



Dave Yost • Auditor of State



**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**TABLE OF CONTENTS**

| <b>TITLE</b>  | <b>PAGE</b> |
|---|-------------|
| Independent Auditor's Report .....  | 1           |
| Combined Statement of Receipts, Disbursements, and<br>Changes in Fund Cash Balances (Cash Basis)<br>All Governmental Fund Types<br>For the Year Ended December 31, 2014 ..... | 3           |
| Combined Statement of Receipts, Disbursements, and<br>Changes in Fund Cash Balances (Cash Basis)<br>All Governmental Fund Types<br>For the Year Ended December 31, 2013 ..... | 4           |
| Notes to the Financial Statements .....   | 5           |
| Independent Auditor's Report on Internal Control Over<br>Financial Reporting and on Compliance and Other Matters<br>Required by <i>Government Auditing Standards</i> .....    | 13          |
| Schedule of Findings .....  | 15          |

**This page intentionally left blank.**



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Westfield Fire and Rescue District  
Medina County  
6699 Buffham Road  
Seville, Ohio 44273

To the Board of Trustees:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of the Westfield Fire and Rescue District, Medina County, Ohio, (the District) as of and for the years ended December 31, 2014 and 2013.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the District does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2014 and 2013, or changes in financial position thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of the Westfield Fire and Rescue District, Medina County, Ohio, as of December 31, 2014 and 2013, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2015, 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 grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

November 23, 2015

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

|  | <u>All Fund Types</u> |                            | <b>Totals<br/>(Memorandum<br/>Only)</b> |
|--|-----------------------|----------------------------|---|
|  | <u>General</u>        | <u>Special<br/>Revenue</u> |   |
| <b>Cash Receipts:</b>                  |                       |                            |   |
| Property and Other Local Taxes         | \$157,653             |                            | \$157,653                               |
| Charges for Services                   | 194,649               |                            | 194,649                                 |
| Intergovernmental                      | 25,420                | \$3,970                    | 29,390                                  |
| Earnings on Investments                | 267                   |                            | 267                                     |
| Miscellaneous                          | 13,776                |                            | 13,776                                  |
| <i>Total Cash Receipts</i>             | <u>391,765</u>        | <u>3,970</u>               | <u>395,735</u>                          |
| <b>Cash Disbursements:</b>             |                       |                            |   |
| Current Disbursements:                 |                       |                            |   |
| Security of Persons and Property:      |                       |                            |   |
| Salaries                               | 110,813               |                            | 110,813                                 |
| Fringe Benefits                        | 41,023                |                            | 41,023                                  |
| Purchased Services                     | 63,292                |                            | 63,292                                  |
| Materials and Supplies                 | 24,397                | 1,251                      | 25,648                                  |
| Other                                  | 10,558                |                            | 10,558                                  |
| Capital Outlay                         | 153,623               |                            | 153,623                                 |
| <i>Total Cash Disbursements</i>        | <u>403,706</u>        | <u>1,251</u>               | <u>404,957</u>                          |
| <i>Net Change in Fund Cash Balance</i> | (11,941)              | 2,719                      | (9,222)                                 |
| <i>Fund Cash Balances, January 1</i>   | <u>174,471</u>        | <u>1,251</u>               | <u>175,722</u>                          |
| <b>Fund Cash Balances, December 31</b> |                       |                            |   |
| Restricted                             |                       | 3,970                      | 3,970                                   |
| Assigned                               | 3,849                 |                            | 3,849                                   |
| Unassigned                             | 158,681               |                            | 158,681                                 |
| <i>Fund Cash Balances, December 31</i> | <u>\$162,530</u>      | <u>\$3,970</u>             | <u>\$166,500</u>                        |

