



OHIO AUDITOR OF STATE  
**KEITH FABER**





**CLARK COUNTY SOIL AND WATER CONSERVATION DISTRICT  
CLARK COUNTY  
DECEMBER 31, 2020 AND 2019**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Clark County Soil and Water Conservation District  
Clark County  
3130 East Main Street  
Springfield, Ohio 45505

To the Board of Supervisors:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each fund and related notes of the Clark County Soil and Water Conservation District, Clark County, (the District) as of and for the years ended December 31, 2020 and 2019.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions the Ohio Department of Agriculture permits; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of the Ohio Department of Agriculture, which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the District does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis the Ohio Department of Agriculture permits. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2020 and 2019, or changes in financial position thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each fund of the Clark County Soil and Water Conservation District, Clark County, as of and for the years ended December 31, 2020 and 2019 in accordance with the financial reporting provisions the Ohio Department of Agriculture permits, described in Note 2.

***Emphasis of Matter***

As discussed in Note 9 to the financial statements for the year ended December 31, 2020, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. We did not modify our opinion regarding this matter.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021, 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 grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

June 30, 2021

**Clark County Soil and Water Conservation District**

*Clark County, Ohio*

*Statement of Receipts, Disbursements and Changes*

*in Fund Balances (Regulatory Cash Basis)*

*For the Year Ended December 31, 2020*

	District Fund	Special Fund	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Grants			
Local Government		\$ 134,000	\$ 134,000
State Government		135,940	135,940
Sale of Products/Materials	\$ 6,183		6,183
All Other Revenue	15,142		15,142
<i>Total Cash Receipts</i>	<u>21,325</u>	<u>269,940</u>	<u>291,265</u>
<b>Cash Disbursements</b>			
Salaries		131,961	131,961
Supplies	353	294	647
Contract Services/Cost Share Payment		8,690	8,690
Rentals		18,300	18,300
Service Fees	680		680
Information and Education	2,535	8,097	10,632
Advertising and Printing		3,851	3,851
OPERS		18,474	18,474
Hospitalization		76,757	76,757
Medicare		1,888	1,888
Product/Materials for Resale	5,889		5,889
Vehicle Rental/Liability Insurance		5,064	5,064
Annual Meeting/Banquet	650		650
Other	4,576	962	5,538
<i>Total Cash Disbursements</i>	<u>14,683</u>	<u>274,338</u>	<u>289,021</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>6,642</u>	<u>(4,398)</u>	<u>2,244</u>
<i>Fund Cash Balances, January 1</i>	<u>86,347</u>	<u>88,347</u>	<u>174,694</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 92,989</u>	<u>\$ 83,949</u>	<u>\$ 176,938</u>

*See accompanying notes to the basic financial statement*

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# Clark County Soil and Water Conservation District

Clark County

Notes to the Financial Statement

For the Year Ended December 31, 2020

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## **Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Clark County Soil and Water Conservation District, Clark County, (the District) as a body corporate and politic. A publicly elected five-member District Board of Supervisors directs the District. The District provides local leadership in the conservation of natural resources and stewardship of agricultural lands through education, technical assistance and leadership. The District receives county and state appropriations to provide services that address local and natural resource concerns.

The District's management believes this financial statement presents all activities for which the District is financially accountable.

## **Note 2 – Summary of Significant Accounting Policies**

### ***Basis of Presentation***

The District's financial statement consists of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all funds.

### ***Fund Accounting***

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

***Special Fund*** The special fund is the primary fund used for day to day operations and expenditures including payroll and benefits. The District records all amounts received from the State, local, or federal governments in this fund. The County Auditor also maintains an accounting of this fund.

***District Fund*** The district fund accounts for and reports revenues from district sales and equipment rentals, grants and donations.

### ***Basis of Accounting***

This financial statement follows the accounting basis permitted by the Ohio Department of Agriculture. This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters the Ohio Department of Agriculture requires.

### ***Budgetary Process***

The Ohio Revised Code requires the Special Fund be budgeted annually.

## Clark County Soil and Water Conservation District

Clark County

Notes to the Financial Statement

For the Year Ended December 31, 2020

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**Appropriations** Budgetary expenditures may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Board of Supervisors must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

**Estimated Resources** Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

A summary of 2020 budgetary activity appears in Note 3.

