

<b>Hamilton County Soil and Water Conservation District</b>			
<i>Hamilton County, Ohio</i>			
<i>Combined Statement of Receipts, Disbursements</i>			
<i>and Changes in Fund Balances (Regulatory Cash Basis)</i>			
<i>For the Year Ended December 31, 2019</i>			
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<b>To be submitted.</b>			Totals
	District	Special	(Memorandum
	Fund	Fund	Only)
<b>Cash Receipts</b>			
Taxes	\$0	\$0	\$0
Grants	0	0	\$0
Local Government	0	690,827	\$690,827
State Government	0	201,240	\$201,240
Federal Government	0	30,965	\$30,965
Gifts and Contributions	0	30,662	\$30,662
Sale of Products/Materials	3,200	12,275	\$15,475
Rentals	0	0	\$0
Farm Harvest Income	0	0	\$0
All Other Revenue	9,228	4,207	\$13,435
<i>Total Cash Receipts</i>	12,428	970,176	982,604
<b>Cash Disbursements</b>			
Salaries	0	529,270	529,270
Supplies	286	9,823	10,109
Equipment	0	6,225	6,225
Contract Repairs	0	9,258	9,258
Contract Services/Cost Share Payment	0	21,356	21,356
Rentals	0	56,397	56,397
Service Fees	105	376	481
Information and Education	3,873	10,926	14,799
Travel and Expenses	0	15,338	15,338
Advertising and Printing	3,662	49,907	53,569
OPERS	0	73,917	73,917
Worker's Compensation	0	0	0
Unemployment Compensation	0	0	0
Hospitalization	0	121,461	121,461
Medicare	0	7,429	7,429
Product/Materials for Resale	0	0	0
Reimbursement - State Refunds	0	0	0
Vehicle Rental/Liability Insurance	0	739	739
Annual Meeting/Banquet	2,507	0	2,507
Other	225	57,052	57,277
<i>Total Cash Disbursements</i>	10,658	969,474	980,132
<i>Excess of Receipts Over (Under) Disbursements</i>	1,770	702	2,472

<b>Other Financing Receipts (Disbursements)</b>			
Transfers In	0	0	0
Transfers Out	0	0	0
Advances In	0	0	0
Advances Out	0	0	0
Other Financing Sources	0	0	0
Other Financing Uses	0	0	0
<i>Total Other Financing Receipts (Disbursements)</i>	0	0	0
<i>Net Change in Fund Cash Balances</i>	1,770	702	2,472
<i>Fund Cash Balances, January 1</i>	57035	790611	847,646
<b>Fund Cash Balances, December 31</b>			
Nonspendable	0	0	0
Restricted	0	160,093	160,093
Committed	2,726	0	2,726
Assigned	0	616,820	616,820
Unassigned (Deficit)	56,079	14,400	70,479
<i>Fund Cash Balances, December 31</i>	<b>\$58,805</b>	<b>\$791,313</b>	<b>\$850,118</b>
<i>See accompanying notes to the basic financial statements</i>			

# Hamilton County Soil and Water Conservation District

## *Hamilton County*

### *Notes to the Financial Statements*

*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 Hamilton County Soil and Water Conservation District, Hamilton 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 urban and agricultural lands through education, technical assistance and leadership. The District receives local and state appropriations to provide services and address local resource concerns.

#### ***Joint Ventures, Jointly Governed Organizations, Public Entity Risk Pools and Related Organizations***

The District participates in a jointly governed Regional Storm Water Collaboration, Save Local Waters. Note 9 to the financial statements provide additional information for this entity.

The District's management believes these financial statements present all activities for which the District is financially accountable.

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

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

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (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***

These financial statements follow 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.

These statements include adequate disclosure of material matters the Ohio Department of Agriculture requires.

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Hamilton County

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For the Year Ended December 31, 2019

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## ***Budgetary Process***

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

***Appropriations*** Budgetary expenditures may not exceed appropriations at the fund, function or object level of control. The levels of funding and expenditures are personnel expenses, operating expenses and capital outlay, 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 Hamilton County Treasurer is the custodian for the District's Special Fund's cash and investments. The County's cash and investment 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 Hamilton County, Robert A. Goering, 513-946-4820, located at 138 E. Court Street, Room 402, Cincinnati, OH 45202.

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 property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets. Office equipment and vehicles are owned by Hamilton County.

## ***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do 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.

***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

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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. In other funds, the unassigned classification is used only to report a deficit balance.