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

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

|  | <u>All Fund Types</u> |                            | <b>Totals<br/>(Memorandum<br/>Only)</b> |
|--|-----------------------|----------------------------|---|
|  | <u>General</u>        | <u>Special<br/>Revenue</u> |   |
| <b>Cash Receipts:</b>                  |                       |                            |   |
| Property and Other Local Taxes         | \$162,488             |                            | \$162,488                               |
| Charges for Services                   | 242,242               |                            | 242,242                                 |
| Intergovernmental                      | 22,229                | \$43,500                   | 65,729                                  |
| Earnings on Investments                | 119                   |                            | 119                                     |
| Miscellaneous                          | 38,911                |                            | 38,911                                  |
|  | <hr/>                 |                            | <hr/>                                   |
| <i>Total Cash Receipts</i>             | 465,989               | 43,500                     | 509,489                                 |
|  | <hr/>                 |                            | <hr/>                                   |
| <b>Cash Disbursements:</b>             |                       |                            |   |
| Current Disbursements:                 |                       |                            |   |
| Security of Persons and Property:      |                       |                            |   |
| Salaries                               | 94,843                |                            | 94,843                                  |
| Fringe Benefits                        | 29,013                |                            | 29,013                                  |
| Purchased Services                     | 61,129                |                            | 61,129                                  |
| Materials and Supplies                 | 8,216                 | 2,249                      | 10,465                                  |
| Other                                  | 13,491                |                            | 13,491                                  |
| Capital Outlay                         | 90,803                | 40,000                     | 130,803                                 |
|  | <hr/>                 |                            | <hr/>                                   |
| <i>Total Cash Disbursements</i>        | 297,495               | 42,249                     | 339,744                                 |
|  | <hr/>                 |                            | <hr/>                                   |
| <i>Net Change in Fund Cash Balance</i> | 168,494               | 1,251                      | 169,745                                 |
|  | <hr/>                 |                            | <hr/>                                   |
| <i>Fund Cash Balances, January 1</i>   | 5,977                 |                            | 5,977                                   |
|  | <hr/>                 |                            | <hr/>                                   |
| <b>Fund Cash Balances, December 31</b> |                       |                            |   |
| Restricted                             |                       | 1,251                      | 1,251                                   |
| Unassigned                             | 174,471               |                            | 174,471                                 |
|  | <hr/>                 |                            | <hr/>                                   |
| <i>Fund Cash Balances, December 31</i> | <u>\$174,471</u>      | <u>\$1,251</u>             | <u>\$175,722</u>                        |

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

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Westfield Fire and Rescue District, Medina County, Ohio, (the District) as a body corporate and politic. A three-member Board of Trustees governs the District. The Board of Trustees consists of the same three trustees elected into office for Westfield Township. The District provides fire protection and rescue services within the District and by contract to areas outside the District.

The District's management believes these financial statements present all activities for which the District is financially accountable.

**B. Accounting Basis**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

**C. Deposits and Investments**

The District's accounting basis 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.

**D. Fund Accounting**

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

**1. General Fund**

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**1. Summary of Significant Accounting Policies (continued)**

**D. Fund Accounting (continued)**

**2. Special Revenue Funds**

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Fund:

BWC Grant – The District received a grant from Ohio Bureau of Workers' Compensation to purchase a power cot.

**E. 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, object level for 2014 and fund, personal services or other level of control for 2013, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. 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 approve estimated resources.

**3. Encumbrances**

The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated. Management has included audit adjustments in the accompanying budgetary presentations for material items that should have been encumbered.

A summary of 2014 and 2013 budgetary activity appears in Note 3.

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**1. Summary of Significant Accounting Policies (continued)**

**F. Fund Balance**

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:

**1. Nonspendable**

The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**2. 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.

**3. Committed**

Trustees can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Trustees 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.

**4. 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 Trustees or a District official delegated that authority by resolution, or by State Statute.

**5. Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental 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.

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**1. Summary of Significant Accounting Policies (continued)**

**G. Property, Plant, and Equipment**

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**H. 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.

**2. Equity in Pooled Deposits and Investments**

The District maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

|                 |           |           |
|-----------------|-----------|-----------|
|                 | 2014      | 2013      |
| Demand deposits | \$166,500 | \$175,722 |

Deposits are insured by the Federal Depository Insurance Corporation.

**3. Budgetary Activity**

Budgetary activity for the years ended December 31, 2014 and 2013 follows:

| 2014 Budgeted vs. Actual Receipts |                      |                    |             |
|-----------------------------------|----------------------|--------------------|-------------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance    |
| General                           | \$529,321            | \$391,765          | (\$137,556) |
| Special Revenue                   | 5,221                | 3,970              | (1,251)     |
| Total                             | \$534,542            | \$395,735          | (\$138,807) |

| 2014 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |           |
|---|----------------------------|---------------------------|-----------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance  |
| General   | \$519,886                  | \$407,555                 | \$112,331 |
| Special Revenue                                       | 1,251                      | 1,251                     | 0         |
| Total   | \$521,137                  | \$408,806                 | \$112,331 |

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**3. Budgetary Activity (continued)**

| 2013 Budgeted vs. Actual Receipts |                      |                    |          |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type                         | Budgeted<br>Receipts | Actual<br>Receipts | Variance |
| General                           | \$443,201            | \$465,989          | \$22,788 |
| Special Revenue                   | 43,500               | 43,500             | 0        |
| Total                             | \$486,701            | \$509,489          | \$22,788 |

| 2013 Budgeted vs. Actual Budgetary Basis Expenditures |                            |                           |           |
|---|----------------------------|---------------------------|-----------|
| Fund Type   | Appropriation<br>Authority | Budgetary<br>Expenditures | Variance  |
| General   | \$443,201                  | \$297,495                 | \$145,706 |
| Special Revenue                                       | 43,500                     | 42,249                    | 1,251     |
| Total   | \$486,701                  | \$339,744                 | \$146,957 |

**4. Property Tax**

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

Public utilities are also taxed on personal and real property located within the District.