### **Deposits and Investments**

The Clark County Treasurer is the custodian for the District's Special Fund's cash and investments. The County's cash and investment pool holds the District's Special Fund's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Clark County Auditor, John Federer, 31 N. Limestone Street, PO Box 1325, Springfield, OH 45501, phone 1-937-521-1860.

The District's accounting basis for the other fund includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

### **Capital Assets**

The District records disbursements for acquisitions of equipment when paid. The accompanying financial statement does not report these items as assets.

### **Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statement does not include a liability for unpaid leave.

### **Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Nonspendable** The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**Restricted** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**Clark County Soil and Water Conservation District**

*Clark County*

*Notes to the Financial Statement*

*For the Year Ended December 31, 2020*

**Committed** Supervisors can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Supervisors amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Assigned** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*.

**Unassigned** Unassigned fund balance is the residual classification for the special and district funds and includes amounts not included in the other classifications.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**Note 3 – Special Fund Budgetary Activity**

Budgetary activity for the year ending December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund	Budgeted Receipts	Actual Receipts	Variance
Special	\$268,740	\$269,940	\$1,200

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund	Appropriation Authority	Budgetary Expenditures	Variance
Special	\$341,332	\$274,338	\$66,994

**Note 4 – Deposits and Investments**

The District maintains a deposit account for the District Fund and the Special Fund is maintained by the Clark County Treasurer. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

	2020
Demand deposits	\$92,989
County Treasurer Deposits	83,949
Total deposits	<u>176,938</u>

**Deposits**

Deposits are insured by the Federal Deposit Insurance Corporation.

**Clark County Soil and Water Conservation District**

*Clark County*

*Notes to the Financial Statement*

*For the Year Ended December 31, 2020*

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**Note 5 – Risk Management**

***Workers' Compensation***

Workers' Compensation coverage is provided by the State of Ohio. The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Risk Pool Membership***

The District is covered by Clark County's insurance policy. The County is a member of the County Risk Sharing Authority (CORSA). CORSA is a risk sharing pool established by the County Commissioners Association of Ohio (CCAO) to provide property and liability coverage for counties who are members of CCAO. It was incorporated in the State of Ohio in 1987 as a nonprofit corporation. CORSA membership currently consists of 66 counties and 40 multi-county facilities and county affiliated entities.

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine Directors manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at April 30, 2020 and 2019.

	2020	2019
Assets	\$142,264,663	\$131,543,225
Liabilities	(47,825,390)	(42,482,520)
Members' Equity	<u>94,439,273</u>	<u>89,060,705</u>

CORSA provides the following coverage to the County:

- Property
- Equipment Breakdown
- Time Element
- Crime
- General Liability
- Privacy and Security Liability
- Automobile Liability
- Law Enforcement Liability
- Errors and Omissions Liability

**Clark County Soil and Water Conservation District**

*Clark County*

*Notes to the Financial Statement*

*For the Year Ended December 31, 2020*

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***Self-Insurance***

The District's employees obtain health insurance through Clark County. The County is self-insured for employee health care benefits. The program is administered by UMR, a United Health Care Company, in Dayton, Ohio which provides claims review, processing services, and maintains its own provider network. The County has purchased stop-loss coverage of \$300,000 per insured individual to limit the County's liability.

Expected Medical/Pharmacy Claims from 2020 and prior	\$858,130
2020 Claims Paid in January 2021	796,154
2020 Pharmacy Rebates Receivable	<u>(512,919)</u>
Net Plan Liability	<u><u>\$1,141,365</u></u>

**Note 6 – Defined Benefit Pension Plan**

***Ohio Public Employees Retirement System***

All District employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the District contributed an amount equaling 14 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2020.

**Note 7 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 0 percent during calendar year 2020. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2020.

**Note 8 – Change in Accounting Principle**

For 2020, the District has made changes to their cash basis reporting model. These changes include removing the fund balance classifications from the statement of receipts, disbursements, and changes in fund balances (regulatory cash basis).

