

**C.B.S. JOINT FIRE DISTRICT  
RICHLAND COUNTY**

**REPORT ON EXAMINATION OF FINANCIAL  
STATEMENTS FOR THE TWO YEARS ENDED  
DECEMBER 31, 2000 AND 2001**

*J. E. Slaybaugh & Associates, Inc.*  
*Certified Public Accountant*  
*12 East Main Street*  
*Lexington, Ohio 44904*





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  

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**JIM PETRO, AUDITOR OF STATE**

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215

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Board of Trustees  
C.B.S. Joint Fire District  
Richland County

We have reviewed the Independent Auditor's Report of the C.B.S. Joint Fire District, Richland County, prepared by J. E. Slaybaugh & Associates, Inc., for the audit period January 1, 2000 to December 31, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The C.B.S. Joint Fire District is responsible for compliance with these laws and regulations.

**JIM PETRO**  
Auditor of State

May 1, 2002

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C. B. & S. JOINT FIRE DISTRICT  
RICHLAND COUNTY

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C. B. & S. JOINT FIRE DISTRICT  
RICHLAND COUNTY

APPOINTED OFFICIALS  
AS OF DECEMBER 31, 2001

<b>NAME/TITLE</b>	<b>REPRESENTING</b>	<b>TERM OF OFFICE</b>
<b>Chairman</b> Thomas Kranz	Cass Township	1/1/01-12/31/01

**Trustees:**

Jayne Boock	Shiloh Village	1/1/01-12/31/01
Kenneth Beck	Bloomington Township	1/1/01-12/31/01

**Statutory Legal Counsel**

Richland County Prosecuting Attorney  
James J Mayer  
38 South Park St  
Mansfield, Ohio 44902

C. B. & S. JOINT FIRE DISTRICT  
RICHLAND COUNTY

ADMINISTRATIVE PERSONNEL  
AS OF DECEMBER 31, 2001

<b>NAME/TITLE</b>	<b>TERM OF OFFICE</b>	<b>SURETY</b>	<b>AMOUNT</b>	<b>PERIOD</b>
<b>Fire Chief</b> David Seaman				
<b>Clerk</b>  Doris Beck 5384 Rome South Rd Shiloh, Ohio 44878	Continuous	(A)	\$10,000	1/1/00-1/1/04

(A) Ohio Governmnet Risk Management Plan

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*J. E. Slaybaugh & Associates, Inc.*

*12 East Main Street  
Lexington, Ohio 44904*

*Member AICPA  
Member OSCPA*

*John E. Slaybaugh III  
Certified Public Accountant*

INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
C.B. & S. Joint Fire District  
Richland County

We have audited the accompanying financial statements of the C.B. & S. Joint Fire District, Richland County, as of and for the years ended December 31, 2000 and 2001. These financial statements are the responsibility of the C.B. & S. Joint Fire District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

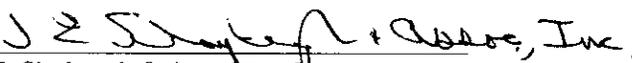
We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan 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 C.B. & S. Joint Fire 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 fund cash balance of the C.B. & S. Joint Fire District, Richland County as of December 31, 2000 and 2001, 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 a report dated March 21, 2002, on our consideration of C.B. & S. Joint Fire District's internal control over financial reporting and our tests of 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 audits.

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

  
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J.E. Slaybaugh & Associates, Inc.  
March 21, 2002

C. B. & S. JOINT FIRE DISTRICT  
 RICHLAND COUNTY  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
 IN FUND BALANCE- SPECIAL REVENUE FUNDS  
 FOR THE YEARS ENDED DECEMBER 31, 2000 & 2001

	<u>Special Revenue</u>	
	<u>12/31/00</u>	<u>12/31/01</u>
<u>REVENUE RECEIPTS:</u>		
Property Taxes	\$ 76,750	\$ 78,511
Intergovernmental	18,830	11,726
Interest	530	504
Charges for Services	<u>7,789</u>	<u>8,092</u>
 TOTAL REVENUE RECEIPTS	 103,899	 98,833
<u>EXPENDITURE DISBURSEMENTS:</u>		
Salaries & Benefits	15,204	20,167
Taxes	358	503
Insurance	10,900	11,271
Utilities	5,090	7,055
Maintenance	35,303	38,334
Auditor's & Treasury Fees	3,292	2,213
Miscellaneous	13,922	11,284
Debt-Note Principal	<u>8,592</u>	<u>          </u>
 TOTAL EXPENDITURE DISBURSEMENTS	 <u>92,661</u>	 <u>90,827</u>
 Total Revenue Receipts Over(Under)		
Expenditure Disbursements	<u>11,238</u>	<u>8,006</u>
 Fund Cash Balance, January 1,	 <u>20,671</u>	 <u>31,909</u>
Fund Cash Balance, December 31,	<u>\$ 31,909</u>	<u>\$ 39,915</u>