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 District's certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For the period January 1, 2013 through June 30, 2013 OP&F participants contributed 10% of their wages. Beginning July 1, 2013 and for OP&F participants contributed 10.75% of their wages. For 2014 and 2013, the District contributed to OP&F an amount equal to 24% of full-time fire fighters' wages. For 2014 and 2013, OPERS members contributed 12% of their gross salaries and the District contributed an amount equaling 18.10% of participants' gross salaries. The District has paid all contributions required through December 31, 2014.

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**6. Risk Management**

The District is exposed to various risks of property and casualty losses, and injuries to employees.

The District insures against injuries to employees through the Ohio Bureau of Workers' Compensation.

During the period of January 1, 2013 through May 23, 2013, the Westfield Township insurance policy included Fire Department coverage.

During the period of May 24, 2013 through May 24, 2014, the District obtained commercial insurance for the following risks:

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

Beginning May 24, 2014, the District belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formally known as American Risk Pooling Consultants, Inc.) (York or Management), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by York. APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2014, OTARMA retained \$350,000 for casualty claims and \$250,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

**6. Risk Management**

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2013 and 2014.

|              | <u>2013</u>  | <u>2014</u>  |
|--------------|--------------|--------------|
| Assets       | \$34,954,286 | \$35,970,263 |
| Liabilities  | 8,486,363    | 8,912,432    |
| Net Position | \$26,467,923 | \$27,057,831 |

At December 31, 2013 and 2014, respectively, the liabilities above include approximately \$7.9 and \$8.2 million of estimated incurred claims payable. The assets above also include approximately \$7.4 and \$7.2 million of unpaid claims to be billed to approximately 957 member governments in the future, as of December 31, 2013 and 2014, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2014, the District's share of these unpaid claims collectible in future years is approximately \$4,000.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

**Contributions to OTARMA**

| <u>2013</u> | <u>2014</u> |
|-------------|-------------|
| \$0         | \$8,003     |

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**7. 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 grantor may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**This page intentionally left blank.**



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Westfield Fire and Rescue District  
Medina County  
6699 Buffham Road  
Seville, Ohio 44273

To the Board of Trustees:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Westfield Fire and Rescue District, Medina County, Ohio, (the District) as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated November 23, 2015, wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a significant deficiency in internal control. We consider finding 2014-001 to be a significant deficiency.

***Compliance and Other Matters***

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2014-001.

***District's Response to Findings***

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

November 23, 2015

**WESTFIELD FIRE AND RESCUE DISTRICT  
MEDINA COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2014 AND 2013**

**FINDING NUMBER 2014-001**

**Significant Deficiency / Noncompliance Finding – Public Records**

**Ohio Rev. Code § 149.351 (A)** indicates all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under sections 149.38 to 149.42 of the Revised Code.

The District did not maintain adequate supporting documentation for the following tested transactions:

- One nonpayroll transaction out of 30 transactions tested in 2013 totaling \$465 out of \$8,321.
- One nonpayroll transaction out of 17 transactions tested in 2014 totaling \$300 out of \$157,965.
- One payroll transaction out of 13 transactions tested in 2013 totaling \$373 out of \$8,034.
- Three of eight receipts tested in 2014 totaling \$1,198 out of \$2,561.
- Two of fourteen outstanding checks tested in 2013 totaling \$659 out of \$11,103.
- One of twenty-one outstanding checks tested in 2014 totaling \$440 out of \$7,846.
- Two of twelve charges for services receipts in 2013 totaling \$37,051 out of \$205,631.

Management was able to subsequently find support for one of the aforementioned nonpayroll disbursements totaling \$465.

Failure to maintain adequate supporting documentation for disbursement transactions hinders management's ability to comply with public records laws, and substantially increases the risk of improper payments and financial statement errors.

The District should maintain adequate supporting documentation for all disbursement transactions to allow management to comply with public records laws, and reduce risk of improper payments and financial statement errors.

**Officials' Response:** The District acknowledges the auditor's findings and will implement procedures to help ensure future compliance with the requirements.

**This page intentionally left blank.**



# Dave Yost • Auditor of State

**WESTFIELD FIRE AND RECUE DISTRICT**

**MEDINA 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  
DECEMBER 17, 2015**