTRICT
LICKING COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Coshocton, Licking, Fairfield, Perry,
Solid Waste District
Licking County
675 Price Road
Newark, Ohio 43055

To the Board of Directors

We have audited the accompanying financial statements of Coshocton, Licking, Fairfield, Perry, Solid Waste District, Licking 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 fund cash balance and reserve for encumbrances of the Coshocton, Licking, Fairfield, Perry, Solid Waste District, Licking County, Ohio 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 June 23, 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.

JIM PETRO
Auditor of State

June 23, 2000

**COSHOCTON, FAIRFIELD, LICKING AND PERRY SOLID WASTE DISTRICT
LICKING COUNTY**

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

	Enterprise
Operating Cash Receipts:	
Charges for Services - Disposal Fees	\$1,633,025
Reimbursements from Grantees	\$15,504
Miscellaneous	16,477
Total Operating Cash Receipts	1,665,006
Operating Cash Disbursements:	
Personal Services	85,806
Travel and Transportation	
Contractual Services	1,241,235
Supplies and Materials	32,390
Total Operating Cash Disbursements	1,359,431
Excess of Operating Cash Receipts Over/(Under) Operating Cash Disbursements	305,575
Non-Operating Cash Receipts:	
Interest	310,117
Total Non-Operating Cash Receipts	310,117
Net Cash Receipts Over/(Under) Cash Disbursements	615,692
Fund Cash Balances, January 1	6,336,607
Fund Cash Balances, December 31	\$6,952,299

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

**COSHOCTON, FAIRFIELD, LICKING AND PERRY SOLID WASTE DISTRICT
LICKING COUNTY**

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

	Enterprise
Operating Cash Receipts:	
Charges for Services - Disposal Fees	\$2,173,504
Reimbursements from Grantees	\$162,556
Miscellaneous	1,572
Total Operating Cash Receipts	2,337,632
Operating Cash Disbursements:	
Personal Services	80,275
Contractual Services	1,963,992
Supplies and Materials	46,299
Total Operating Cash Disbursements	2,090,566
Excess of Operating Cash Receipts Over/(Under) Operating Cash Disbursements	247,066
Non-Operating Cash Receipts:	
Interest	314,871
Total Non-Operating Cash Receipts	314,871
Net Cash Receipts Over/(Under) Cash Disbursements	561,937
Fund Cash Balances, January 1	5,774,670
Fund Cash Balances, December 31	\$6,336,607

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

**COSHOCTON, FAIRFIELD, LICKING AND PERRY SOLID WASTE DISTRICT
LICKING COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

In accordance with House Bill 592, the Coshocton, Licking, Fairfield, and Perry Counties formed a Solid Waste District. The legislative authority for the creation of the District is prescribed in Section 3734.52 of the Ohio Revised Code.

The Coshocton, Licking, Fairfield, Perry, Solid Waste District, Licking 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 12 -member Board of Directors comprised of the three County Commissioners of Coshocton, Licking, Fairfield, and Perry counties. The District provides solid waste disposal, recycling opportunities, and other waste management services to these counties.

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 Licking 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 function level of control, and appropriations may not exceed estimated resources. The Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

**COSHOCTON, FAIRFIELD, LICKING AND PERRY SOLID WASTE DISTRICT
LICKING COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

3. Encumbrances

The District to reserves (encumbers) appropriations when commitments are made.

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

E. 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:

Enterprise Fund

Enterprise Funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The District had the following significant Enterprise Fund:

Solid Waste Fund- This fund receives monies from disposal permits issued to various companies and organizations operating landfills in the affected counties.

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.

2. CASH WITH FISCAL AGENT

The Licking County Auditor serves as the fiscal agent for the District. The carrying amount of pooled cash at December 31 1999 and December 31, 1998 was \$6,952,299 and \$6,336,607 respectively.

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by the financial institution's public entity deposit pool.

**COSHOCTON, FAIRFIELD, LICKING AND PERRY SOLID WASTE DISTRICT
LICKING COUNTY**

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

3. BUDGETARY ACTIVITY

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

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
Enterprise	1,878,174	1,975,123	96,949
Total	<u>\$1,878,174</u>	<u>\$1,975,123</u>	<u>\$96,949</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
Enterprise	7,799,906	1,359,431	6,440,475
Total	<u>\$7,799,906</u>	<u>\$1,359,431</u>	<u>\$6,440,475</u>

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
Enterprise	1,276,020	2,652,503	1,376,483
Total	<u>\$1,276,020</u>	<u>\$2,652,503</u>	<u>\$1,376,483</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
Enterprise	7,050,692	2,514,333	4,536,359
Total	<u>\$7,050,692</u>	<u>\$2,514,333</u>	<u>\$4,536,359</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.

**COSHOCTON, FAIRFIELD, LICKING AND PERRY SOLID WASTE DISTRICT
LICKING COUNTY**

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

5. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Catastrophe

The District also provides health insurance and dental coverage to full-time employees through a private carrier.

6. RELATED PARTY TRANSACTIONS

The Board of Directors approves grant awards to governmental agencies located within the counties they represent.



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

Coshocton, Licking, Fairfield, Perry,
Solid Waste District
Licking County
675 Price Road
Newark, Ohio 43055

To the Board of Directors

We have audited the accompanying financial statements of Coshocton, Licking, Fairfield, Perry, Solid Waste District, Licking 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 June 23, 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 instance of noncompliance that is 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 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 June 23, 2000.

Coshocton, Licking, Fairfield, Perry,
Solid Waste District
Licking County
Report on Compliance and on Internal Control
Required by Government Auditing Standards
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This report is intended for the information and use of the management, the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.

JIM PETRO
Auditor of State

June 23, 2000



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COSHOCTON, FAIRFIELD, LICKING AND PERRY SOLID WASTE DISTRICT

LICKING 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 19, 2000**