



Dave Yost • Auditor of State



Dave Yost • Auditor of State

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

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the District 2 Joint Fire District, Gallia County, Ohio (the District), for the years ended December 31, 2013 and 2012.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 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, 2013 or 2012.

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

Based on the results of our procedures, we note the following compliance issues:

Current Year Observations

1. We noted that General Fund actual expenditures of \$68,896 exceeded final appropriations of \$44,190 by \$24,706 for the year ended December 31, 2013. We further note that the final approved appropriation measure was not submitted to the Gallia County Auditor. Ohio Rev. Code Section 5705.41(B) limits expenditures to appropriations. Because appropriations authorize spending, expending more than appropriated potentially authorizes deficit spending. The District should reduce expenditures to the amount of appropriations or amend appropriations as needed.

Current Status of Matters We Reported in Our Prior Engagement

2. In addition to the reconciling matter reported in item 1 above, our prior audit for the years ended December 31, 2011 and 2010 included a Noncompliance Citation of Ohio Admin. Code Section 117-2-02(C)(1) for budgetary information in the accounting system varying from the approved appropriation measure. We note that as of December 31, 2013, the District appropriations recorded in the accounting system exceeded approved appropriations by \$17,378. The District Fiscal Officer should accurately post budgetary appropriations as approved by the Board of Trustees and estimated resources as certified by the Budget Commission into the accounting system.

3. Our prior audit for the years ended December 31, 2011 and 2010 also included a Noncompliance Citation of Ohio Rev. Code Section 5705.41(D)(1) due to improper encumbering. Review of voucher support and purchase orders for 2013 and 2012 indicated the District continued issuing purchase orders after obligations have been made, without utilizing Blanket Certificates, Super-Blanket Certificates, or "Then and Now" Certificates. Failure to certify the availability of funds properly can result in overspending funds and negative cash balances. The District Officials should certify funds are or will be available prior to incurring an obligation. When prior certification is not possible, "then and now" certification should be used.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

March 11, 2014



Dave Yost • Auditor of State

DISTRICT 2 JOINT FIRE DISTRICT

GALLIA 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
MARCH 25, 2014**