



**SOLID WASTE DISTRICT OF BUTLER COUNTY
BUTLER COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**SOLID WASTE DISTRICT OF BUTLER COUNTY
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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

Solid Waste District of Butler County
Butler County
130 High Street
Hamilton, Ohio 45011

To the Policy Committee:

We have audited the accompanying financial statements of the Solid Waste District of 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 fund cash balance and reserve for encumbrances of the District as of December 31, 1999 and 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 August 3, 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 Policy Committee 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.

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Jim Petro
Auditor of State

August 3, 2000

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**SOLID WASTE DISTRICT OF BUTLER COUNTY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

Cash Receipts:	
Landfill Fees	\$342,283
Miscellaneous	<u>18,798</u>
Total cash receipts	<u>361,081</u>
Cash Disbursements:	
Salaries	69,270
Supplies and Materials	1,490
Equipment	1,868
Travel	1,410
Subscriptions & Dues/Memberships	425
Professional Development & Training	3,078
Printing & Advertising	12,718
Contracts - Services	85,771
Educational Grant	7,000
Public Employee's Retirement	8,354
Worker's Compensation	1,135
Health Insurance	4,163
Other	<u>3,557</u>
Total Disbursements	<u>200,239</u>
Total Receipts Over/(Under) Disbursements	<u>160,842</u>
Other Financing Receipts/(Disbursements):	
Transfer to Butler County Litter Control Fund	<u>(31,490)</u>
Total Other Financing Receipts/(Disbursements)	<u>(31,490)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	129,352
Fund Cash Balance, January 1	<u>175,053</u>
Fund Cash Balance, December 31	<u><u>\$304,405</u></u>
Reserve for Encumbrances, December 31	<u><u>\$228,206</u></u>

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

**SOLID WASTE DISTRICT OF BUTLER COUNTY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998**

Cash Receipts:	
Landfill Fees	\$241,439
Miscellaneous	<u>50</u>
Total cash receipts	<u>241,489</u>
 Cash Disbursements:	
Salaries	56,742
Supplies and Materials	494
Equipment	1,841
Travel	1,700
Subscriptions & Dues/Memberships	508
Professional Development & Training	2,067
Printing & Advertising	12,922
Contracts - Services	69,775
Educational Grant	6,500
Public Employee's Retirement	8,193
Worker's Compensation	1,213
Health Insurance	2,623
Other	<u>889</u>
Total Disbursements	<u>165,467</u>
Total Receipts Over/(Under) Disbursements	<u>76,022</u>
 Other Financing Receipts/(Disbursements):	
Transfer to Butler County Litter Control Fund	(10,040)
Transfer to Butler County Solid Waste Planning Fund	(16,295)
Transfer to Butler County Sewer Fund	<u>(400)</u>
Total Other Financing Receipts/(Disbursements)	<u>(26,735)</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	49,287
Fund Cash Balance, January 1	<u>125,766</u>
Fund Cash Balance, December 31	<u><u>\$175,053</u></u>
Reserve for Encumbrances, December 31	<u><u>\$15,753</u></u>

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Solid Waste District of 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 appointed seven member Policy Committee. The District provides guidelines for the disposal of Solid Waste and to assure compliance with all EPA requirements.

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. The District has no funds that are restricted as to use; therefore, the District accounts for all financial resources in the General Fund.

E. Budgetary Process

The Ohio Revised Code requires that the General 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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 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.

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	\$361,081	\$361,081	\$0

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$534,749	\$459,935	\$74,814

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$223,926	\$241,489	\$17,563

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$256,870	\$207,955	\$48,915

SOLID WASTE DISTRICT OF BUTLER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

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.

4. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

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

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Facsimile 513-361-8577
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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Solid Waste District of Butler County
Butler County
130 High Street
Hamilton, Ohio 45011

To the Policy Committee:

We have audited the accompanying financial statements of the Solid Waste District of 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 3, 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 3, 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 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 August 3, 2000.

This report is intended for the information and use of management and the Policy Committee, 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

August 3, 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

SOLID WASTE DISTRICT OF BUTLER COUNTY

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
AUGUST 31, 2000**