



**BASIL JOINT FIRE DISTRICT
FAIRFIELD COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**BASIL JOINT FIRE DISTRICT
FAIRFIELD COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Trustees
Basil Joint Fire District
Fairfield County
410 Washington Street
Baltimore, Ohio 43105

We have audited the accompanying financial statement of Basil Joint Fire District, Fairfield County, Ohio, (the District) as of and for the years ended December 31, 2000 and December 31, 1999. This financial statement is the responsibility of the District's management. Our responsibility is to express an opinion on this financial statement based on our audits.

We conducted our audits in accordance with generally accepted auditing standards 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 audits 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 audits provide a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statement 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 statement referred to above present fairly, in all material respects, the cash balances and reserve for encumbrances of the Basil Joint Fire District, Fairfield County, Ohio, as of December 31, 2000 and December 31, 1999, 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 May 24, 2001 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 the audit committee, management, the Board of Trustees, and other officials authorized to receive this report under Section 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

May 24, 2001

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**BASIL JOINT FIRE DISTRICT
FAIRFIELD COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

| | 2000 | 1999 |
|---|------------------|------------------|
| Cash Receipts: | | |
| Local Taxes | \$413,119 | \$411,891 |
| Intergovernmental | 50,505 | 48,912 |
| Earnings on Investments | 10,979 | 15,334 |
| Miscellaneous | 22,281 | 6,047 |
| Total Cash Receipts | 496,884 | 482,184 |
| Cash Disbursements: | | |
| Current: | | |
| Security of Persons and Property | 376,011 | 317,000 |
| Capital Outlay | 231,763 | 134,294 |
| Total Cash Disbursements | 607,774 | 451,294 |
| Total Cash Receipts Over/(Under) Cash Disbursements | (110,890) | 30,890 |
| Cash Balances, January 1 | 437,086 | 406,196 |
| Cash Balances, December 31 | \$326,196 | \$437,086 |
| Reserve for Encumbrances, December 31 | \$13,775 | \$194,899 |

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

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**BASIL JOINT FIRE DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Basil Joint Fire District, Fairfield County, Ohio, (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 an appointed five-member Board of Trustees. One Board member is appointed by each of the two political subdivisions within the District. The third position is open to a member of any area community. The fourth and fifth positions are each made up of residents from Liberty Township and the Village of Baltimore. The District provides fire protection and rescue services within the District and by contract to areas outside the District.

The District's management believes this financial statement presents all activities for which the District is financially accountable.

B. Basis of Accounting

This financial statement follows 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).

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Budgetary Process

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

1. Appropriations

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

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 re-appropriated.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

**BASIL JOINT FIRE DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. 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.

2. CASH

The Ohio Revised Code prescribes allowable deposits. The cash balances at December 31, were as follows:

| | <u>2000</u> | <u>1999</u> |
|-------------------------|-----------------------|-----------------------|
| Demand deposits | \$ 111,908 | \$ 218,206 |
| Certificates of deposit | <u>214,288</u> | <u>218,880</u> |
| Total deposits | <u><u>326,196</u></u> | <u><u>437,086</u></u> |

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and December 31, 1999 follows:

2000 Budgeted vs. Actual Receipts

| <u>Budgeted Receipts</u> | <u>Actual Receipts</u> | <u>Variance</u> |
|------------------------------|----------------------------|------------------|
| <u>\$ 469,227</u> | <u>\$ 496,884</u> | <u>\$ 27,657</u> |

2000 Budgeted vs. Actual Budgetary Basis Expenditures

| <u>Appropriation Authority</u> | <u>Budgetary Expenditures</u> | <u>Variance</u> |
|------------------------------------|-----------------------------------|------------------|
| <u>\$ 480,300</u> | <u>\$ 426,650</u> | <u>\$ 53,650</u> |

1999 Budgeted vs. Actual Receipts

| <u>Budgeted Receipts</u> | <u>Actual Receipts</u> | <u>Variance</u> |
|------------------------------|----------------------------|------------------|
| <u>\$ 427,243</u> | <u>\$ 482,184</u> | <u>\$ 54,941</u> |

**BASIL JOINT FIRE DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

| <u>1999 Budgeted vs. Actual Budgetary Basis Expenditures</u> | | |
|--|-----------------------------------|-----------------|
| <u>Appropriation Authority</u> | <u>Budgetary Expenditures</u> | <u>Variance</u> |
| \$ 688,018 | \$ 639,729 | \$ 48,289 |

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

5. RETIREMENT SYSTEMS

The Clerk belongs to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. These plans provide retirement benefits, including post retirement 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 2000 and 1999, the PERS member contributed 8.5% of their gross salaries. The District contributed an amount equal to 10.84% of the participants' gross salary in 2000 and 13.55% of the participants' gross salary in 2000. The District has paid all contributions required through December 31, 2000.

Part time firefighters contributed to the Federal Social Security System. The firemen contributed 6.2% of their gross wages to the System and the Township matches that contribution. The District has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

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

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

Board of Trustees
Basil Joint Fire District
Fairfield County
410 Washington Street
Baltimore, Ohio 43105

We have audited the accompanying financial statement of Basil Joint Fire District, Fairfield County, Ohio (the District), as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated May 24, 2001. We conducted our audits in accordance with generally accepted auditing standards 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 statement is 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits 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*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated May 24, 2001.

Internal Control Over Financial Reporting

In planning and performing our audits, 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.

Basil Joint Fire District
Fairfield County
Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management, the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

JIM PETRO
Auditor of State

May 24, 2001



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BASIL JOINT FIRE DISTRICT

FAIRFIELD 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
JULY 3, 2001**