



**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1996



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2000	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1998	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1997	6
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1996	7
Notes to the Financial Statements	9
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	15
Schedule of Findings	17

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One Government Center
Room 1420
Toledo, Ohio 43604-2246
Telephone 419-245-2811
800-443-9276
Facsimile 419-245-2484
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Bascom Joint Fire District
Seneca County
P.O. Box 132
Bascom, Ohio 44809-0132

To the Board of Trustees:

We have audited the accompanying financial statements of Bascom Joint Fire District, Seneca County, (the District) as of and for the years ended December 31, 2000, 1999, 1998, 1997 and 1996. 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 audits 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 audits 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 audits provide 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 combined fund cash balances and reserves for encumbrances of the District, as of December 31, 2000, 1999, 1998, 1997 and 1996, 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 26, 2001 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. 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 audit.

Bascom Joint Fire District
Seneca County
Report of Independent Accountants
Page 2

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 § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 26, 2001

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
Local Taxes	\$104,987		\$104,987
Intergovernmental	12,914		12,914
Charges for Services	3,620		3,620
Earnings on Investments	3,163	\$4,101	7,264
Miscellaneous	2,859		2,859
	<u>127,543</u>	<u>4,101</u>	<u>131,644</u>
Cash Disbursements:			
Current:			
Security of Persons and Property	67,242		67,242
Other		345	345
Capital Outlay	359		359
	<u>67,601</u>	<u>345</u>	<u>67,946</u>
Total Receipts Over Disbursements	<u>59,942</u>	<u>3,756</u>	<u>63,698</u>
Other Financing Receipts/(Disbursements):			
Transfers-In		100,000	100,000
Transfers-Out	(100,000)		(100,000)
	<u>(100,000)</u>	<u>100,000</u>	<u></u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(40,058)	103,756	63,698
Fund Cash Balances, January 1	<u>56,302</u>	<u>102,728</u>	<u>159,030</u>
Fund Cash Balances, December 31	<u>\$16,244</u>	<u>\$206,484</u>	<u>\$222,728</u>
Reserves for Encumbrances, December 31	<u>\$7,138</u>	<u>\$172,793</u>	<u>\$179,931</u>

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

**BASCOM JOINT FIRE DISTRICT
SENECA 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**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
Local Taxes	\$117,341		\$117,341
Intergovernmental	13,837		13,837
Charges for Services	3,756		3,756
Earnings on Investments	2,465	\$1,410	3,875
Miscellaneous	3,194		3,194
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	140,593	1,410	142,003
	<hr/>	<hr/>	<hr/>
Cash Disbursements:			
Current:			
Security of Persons and Property	64,897		64,897
Capital Outlay	1,845		1,845
	<hr/>	<hr/>	<hr/>
Total Disbursements	66,742		66,742
	<hr/>	<hr/>	<hr/>
Total Receipts Over Disbursements	73,851	1,410	75,261
	<hr/>	<hr/>	<hr/>
Other Financing Receipts/(Disbursements):			
Transfers-In		75,000	75,000
Transfers-Out	(75,000)		(75,000)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	(75,000)	75,000	
	<hr/>	<hr/>	<hr/>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(1,149)	76,410	75,261
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1	57,451	26,318	83,769
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	\$56,302	\$102,728	\$159,030
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Reserves for Encumbrances, December 31	\$5,661		\$5,661
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

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

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
Intergovernmental	\$1,000		\$1,000
Charges for Services	54,696		54,696
Earnings on Investments	1,831	\$243	2,074
Miscellaneous	32,101		32,101
	<hr/>		<hr/>
Total Cash Receipts	89,628	243	89,871
	<hr/>		<hr/>
Cash Disbursements:			
Current:			
Security of Persons and Property	58,373		58,373
Capital Outlay	15,397		15,397
	<hr/>		<hr/>
Total Disbursements	73,770		73,770
	<hr/>		<hr/>
Total Receipts Over Disbursements	15,858	243	16,101
Fund Cash Balances, January 1	41,593	26,075	67,668
	<hr/>		<hr/>
Fund Cash Balances, December 31	\$57,451	\$26,318	\$83,769
	<hr/> <hr/>		<hr/> <hr/>
Reserves for Encumbrances, December 31	\$13,680		\$13,680
	<hr/> <hr/>		<hr/> <hr/>

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

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1997**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
Charges for Services	\$52,044		\$52,044
Earnings on Investments	1,237	\$757	1,994
Miscellaneous	35,625		35,625
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	88,906	757	89,663
Cash Disbursements:			
Current:			
Security of Persons and Property	48,508		48,508
Capital Outlay	45,296		45,296
	<hr/>	<hr/>	<hr/>
Total Disbursements	93,804		93,804
Total Receipts Over/(Under) Disbursements	(4,898)	757	(4,141)
Fund Cash Balances, January 1	46,491	25,318	71,809
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	\$41,593	\$26,075	\$67,668
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Reserves for Encumbrances, December 31	\$628		\$628
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1996**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
Charges for Services	\$16,990		\$16,990
Earnings on Investments	147	\$318	465
Miscellaneous	74,248	25,000	99,248
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	91,385	25,318	116,703
	<hr/>	<hr/>	<hr/>
Cash Disbursements:			
Current:			
Security of Persons and Property	22,106		22,106
Capital Outlay	22,788		22,788
	<hr/>	<hr/>	<hr/>
Total Disbursements	44,894		44,894
	<hr/>	<hr/>	<hr/>
Total Receipts Over Disbursements	46,491	25,318	71,809
Fund Cash Balances, January 1	<hr/>	<hr/>	<hr/>
Fund Cash Balances, December 31	<u>\$46,491</u>	<u>\$25,318</u>	<u>\$71,809</u>
Reserves for Encumbrances, December 31	<u>\$9,909</u>	<u></u>	<u>\$9,909</u>

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

This page intentionally left blank.

