

Athens County Soil and Water
Conservation District

Athens County, Ohio

Basic Financial Report

For the Fiscal Year Ended December 31, 2022

ATHENS COUNTY SOIL AND WATER CONSERVATION DISTRICT
Combined Statement of Receipts, Disbursements, and
Changes in Fund Balances (Cash Basis)
For the Year Ended December 31, 2022

| | Governmental Fund Types | | Totals |
|---|-------------------------|------------------|------------------|
| | District Fund | Special Fund | |
| <u>Cash Receipts:</u> | | | |
| Grants | | | |
| Local Government | \$0 | \$137,911 | \$137,911 |
| State Government | 0 | 164,391 | 164,391 |
| Federal Government | 0 | 0 | 0 |
| Gifts and Contributions | 0 | 0 | 0 |
| Sale of Products/Materials | 0 | 0 | 0 |
| Rentals | 0 | 0 | 0 |
| All Other Revenue | 0 | 30,000 | 30,000 |
| Total Cash Receipts | 0 | 332,302 | 332,302 |
| <u>Cash Disbursements:</u> | | | |
| Salaries | 0 | 160,990 | 160,990 |
| Supplies | 0 | 928 | 928 |
| Equipment | 0 | 2,590 | 2,590 |
| Contract Services | 0 | 13,965 | 13,965 |
| Service Fees | 0 | 10,888 | 10,888 |
| Information and Education | 0 | 1,331 | 1,331 |
| Travel and Expenses | 0 | 3,553 | 3,553 |
| Advertising and Printing | 0 | 674 | 674 |
| OPERS | 0 | 21,540 | 21,540 |
| Worker's Compensation | 0 | 1,671 | 1,671 |
| Hospitalization | 0 | 24,782 | 24,782 |
| Medicare | 0 | 2,252 | 2,252 |
| Dental, Vision, Life | 0 | 1,480 | 1,480 |
| Product/Materials for Resale | 0 | 0 | 0 |
| Annual Meeting/Banquet | 0 | 0 | 0 |
| Other | 0 | 504 | 504 |
| Total Cash Disbursements | 0 | 247,148 | 247,148 |
| Total Cash Receipts Over (Under) Disbursements | 0 | 85,154 | 85,154 |
| Fund Cash Balances - January 1 | 0 | 353,155 | 353,155 |
| Fund Cash Balances - December 31 | \$0 | \$438,309 | \$438,309 |

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

ATHENS COUNTY SOIL AND WATER CONSERVATION DISTRICT

***Notes to the Financial Statements
For the Year Ended December 31, 2022***

Note 1 – Reporting Entity

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Athens Soil and Water Conservation District, Athens 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. The District contracts with the City of Athens to address land use issues, Athens County Auditor’s office for CAUV site reviews, and ODNR Division of Wildlife to provide wildlife management/education services.

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.

Basis of Accounting

These financial statements follow the basis of accounting 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 adequately disclose material matters the financial reporting provisions of the Ohio Department of Agriculture.

Fund Accounting

The District uses fund accounting to segregate cash amounts that are restricted as to use. The District classifies its funds into the following types:

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.

ATHENS COUNTY SOIL AND WATER CONSERVATION DISTRICT

***Notes to the Financial Statements
For the Year Ended December 31, 2022***

Note 2 – Summary of Significant Accounting Policies - (continued)

Budgetary Process

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

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 unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

A summary of 2022 budgetary activity appears in Note 3.

Deposits and Investments

The Athens 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 Ric Wasserman, Athens County Treasurer, 15 South Court Street, Athens, Ohio 45701, 740-592-3231, rwasserman@athensoh.org.

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.

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 Balances

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.

ATHENS COUNTY SOIL AND WATER CONSERVATION DISTRICT

**Notes to the Financial Statements
For the Year Ended December 31, 2022**

Note 2 – Summary of Significant Accounting Policies - (continued)

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 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*. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the General Fund, 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 – Budgetary Activity

The District’s budgetary activity for the years ending December 31, 2022, was as follows:

| 2022 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type | Receipts | | |
| | Budgeted Receipts | Actual Receipts | Variance |
| Special Fund | \$329,019 | \$332,302 | \$3,283 |

| 2022 Budgeted vs. Actual Budgetary Basis Disbursements | | | |
|--|----------------------------|----------------------------|-----------|
| Fund Type | Appropriation Authority | Budgetary Disbursements | Variance |
| Special Fund | \$450,256 | \$247,148 | \$203,108 |

ATHENS COUNTY SOIL AND WATER CONSERVATION DISTRICT

**Notes to the Financial Statements
For the Year Ended December 31, 2022**

Note 4– Deposits and Investments

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

| | |
|--------------------------------|-------------------------|
| | <u>2022</u> |
| Demand deposits | \$0 |
| County Treasurer Deposits | 438,309 |
| Total deposits | <u>438,309</u> |
| U.S. Treasury Notes | 0 |
| STAR Ohio | 0 |
| Total investments | <u>0</u> |
| Total deposits and investments | <u><u>\$438,309</u></u> |

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

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.

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

Note 6- Retirement Systems

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

The Ohio Revised Code also prescribes contribution rates. For 2022, OPERS members contributed 10 percent of their gross salaries and the District contributed an amount equaling 14 percent, respectively, of participants' gross salaries. The District has paid all contributions required through December 31, 2022.

ATHENS COUNTY SOIL AND WATER CONSERVATION DISTRICT

***Notes to the Financial Statements
For the Year Ended December 31, 2022***

Note 7 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefits postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualified benefit recipients of both the traditional pension and the combined plans. 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 2022. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2022.

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.

Note 9 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During 2022, the District received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the District. The impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.