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

C. B. & S. JOINT FIRE DISTRICT  
RICHLAND COUNTY

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2000 AND 2001

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. DESCRIPTION OF ENTITY**

The C. B. & S. Joint Fire District is a body politic and incorporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The C. B. & S. Joint Fire District operates under a Trustee form of government. The C. B. & S. Joint Fire District provide emergency services to Cass Township, Shiloh Village, and Bloominggrove Township.

Management believes the financial statements included in this report represent all of the funds over which the C. B. & S. Joint Fire District has direct operating control.

**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. Consequently, revenues are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Ohio law requires the C. B. & S. Joint Fire District to maintain the encumbrance method of accounting and to make appropriations. These statements make adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. FUND ACCOUNTING**

The C. B. & S. Joint Fire District maintains its accounting records in accordance with the principles of "Fund accounting". Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements.

The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds.

The Fire District classifies its funds into the following types:

**GOVERNMENTAL FUNDS**

**Special Revenue Funds**

To account for proceeds of specific revenue sources (other than expendable trusts, or major capital projects), that are legally restricted to disbursements for specified purposes.

**D. BUDGETARY PROCESS**

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

**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 C. B. & S. Joint Fire District 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.

**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.

**Budgetary Activity**

Budgetary activity for the years ending December 31 was as follows:

2000 Budgeted vs Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
Special Revenue	\$ 86,000	\$ 103,899	\$ 17,899

2000 Budgeted vs Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriations</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
Special Revenue	\$ 106,200	\$ 92,661	\$ 13,539

2001 Budgeted vs Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
Special Revenue	\$ 82,000	\$ 98,833	\$ 16,833

2001 Budgeted vs Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriations</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
Special Revenue	\$113,529	\$ 90,827	\$ 22,702

**E. PROPERTY AND EQUIPMENT**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**F. UNPAID VACATION AND SICK LEAVE**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Fire District.

**G. EQUITY IN POOLED CASH**

The Fire District maintains a cash pool. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31, was as follows:

	<u>2001</u>	<u>2000</u>
Demand Deposits	\$ 39,915	\$ 31,909

**H. PROPERTY TAX**

Real Property taxes become a lien on January 1 preceding October 1 date for which rates are adopted by the 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 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 is due the following June.

**I. EMPLOYEE RETIREMENT SYSTEM**

The employees of the C. B. & S. Joint Fire District were covered by the Public Employees Retirement System of Ohio.

The State of Ohio accounts for the activities of the retirement system, and the amount of that fund is not reflected in the accompanying financial statements. As of December 31, 2000 and 2001, the employees contributed 8.5 percent of their gross wages. The C. B. & S. Joint Fire District matched this with a contribution equal to 13.55 percent of the employees' gross wages. The fire chief is covered by the Police and Firemen's Disability Pension Fund, also accounted for by the State

**J. INSURANCE**

The C. B. & S. Joint Fire District is a member of the Ohio Government Risk Management Plan, which provides members insurance coverage at group rates. The following risks are covered by the policy:

- Property and general liability
- Public Officials Liability
- Vehicles and Inland Marine.

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*J. E. Slaybaugh & Associates, Inc.*

*12 East Main Street  
Lexington, Ohio 44904*

*Member AICPA  
Member OSCPA*

*John E. Slaybaugh III  
Certified Public Accountant*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees  
C. B. & S. Joint Fire District  
Richland County

We have audited the financial statements of C.B. & S. Joint Fire District, Richland County, as of and for the year ended December 31, 2000, and 2001, and have issued our report thereon dated March 21, 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.

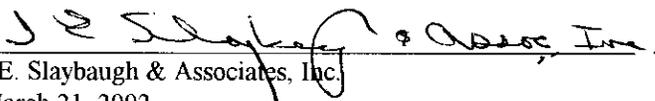
Compliance

As part of obtaining reasonable assurance about whether C.B. & S. Joint Fire 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 C.B. & S. Joint Fire 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.

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

  
J.E. Slaybaugh & Associates, Inc.  
March 21, 2002





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**C.B.S. JOINT FIRE DISTRICT**

**RICHLAND 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  
MAY 9, 2002**