

**CLEAR CREEK FIRE DISTRICT**  
**ASHLAND COUNTY, OHIO**

**REPORT ON EXAMINATION OF FINANCIAL  
STATEMENTS FOR THE YEARS ENDED  
DECEMBER 31, 1998 and 1999**

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

*Certified Public Accountant*

*12 East Main Street*

*Lexington, Ohio 44904*

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**CLEAR CREEK FIRE DISTRICT  
ASHLAND COUNTY**

FOR THE YEARS ENDED DECEMBER 31, 1998 AND 1999

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**CLEAR CREEK FIRE DISTRICT  
ASHLAND COUNTY**

1193 Co. Road 620 RD#5  
Ashland, Ohio 44805

**ELECTED OFFICIALS  
AS OF DECEMBER 31, 1997**

<b>NAME</b>	<b>TITLE</b>	<b>TERM OF OFFICE</b>	<b>SURETY</b>	<b>AMOUNT</b>	<b>PERIOD</b>
Thomas Kruse	Trustee Chairman	1/1/99 - 12/31/99			
Timothy Calame	Trustee	1/1/99 - 12/31/99			
John Benschhoff	Trustee	1/1/99 - 12/31/99			
Michael White	Clerk	1/1/99 - 12/31/99	(A)	\$ 37,000	(B)

Statutory Legal Counsel

Robert DeSanto  
Ashland County Prosecuting Attorney  
307 Orange Street  
Ashland, Ohio 44805

- (A) Ohio Farmers Insurance Company  
(B) Concurrent With Term



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

Telephone 614-466-4514  
800-282-0370

Facsimile 614-728-7398

Board of Clear Creek Fire District  
Clear Creek Fire District

We have reviewed the independent auditor's report of the Clear Creek Fire District, Ashland County, prepared by J.E. Slaybaugh & Associates, Inc. for the audit period January 1, 1998 through December 31, 1999. 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 Clear Creek Fire District is responsible for compliance with these laws and regulations.

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

JIM PETRO  
Auditor of State

May 22, 2000

**J. E. SLAYBAUGH & ASSOCIATES, INC.**

12 East Main Street  
Lexington, Ohio 44904

Member AICPA  
Member OSCPA

(419) 884-2700  
fax (419) 884-2250

John E. Slaybaugh III  
Certified Public Accountant

Board of Clear Creek Fire District  
Clear Creek Fire District, Ashland County  
1193 County Road 620 RD#5  
Ashland, Ohio 44805

**INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial statements of Clear Creek Fire District, Ashland County, Ohio, as of and for the years ended December 31, 1998 and 1999. These financial statements are the responsibility of the Fire District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

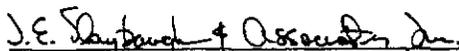
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable 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 described in Note 1, the 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 combined fund cash balances and reserves for encumbrances of Clear Creek Fire District, Ashland County, Ohio, as of December 31, 1998 and 1999, 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 March 17, 2000 on our consideration of the Fire District's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants.

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.



J.E. Slaybaugh & Associates, Inc.  
Lexington, Ohio  
March 17, 2000

**CLEAR CREEK FIRE DISTRICT  
ASHLAND COUNTY**

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES -  
FOR THE YEAR ENDED DECEMBER 31, 1999

	Special Revenue	(Memorandum Only) Total
CASH RECEIPTS:		
Local Taxes	\$ 33,469	\$ 33,469
Interest	94	94
Total Cash Receipts	33,563	33,563
CASH DISBURSEMENTS:		
Current:		
Security of Persons and Property	32,000	32,000
General Government	813	813
Total Program Disbursements	32,813	32,813
Total receipts over/(under) program disbursements	750	750
OTHER FINANCING RECEIPTS/(DISBURSEMENTS):		
Advances-In	0	0
Advances-Out	0	0
Total other financing receipts/(disbursements)	0	0
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	750	750
Fund Cash Balances - January 1, 1999	3,343	3,343
Fund Cash Balances - December 31, 1999	\$ 4,093	\$ 4,093

