



**BLOOMINGBURG-PAINT-MARION  
JOINT FIRE DISTRICT  
FAYETTE COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**BLOOMINGBURG-PAINT-MARION JOINT FIRE DISTRICT  
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STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

250 West Court Street  
Suite 150 E  
Cincinnati, Ohio 45202  
Telephone 513-361-8550  
800-368-7419  
Facsimile 513-361-8577  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

Bloomington-Paint-Marion Joint Fire District  
Fayette County  
8476 U.S. 62 North  
Bloomington, Ohio 43106

To the Board of Trustees:

We have audited the accompanying financial statements of Bloomington-Paint-Marion Joint Fire District, Fayette County, Ohio, (the District) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the 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 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 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 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 balances and reserves for encumbrances of the District, as of December 31, 1999 and 1998, and its combined 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 June 14, 2000 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.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

June 14, 2000

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**BLOOMINGBURG-PAINT-MARION JOINT FIRE DISTRICT  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE  
GENERAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>General</b>
<b>Cash Receipts:</b>	
Intergovernmental	\$36,768
Earnings on Investments	226
Miscellaneous	976
Total Cash Receipts	37,970
<b>Cash Disbursements:</b>	
Current:	
Public Safety	35,333
Total Disbursements	35,333
Total Receipts Over/(Under) Disbursements	2,637
<b>Other Financing Receipts/(Disbursements):</b>	
Other Sources	740
Total Other Financing Receipts/(Disbursements)	740
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	3,377
Fund Cash Balance, January 1	13,360
<b>Fund Cash Balance, December 31</b>	<b>\$16,737</b>
Reserves for Encumbrances, December 31	\$2,857

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

**BLOOMINGBURG-PAINT-MARION JOINT FIRE DISTRICT  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE  
GENERAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<b>General</b>
<b>Cash Receipts:</b>	
Intergovernmental	\$27,078
Earnings on Investments	833
Miscellaneous	38
Unclassified	8,567
Total Cash Receipts	36,516
<b>Cash Disbursements:</b>	
Current:	
Public Safety	155,262
Total Disbursements	155,262
Total Receipts Over/(Under) Disbursements	(118,746)
<b>Other Financing Receipts/(Disbursements):</b>	
Other Sources	128,538
Total Other Financing Receipts/(Disbursements)	128,538
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	9,792
Fund Cash Balance, January 1	3,568
<b>Fund Cash Balance, December 31</b>	<b>\$13,360</b>
Reserves for Encumbrances, December 31	\$240

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

**BLOOMINGBURG-PAINT-MARION JOINT FIRE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Bloomington-Paint-Marion Joint Fire District, Fayette County, (the District) is directed by an appointed three-member Board of Trustees. One Board member is appointed by each political subdivision within the District. Those subdivisions are, Village of Bloomington, Paint Township, Marion Township and Madison Township. Madison Township has chosen not to have representation on the Board. The District provides fire protection 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. 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. 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).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Deposits**

The District funds are deposited in a checking account with a local commercial bank. All interest earned is credited to the General fund with no restrictions.

**D. Fund Accounting**

The District has no funds that are required to be restricted as to use; therefore, the District classifies its funds as a General Fund. The General Fund is the general operating fund and is used to account for all financial resources.

**E. Budgetary Process**

Since the District has not formally been established as a political subdivision, there is no legal requirement for the District to prepare a budget.

**F. 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.

**BLOOMINGBURG-PAINT-MARION JOINT FIRE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**2. EQUITY IN POOLED CASH AND DEPOSITS**

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

	<u>1999</u>	<u>1998</u>
Total deposits	\$ 16,737	\$ 13,360

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**3. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- General liability and casualty
- Vehicles
- Management liability
- Commercial property

**4. SUBSEQUENT EVENTS**

The District has not yet filed resolutions to become an official joint fire district under Ohio Revised Code 505.371. The District's legal counsel is in the process of preparing legal documentation for the district to become a political subdivision.



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OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

250 West Court Street  
Suite 150 E  
Cincinnati, Ohio 45202  
Telephone 513-361-8550  
800-368-7419  
Facsimile 513-361-8577  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

Bloomington-Paint-Marion Joint Fire District  
Fayette County  
8476 U.S. 62 North  
Bloomington, Ohio 43106

To the Board of Trustees:

We have audited the accompanying financial statements of Bloomington-Paint-Marion Joint Fire District, Fayette County, Ohio (the District), as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated June 14, 2000. We conducted our audit 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 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 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 1999-30624-001.

### Internal Control Over Financial Reporting

In planning and performing our audit, 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings as item 1999-30624-002.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated June 14, 2000.

Bloomington-Paint-Marion Joint Fire District  
Fayette County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

**Jim Petro**  
Auditor of State

June 14, 2000

**BLOOMINGBURG-PAINT-MARION JOINT FIRE DISTRICT  
SCHEDULE OF FINDINGS  
DECEMBER 31, 1999 AND 1998**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 1999-30624-001**

**Noncompliance Citation**

Ohio Rev. Code, Section 505.371, states in part that the boards of township trustees of one or more townships and the legislative authorities of any one or more municipal corporations, may, by adoption of a joint resolution by a majority of the members of each board of township trustees and by a majority of the members of the legislative authority of each municipal corporation, create a joint fire district comprising the municipal corporations and all or any portions of the townships as are mutually agreed upon. A joint fire district so created shall be given a name different from the name of any participating township or municipal corporation. The District has not adopted the necessary resolution. This could result in a loss of funding which could ultimately result in the District being unable to operate. The District's legal counsel is in the process of preparing legal documentation for the District.

**FINDING NUMBER 1999-30624-002**

**Reportable Condition**

The District receives operating funds from the Townships and Village included in the Fire District. However, there are no written signed agreements with these entities as to the amounts due to the District. This could result in loss or misappropriation of funds. We recommend that the District obtain contracts with these entities to define the level of service they will provide and the funds to be received from the participating entities.





STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**BLOOMINGBURG-PAINT-MARION JOINT FIRE DISTRICT**

**FAYETTE 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 13, 2000**