**Clark County Soil and Water Conservation District**

*Clark County*

*Notes to the Financial Statement*

*For the Year Ended December 31, 2020*

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**Note 9 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The investments of the pension and other employee benefit plan in which the District participates fluctuate with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**Note 10 – Contingent Liabilities**

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Clark County Soil and Water Conservation District**

*Clark County, Ohio*

*Statement of Receipts, Disbursements and Changes*

*in Fund Balances (Regulatory Cash Basis)*

*For the Year Ended December 31, 2019*

	District Fund	Special Fund	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Grants			
Local Government		\$ 130,340	\$ 130,340
State Government		110,871	110,871
Sale of Products/Materials	\$ 12,160		12,160
All Other Revenue	18,852		18,852
<i>Total Cash Receipts</i>	<u>31,012</u>	<u>241,211</u>	<u>272,223</u>
<b>Cash Disbursements</b>			
Salaries		132,882	132,882
Supplies	626	526	1,152
Equipment	17,374		17,374
Contract Repairs		694	694
Contract Services/Cost Share Payment		9,046	9,046
Rentals		18,300	18,300
Service Fees	722		722
Information and Education	11,109	6,697	17,806
Travel and Expenses	45		45
Advertising and Printing		4,722	4,722
OPERS		18,603	18,603
Worker's Compensation		1,994	1,994
Hospitalization		67,097	67,097
Medicare		1,901	1,901
Product/Materials for Resale	10,965		10,965
Vehicle Rental/Liability Insurance		5,249	5,249
Annual Meeting/Banquet	2,303		2,303
Other	431	1,925	2,356
<i>Total Cash Disbursements</i>	<u>43,575</u>	<u>269,636</u>	<u>313,211</u>
<i>Excess of Receipts (Under) Disbursements</i>	<u>(12,563)</u>	<u>(28,425)</u>	<u>(40,988)</u>
<i>Fund Cash Balances, January 1</i>	<u>98,910</u>	<u>116,772</u>	<u>215,682</u>
<b>Fund Cash Balances, December 31</b>			
Unassigned	86,347	88,347	174,694
<i>Fund Cash Balances, December 31</i>	<u>\$ 86,347</u>	<u>\$ 88,347</u>	<u>\$ 174,694</u>

*See accompanying notes to the basic financial statement*

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# Clark County Soil and Water Conservation District

Clark County

Notes to the Financial Statement

For the Year Ended December 31, 2019

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## **Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Clark County Soil and Water Conservation District, Clark County, (the District) as a body corporate and politic. A publicly elected five-member District Board of Supervisors directs the District. The District provides local leadership in the conservation of natural resources and stewardship of agricultural lands through education, technical assistance and leadership. The District receives county and state appropriations to provide services that address local and natural resource concerns.

The District's management believes this financial statement presents all activities for which the District is financially accountable.

## **Note 2 – Summary of Significant Accounting Policies**

### ***Basis of Presentation***

The District's financial statement consists of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all funds.

### ***Fund Accounting***

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

***Special Fund*** The special fund is the primary fund used for day to day operations and expenditures including payroll and benefits. The District records all amounts received from the State, local, or federal governments in this fund. The County Auditor also maintains an accounting of this fund.

***District Fund*** The district fund accounts for and reports revenues from district sales and equipment rentals, grants and donations.

### ***Basis of Accounting***

This financial statement follows the accounting basis permitted by the Ohio Department of Agriculture. This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters the Ohio Department of Agriculture requires.

### ***Budgetary Process***

The Ohio Revised Code requires the Special Fund be budgeted annually.

## Clark County Soil and Water Conservation District

Clark County

Notes to the Financial Statement

For the Year Ended December 31, 2019

(Continued)

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**Appropriations** Budgetary expenditures may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Board of Supervisors must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year-end.

**Estimated Resources** Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

A summary of 2019 budgetary activity appears in Note 3.

### ***Deposits and Investments***

The Clark County Treasurer is the custodian for the District's Special Fund's cash and investments. The County's cash and investment pool holds the District's Special Fund's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Clark County Auditor, John Federer, 31 North Limestone Street, PO Box 1325 Springfield, OH 45502, phone 1-937-521-1860.

The District's accounting basis for all other funds includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

### ***Capital Assets***

The District records disbursements for acquisitions of equipment when paid. The accompanying financial statement does not report these items as assets.