**CLEAR CREEK FIRE DISTRICT  
ASHLAND COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES -  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	Special Revenue	(Memorandum Only) Total
<b>CASH RECEIPTS:</b>		
Local Taxes	\$ 31,280	\$ 31,280
Interest	68	68
Total Cash Receipts	31,348	31,348
<b>CASH DISBURSEMENTS:</b>		
Current:		
Security of Persons and Property	29,500	29,500
General Government	466	466
Total Program Disbursements	29,966	29,966
Total receipts over/(under) program disbursements	1,382	1,382
<b>OTHER FINANCING RECEIPTS/(DISBURSEMENTS):</b>		
Advances-In	0	0
Advances-Out	0	0
Total other financing receipts/(disbursements)	0	0
Excess of cash receipts and other financing receipts over/(under) cash disbursements and other financing disbursements	1,382	1,382
Fund Cash Balances - January 1, 1998	1,961	1,961
Fund Cash Balances - December 31, 1998	\$ 3,343	\$ 3,343

**CLEAR CREEK FIRE DISTRICT  
ASHLAND COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS**

1. Summary of Significant Accounting Policies

A. Description of the Entity

Clear Creek Fire District, Ashland County, Clear Creek Fire 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 Fire District provides fire protection services and EMS services. The Fire District contracts with Savannah Volunteer Fire Company for its fire protection services and EMS services.

The Fire District's management believes these financial statements present all activities for which the Fire 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 (ie., when an encumbrance is approved.)

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

C. Fund Accounting

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

Special Revenue Funds

The Fire District Fund - This fund receives general and tangible personal property tax for use in providing fire protection and EMS services.

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 Township 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 Expenditures

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.

Encumbrances

The Ohio Revised Code requires the Fire District to reserve ( encumber ) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 1998 and 1999 budgetary activity appears in Note 3.

E. Property, Plant 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.

2. Equity in Pooled Cash and Investments

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

	1999	1998
Demand Deposits	<u>\$ 4,093</u>	<u>\$ 3,343</u>
Total deposits	<u>\$ 4,093</u>	<u>\$ 3,343</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 was as follows:

1998 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
Special Revenue	\$ 30,182	\$ 31,348	\$ 1,166
Total	\$ 30,183	\$ 31,348	\$ 1,166

1998 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
Special Revenue	\$ 32,459	\$ 29,966	\$ 2,493
Total	\$ 32,459	\$ 29,966	\$ 2,493

1999 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
Special Revenue	\$ 31,408	\$ 33,563	\$ 2,155
Total	\$ 31,408	\$ 33,563	\$ 2,155

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
Special Funds	\$ 34,581	\$ 32,813	\$ 1,768
Total	\$ 34,581	\$ 32,813	\$ 1,768

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Fire District 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. The second half is due the following June 20.

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

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 Fire District.

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

*12 East Main Street  
Lexington, Ohio 44904*

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*John E. Slaybaugh III  
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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 Clear Creek Fire District  
Clear Creek Fire District, Ashland County  
1193 County Road 620 RD#5  
Ashland, Ohio 44805

We have audited the financial statements of Clear Creek Fire District, Ashland County, as of and for the years ended December 31, 1998 and 1999, and have issued our report thereon dated March 17, 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 Clear Creek Fire District's financial statements are free of material misstatement, we performed tests of its compliance with certain laws and regulations, 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

In planning and performing our audit, we considered Clear Creek 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 structure. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure 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 structure and its operation that we consider to be material weaknesses.

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.

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

J.E. Slaybaugh & Associates, Inc.  
Lexington, Ohio  
March 17, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

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CLEAR CREEK FIRE DISTRICT  
ASHLAND 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.

By: Susan Babbitt

Date: JUNE 1, 2000