

Coshocton-Fairfield-Licking-Perry Solid Waste Management District
Licking County
Combined Statement of Receipts, Disbursements
And Changes in Fund Balances (Regulatory Cash Basis)
For the Year Ended December 31, 2019

Operating Cash Receipts	
Disposal Fees	\$2,364,186
Generation Fees	516,887
Reimbursement of unspent contract funds	202,379
Earnings on Investments (Interest)	230,395
Refund from Bureau of Workers Compensation	762
<i>Total Operating Cash Receipts</i>	<u>3,314,609</u>
Operating Cash Disbursements	
Personnel Services	164,259
Office Supplies and Materials	47,008
Recycling	1,687,279
Education and Litter Collection	712,405
Health Department Enforcement	174,689
Litter Law Enforcement	231,259
Market Development	8,444
Payout of Vacation/sick for contract employees	2,418
County Assistance	18,135
Household Hazardous Waste Collection	11,097
Feasibility Study for Improvement of Recycling Processing	21,669
<i>Total Operating Cash Disbursements</i>	<u>3,078,662</u>
<i>Operating Income/(Loss)</i>	<u>235,947</u>
Non-Operating Cash Receipts	
<i>Total Non-Operating Cash Receipts</i>	<u>0</u>
Non-Operating Cash Disbursements	
<i>Total Non-Operating Cash Disbursements</i>	<u>0</u>
<i>Net Receipts Over/(Under) Disbursements</i>	<u>235,947</u>
Cash Balances, January 1	<u>8,535,911</u>
<i>Cash Balances, December 31</i>	<u><u>\$8,771,858</u></u>
Actual Cash Receipts to be carried forward to the Notes	\$3,314,609

Coshocton-Fairfield-Licking-Perry Solid Waste District

AOS Regulatory Basis Footnotes

Revised December 2019

Coshocton-Fairfield-Licking-Perry Solid Waste Management District

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Notes to the Financial Statements

For the Year Ended December 31, 2019

Note 1 – Reporting Entity

The Coshocton-Fairfield-Licking-Perry Solid Waste Management District (the District), Licking County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The three Commissioners of Coshocton, Fairfield, Licking and Perry Counties govern the District. The District provides solid waste 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 responsible.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board of Directors recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

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

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund or function level of control and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. The Licking County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

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

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over only for the purpose of paying approved prior year expenses, and need not be re-appropriated.

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A summary of 2019 budgetary activity appears in Note 3.

Deposits and Investments

As the Ohio Revised Code permits, the Licking County Treasurer holds the District's deposits as the District's custodian. The County holds the District's assets in its investment pool, valued at the Treasurer's reported carrying amount.

Capital Assets

The District records disbursements for acquisitions of property, plant, and 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.

Note 3 – Budgetary Activity

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

2019 Budgeted vs. Actual Receipts		
Budgeted Receipts	Actual Receipts	Variance
\$3,129,911	\$3,314,609	(\$184,698)
\$3,129,911	\$3,314,609	(\$184,698)

2019 Budgeted vs. Actual Budgetary Basis Expenditures		
Appropriation Authority	Budgetary Expenditures	Variance
\$4,095,064	\$3,078,662	\$1,016,402
\$4,095,064	\$3,078,662	\$1,016,402

Note 4 – Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

- Comprehensive property
- Directors and Officers Liability (Board of Directors and Policy Committee)

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- General liability;

The District (through Licking County) also provides health insurance, vision and dental coverage to full time employees through a private carrier.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years as there were no property or casualty claims. There have been no changes in coverage amounts.

The District employees are also covered by a blanket bond maintained by Licking County for errors and omissions. Licking County provides vehicle insurance for one district vehicle.

Note 5 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The two 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, 2019.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2012-2019</i>	<i>10%</i>	<i>14%</i>

Note 6 – 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 a 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 contribution allocated to health care for members in the member directed plan was 4.0 percent during calendar year 2019.

Note 7 –Contractual Commitments

In October of 2019, the Board of Directors awarded contracts to county recycling offices, health departments and sheriff offices for services rendered to the District in 2020. The total amount of funds committed for the next year was \$2,962,867.57.

All equipment purchased by contractors with District contract funds becomes the property of the contractor so long as it continues to be used for the original purpose of recycling, composting, or enforcement as

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For the Year Ended December 31, 2019

approved in the contract agreement. Upon termination of the use of the equipment for contract activity, the contractor must notify the District in writing of intent to dispose of equipment, estimate fair market value of the equipment, and gain approval by the Board of Directors prior to taking action. If equipment holding a positive fair market value is disposed via sale, the contractor must reimburse the District the amount received in the sale.

Note 8 – Jointly Governed Organizations

The District is a regional government that is governed by the three commissioners from each of the governments that create the organization - Coshocton, Fairfield, Licking and Perry Counties. These representatives comprise the Board of Directors.

Note 9 – Related Party Transactions

The Board of Directors approves contracts with member counties, governmental agencies located within the counties they represent, and in the case of local recycling offices, agencies which report directly to them.