



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

District 2 Joint Fire Department
Gallia County
P.O. Box 208
Gallipolis, Ohio 45631

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the District 2 Joint Fire Department, Gallia County, (the District), for the years ended December 31, 2023 and 2022.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2023 and 2022.

The District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observation

The annual financial report filed in the Hinkle System for 2022 did not calculate correctly. The receipts agreed to underlying ledgers except for the ODNR grant being overstated \$1,344 and Miscellaneous Revenue being understated \$11,089. However, the total receipts were reported at \$131,506 which did agree to underlying ledgers despite the receipts recalculating to \$121,761 due to the errors in individual line items. Additionally, disbursements for 2022 were reported as \$117,733 but per underlying ledgers total expenditures were \$154,800, an understatement of \$37,067. The beginning balance did not agree to the prior working papers and was overstated by \$5,674. The reported ending balance was the correct reconciled balance though the statement did not recalculate correctly due to errors noted above.

The annual financial report filed in the Hinkle System for 2023 did not include the checks outstanding at December 31, 2023 of \$692 as expenditures but did include the prior year outstanding checks of \$6,157 as expenditures resulting in expenditures being understated by \$5,465. The beginning fund was not included and was simply a calculation of receipts over expenditures which resulted in the beginning balance being understated \$59,008. The ending balance did not recalculate correctly but was reported as \$78,308 when the reconciled book balance was \$77,616 so the balance was overstated by the December 31, 2023 outstanding check amount of \$692.

Current Year Observation (Continued)

Lack or failure of controls over the posting of financial transactions and financial reporting can result in errors and irregularities that may go undetected and decrease the reliability of financial data throughout the year. Inaccurate fund balances could result in deficit spending.

The Fiscal Officer should ensure all transactions are posted in the District Annual Financial Report. The current year expenditures should be disbursements made during the year regardless of when they clear the bank. The statements should calculate correctly and beginning and ending balances should agree to the reconciled cashbook balance.

Current Status of Matters Reported in our Prior Engagement

1. The District did not file its 2020 annual financial report timely contrary to Ohio Rev. Code § 117.38. This matter was corrected for the 2022-2023 audit.
2. The District did not post a receipt timely. This matter was corrected for the 2022-2023 audit.
3. The District did not include outstanding checks at December 31, 2021 as expenditures in the 2021 Hinkle filing resulting in expenditures being understated and the December 31, 2021 fund balance being overstated by \$1,125. This matter was included in our current year observation above.



Keith Faber
Auditor of State
Columbus, Ohio

April 10, 2024

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DISTRICT 2 JOINT FIRE DEPARTMENT

GALLIA 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 4/23/2024

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This report is a matter of public record and is available online at
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