### ***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statement does not include a liability for unpaid leave.

### ***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**Clark County Soil and Water Conservation District**

*Clark County*

*Notes to the Financial Statement*

*For the Year Ended December 31, 2019*

*(Continued)*

**Committed** Supervisors can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Supervisors amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Assigned** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Funds other than the special and district funds report all fund balances as *assigned* unless they are restricted or committed. In the special and district funds, *assigned* amounts represent intended uses established by District Supervisors or a District official delegated that authority by resolution, or by State Statute.

**Unassigned** Unassigned fund balance is the residual classification for the special and district funds and includes amounts not included in the other classifications.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**Note 3 – Special Fund Budgetary Activity**

Budgetary activity for the year ending December 31, 2019 follows:

Fund	2019 Budgeted vs. Actual Receipts		Variance
	Budgeted Receipts	Actual Receipts	
Special	\$229,539	\$241,211	\$11,672

Fund	2019 Budgeted vs. Actual Budgetary Basis Expenditures		Variance
	Appropriation Authority	Budgetary Expenditures	
Special	\$331,918	\$269,636	\$62,282

**Note 4 – Deposits and Investments**

The District maintains a deposit account for the District Fund and the Special Fund is maintained by the Clark County Treasurer. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits at December 31 was as follows:

	2019
Demand deposits	\$86,347
County Treasurer Deposits	88,347
Total deposits	<u>\$174,694</u>

**Deposits**

Deposits are insured by the Federal Deposit Insurance Corporation.

**Clark County Soil and Water Conservation District**

*Clark County*

*Notes to the Financial Statement*

*For the Year Ended December 31, 2019*

*(Continued)*

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**Note 5 – Risk Management**

Workers' Compensation coverage is provided by the State of Ohio. The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs, if material.

***Risk Pool Membership***

The District is covered by Clark County's insurance policy. The County is a member of the County Risk Sharing Authority (CORSA). CORSA is a risk sharing pool established by the County Commissioners Association of Ohio (CCAO) to provide property and liability coverage for counties who are members of CCAO. It was incorporated in the State of Ohio in 1987 as a nonprofit corporation. CORSA membership currently consists of 66 counties and 45 multi-county facilities and county affiliated entities.

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine Directors manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at April 30, 2019 and 2018.

	2019	2018
Assets	\$131,543,222	\$123,215,885
Liabilities	(42,482,516)	(28,613,349)
Members' Equity	<u>89,060,706</u>	<u>94,602,536</u>

CORSA provides the following coverage to the County:

- Property
- Equipment Breakdown
- Time Element
- Crime
- General Liability
- Privacy and Security Liability
- Automobile Liability
- Law Enforcement Liability
- Errors and Omissions Liability

***Self-Insurance***

The District's employees obtain health insurance through Clark County. The County is self-insured for employee health care benefits. The program is administered by UMR, a United Health Care Company, in Dayton, Ohio which provides claims review, processing services, and maintains its own provider network. The County has purchased stop-loss coverage of \$200,000 per insured individual to limit the County's liability.

**Clark County Soil and Water Conservation District**  
*Clark County*  
*Notes to the Financial Statement*  
*For the Year Ended December 31, 2019*  
*(Continued)*

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Expected Medical/Pharmacy Claims from 2019 and prior	\$1,597,711
2019 Pharmacy Rebates Receivable	(564,526)
Reinsurance Premium Receivable	(127,579)
Net Plan Liability	<u>\$905,606</u>

**Note 6 – Defined Benefit Pension Plan**

***Ohio Public Employees Retirement System***

All employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the District contributed an amount equaling 14 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2019.

**Note 7 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, and deposits to Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 0 percent during calendar year 2019. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2019.

**Note 8 – Contingent Liabilities**

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Clark County Soil and Water Conservation District  
Clark County  
3130 East Main Street  
Springfield, Ohio 45505

To the Board of Supervisors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements for each fund of the Clark County Soil and Water Conservation District, Clark County, (the District) as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements and have issued our report thereon dated June 30, 2021, wherein we noted the District followed financial reporting provisions the Ohio Department of Agriculture prescribes or permits. We also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### ***Compliance and Other Matters***

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

June 30, 2021



# OHIO AUDITOR OF STATE KEITH FABER



**CLARK COUNTY SOIL AND WATER CONSERVATION DISTRICT**

**CLARK COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 8/17/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)