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 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund	Budgeted Receipts	Actual Receipts	Variance
Special	\$971,579	\$970,176	(\$1,403)

  

Fund	Appropriation Authority	Budgetary Expenditures	Variance
Special	\$1,202,525	\$969,474	\$233,051

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*Notes to the Financial Statements  
For the Year Ended December 31, 2019*

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**Note 4 – Deposits and Investments**

The District maintains a deposits and investments pool all funds use, except the Special Fund which is maintained by the Hamilton County Treasurer. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2019
Demand deposits	\$8,303
Certificates of deposit	20,886
Other time deposits (savings and NOW accounts)	29,543
Credit Card Rewards	73
County Treasurer Deposits	791,313
Total deposits	<u>850,118</u>

**Deposits**

Deposits are insured by the Federal Deposit Insurance Corporation.

At December 31, 2019, \$791,313 of deposits were not insured or collateralized by securities held in the County's name contrary to Ohio law.

**Note 5 - Risk Management**

Beginning in 1990, the County established an internal service fund titled Workers' Compensation Reserve to account for and finance its workers' compensation claims risk. All departments of the County participate in the program and make per capita payments to the internal service fund. The claims liability reported in the workers' compensation internal service funds at December 31, 2019, is based on the requirements of Governmental Accounting Standards Board Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The County uses a prospectively billed program provided under the Bureau of Ohio Workers' Compensation to cover injured workers' claims.

The County's historical changes in claims payable during the past two years are as follows (amounts in thousands):

Year	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2017	\$860	\$1,092	\$(598)	\$1,354
2018	1,354	23	\$(760)	617

At the time of preparing the notes, the 2019 information was not yet available. The 2018 information was used.

**Commercial Insurance**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;

The District is self-insured for the following risks:

- Vehicles; and
- Errors and omissions.

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*For the Year Ended December 31, 2019*

County employees are protected for their actions as long as they do not act in a “willful, wanton, or reckless manner or with malicious intent. The Prosecutor will defend the employee and the BOCC is responsible for any decisions against the County as a result of their actions. Because there is not insurance policy, we are technically not “covered,” but we are protected.

**Self-Insurance**

The County provides employees’ health-care coverage through a self-insurance program. The County maintains a self-insurance internal service fund to account for the finance of its uninsured risks of loss in this program. Anthem reviews all claims for Anthem plans, which are then paid by the County. Separately, the County purchases stop loss Coverage from SunLife of \$500,000 per employee and aggregate limit of 120% of expected claims and a \$5,000,000 lifetime (per member) maximum.

The County pays into the self-insurance internal service fund based on one of three plan options, according to the grid below (amounts not rounded). In 2019, the County collected the monthly District’s employer cost in February. The premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

<b>Medical Insurance</b>	<b>Coverage Level</b>	<b>Monthly Plan Value</b>	<b>Monthly Employer Cost</b>	<b>Monthly Employee Contribution</b>	<b>Biweekly Employee Contribution</b>
Blue \$3000	Single	\$541.41	\$493.80	\$47.61	\$21.97
	Double	\$1,082.40	\$1,005.61	\$76.79	\$35.44
	Family	\$1,700.26	\$1,590.17	\$110.09	\$50.81
Green \$1500	Single	\$601.57	\$531.22	\$70.35	\$32.47
	Double	\$1,202.66	\$1,072.89	\$129.77	\$59.89
	Family	\$1,889.17	\$1,691.53	\$197.64	\$91.22
Orange \$500	Single	\$706.91	\$459.49	\$247.42	\$114.19
	Double	\$1,413.26	\$,918.62	\$494.64	\$228.30
	Family	\$2,219.99	\$1,442.99	\$777.00	\$358.62

A portion of the claims liability (\$4,534,000) reported in the Medical Self-Insurance Fund at December 31, 2018 (latest information available), is estimated by the external actuarial and is based on the requirements of GASB 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

The County’s historical changes in claims payable during the past two years are as follows (amounts in thousands):

<u>Year</u>	<u>Beginning Balance</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2017	\$4,585	\$42,217	\$(42,466)	\$4,336
2018	4,336	50,151	(48,024)	6.463

At the time of preparing the notes, the 2019 information was not yet available. The 2018 information was used.

**Self-Insurance Footnote Comments:**

The County is Self-Insured for liability, ORC section 2744.08 refers. This applies to all County departments and agencies. Any claims or judgements are paid from the General Fund.

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*Notes to the Financial Statements*

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**Note 6 – Defined Benefit Pension Plans**

***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.

<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>



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### **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 2019.

### **Note 8 – Construction and Contractual Commitments**

The District Received an OEEF grant during the year of 2018. The contract for the project is to install a flap gate in one of Hamilton County's communities. All of the balance of \$40,726 is encumbered/committed for the project. The balance \$40,726 of the funds will be used to complete the project with an anticipated date in 2020 or sooner.

### **Note 9 – Joint Ventures**

Save Local Water is a Regional Storm Water Collaborative of MS4 jurisdictions in Southwest Ohio and Northern Kentucky joined together to fulfill the education and community involvement component of the USEPA NPDES Phase II program. Each jurisdiction pays in .025/capita for mass media marketing and programs. General disbursements are for general supplies and program costs. Revenues are membership fees.