



**CARROLL-COLUMBIANA-HARRISON JOINT SOLID
WASTE MANAGEMENT DISTRICT**

CARROLL COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001 - 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CARROLL-COLUMBIANA-HARRISON JOINT SOLID WASTE MANAGEMENT DISTRICT
CARROLL COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Carroll-Columbiana-Harrison Joint Solid Waste Management District
Carroll County
1072 Kensington Road
Carrollton, Ohio 44615

To the Board of Directors:

We have audited the accompanying financial statements of Carroll-Columbiana-Harrison Joint Solid Waste Management District, Carroll County, (the District), as of and for the years ended December 31, 2001 and 2000. 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 auditing standards generally accepted in the United States of America 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 cash balances and reserves for encumbrances of the District as of December 31, 2001 and 2000, 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 February 8, 2002 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of 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

February 8, 2002

**CARROLL-COLUMBIANA-HARRISON JOINT SOLID
WASTE MANAGEMENT DISTRICT
CARROLL COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2001**

	General
Cash Receipts:	
Intergovernmental	\$18,480
Charges for services	278,951
Miscellaneous	16,202
 Total cash receipts	 313,633
Cash Disbursements:	
Current:	
Salaries	90,282
Supplies and Materials	277
Contracts - Services	210,284
Public Employee's Retirement	11,045
Worker's Compensation	1,699
Unemployment Compensation	
Grants	29,920
Advertising and Printing	12,588
Travel and Expenses	793
Medicare	1,308
Other Expenses	8,180
 Total Disbursements	 366,376
 Total Receipts (Under) Disbursements	 (52,743)
 Fund Cash Balances, January 1	 202,700
 Fund Cash Balances, December 31	 \$149,957
 Reserve for Encumbrances, December 31	 \$7,169

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

**CARROLL-COLUMBIANA-HARRISON JOINT SOLID
WASTE MANAGEMENT DISTRICT
CARROLL COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

	General
Cash Receipts:	
Intergovernmental	\$16,980
Charges for services	290,989
Miscellaneous	4,436
 Total cash receipts	 312,405
Cash Disbursements:	
Current:	
Salaries	89,669
Supplies and Materials	199
Equipment	3,138
Contracts - Services	123,398
Public Employee's Retirement	11,015
Worker's Compensation	308
Grants	28,967
Advertising and Printing	9,900
Travel and Expenses	686
Medicare	1,300
Other Expenses	13,380
 Total Disbursements	 281,960
 Total Receipts Over Disbursements	 30,445
 Fund Cash Balances, January 1	 172,255
 Fund Cash Balances, December 31	 \$202,700
 Reserve for Encumbrances, December 31	 \$124,986

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

**CARROLL-COLUMBIANA-HARRISON JOINT SOLID WASTE MANAGEMENT DISTRICT
CARROLL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Carroll-Columbiana-Harrison Joint Solid Waste Management District, Carroll County, (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 nine member Board of Directors comprised of the three County Commissioners of Carroll, Columbiana, and Harrison 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 the Ohio Revised Code, the District's cash is held and invested by the Carroll County Treasurer, who acts as custodian for the District's 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.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts.

D. 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:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

E. Budgetary Process

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

**CARROLL-COLUMBIANA-HARRISON JOINT SOLID WASTE MANAGEMENT DISTRICT
CARROLL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. Appropriation Authority includes current year appropriations plus encumbrances carried over from the prior year (if any). The Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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.

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 2001 and 2000 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. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's basis of accounting.

2. EQUITY IN POOLED CASH AND INVESTMENTS

Deposits: At year-end, the total carrying amount of the District's deposits were \$149,957 in 2001, and \$202,700 in 2000. This amount was held by Carroll County (fiscal agent) on behalf of the District in depository accounts, and was covered by federal depository insurance, by collateral held by Carroll County, or by collateral held by a qualified third party trustee in the name of the County.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2001 and 2000 follows:

**CARROLL-COLUMBIANA-HARRISON JOINT SOLID WASTE MANAGEMENT DISTRICT
CARROLL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2001 Budgeted vs. Actual Receipts			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	<u>\$295,880</u>	<u>\$313,633</u>	<u>\$17,753</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	<u>\$528,179</u>	<u>\$373,545</u>	<u>\$154,634</u>

2000 Budgeted vs. Actual Receipts			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	<u>\$292,980</u>	<u>\$312,405</u>	<u>\$19,425</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	<u>\$456,990</u>	<u>\$406,946</u>	<u>\$50,044</u>

4. RETIREMENT SYSTEM

The District's full-time 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 postretirement 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 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries through June 30, 2000. PERS temporarily reduced employer contribution rates to 8.13% effective July 1, 2000. The District has paid all contributions required through December 31, 2001.

5. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

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

The employees of the District are also provided health insurance, and dental and vision coverage is also available to full-time employees through a private carrier, provided through Carroll County.

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

Carroll-Columbiana-Harrison Joint Solid Waste Management District
Carroll County
1072 Kensington Road
Carrollton, Ohio 44615

To the Board of Directors:

We have audited the accompanying financial statements of Carroll-Columbiana-Harrison Joint Solid Waste Management District (the District) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated February 8, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 the 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*.

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 other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated February 8, 2002.

This report is intended solely for the information and use of management and 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

February 8, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

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CARROLL-COLUMBIANA-HARRISON JOINT SOLID WASTE MANAGEMENT DISTRICT

CARROLL 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
MARCH 26, 2002**