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000, 1999, 1998, 1997 AND 1996**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Bascom Joint Fire District, Seneca County, (the 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 District is directed by a three-member Board of Trustees. Two of the Board members are appointed by each township within the District, and the third member is elected by the trustees of the townships. These subdivisions are Hopewell and Loudon Township. 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. Fund Accounting

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

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The District had the following significant Capital Project Fund:

Capital Equipment Fund - This fund receives taxes to be used for the purchase and maintenance of fire fighting equipment.

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000, 1999, 1998, 1997 AND 1996
(Continued)**

D. 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 function level of control, and appropriations may not exceed estimated resources. The Board of Trustees 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.

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 also approve estimated resources.

3. Encumbrances

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

A summary of 2000, 1999, 1998, 1997 and 1996 budgetary activity appears in Note 3.

E. 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.

2. EQUITY IN POOLED CASH

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

	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Demand deposits	<u>\$222,728</u>	<u>\$159,030</u>	<u>\$83,769</u>	<u>\$67,668</u>	<u>\$71,809</u>

Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000, 1999, 1998, 1997 AND 1996
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000, 1999, 1998, 1997 and 1996 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$50,000	\$127,543	\$77,543
Capital Projects	75,000	104,101	29,101
Total	\$125,000	\$231,644	\$106,644

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$98,386	\$174,739	(\$76,353)
Capital Projects	175,000	173,138	1,862
Total	\$273,386	\$347,877	(\$74,491)

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$68,341	\$140,593	\$72,252
Capital Projects	75,000	76,410	1,410
Total	\$143,341	\$217,003	\$73,662

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$113,905	\$147,403	(\$33,498)
Capital Projects	75,000	75,000	75,000
Total	\$188,905	\$147,403	\$41,502

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000, 1999, 1998, 1997 AND 1996
(Continued)**

1998 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$67,520	\$89,628	\$22,108
Capital Projects	100	243	143
Total	<u>\$67,620</u>	<u>\$89,871</u>	<u>\$22,251</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$99,699	\$87,450	\$12,249
Capital Projects	10,000	10,000	10,000
Total	<u>\$109,699</u>	<u>\$87,450</u>	<u>\$22,249</u>

1997 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$50,840	\$88,906	\$38,066
Capital Projects	101	757	656
Total	<u>\$50,941</u>	<u>\$89,663</u>	<u>\$38,722</u>

1997 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$95,080	\$94,432	\$648
Capital Projects	25,000	25,000	25,000
Total	<u>\$120,080</u>	<u>\$94,432</u>	<u>\$25,648</u>

1996 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General		\$91,385	\$91,385
Capital Projects		25,318	25,318
Total		<u>\$116,703</u>	<u>\$116,703</u>

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000, 1999, 1998, 1997 AND 1996
(Continued)**

1996 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General		\$54,803	(\$54,803)
Capital Projects			
Total		\$54,803	(\$54,803)

The District did not always certify expenditures in accordance with Ohio Revised Code § 5705.41(D) and the District had expenditures exceeding appropriations in the General Fund, which is a violation of Ohio Revised Code § 5705.41(B). The District also had appropriations that exceeded estimated revenue in the Capital Equipment Fund, which is a violation of Ohio Revised Code § 5705.39.

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by 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 are 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 payments, 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.

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 District.

5. RETIREMENT SYSTEMS

Effective July 1, 1991, all employees not otherwise covered by a state retirement system have an option to choose Social Security or the appropriate state system. As of December 31, 2000, 1999, 1998, 1997 and 1996, the Trustees, Clerk, and firemen have elected Social Security. The District's liability is 6.2 percent of wages paid.

6. RISK MANAGEMENT

The District is a member of the Public Entities Pool of Ohio (the Pool). The Pool assumes the risk of loss up to the limits of the District's policy. The Pool may assess supplemental premiums. The following risks are covered by the Pool:

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

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One Government Center
Room 1420
Toledo, Ohio 43604-2246
Telephone 419-245-2811
800-443-9276
Facsimile 419-245-2484
www.auditor.state.oh.us

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

Bascom Joint Fire District
Seneca County
P.O. Box 132
Bascom, Ohio 44809-0132

To the Board of Trustees:

We have audited the accompanying financial statements of Bascom Joint Fire District, Seneca County, (the District) as of and for the years ended December 31, 2000, 1999, 1998, 1997 and 1996, and have issued our report thereon dated June 26, 2001. We conducted our audits 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 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 audits and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2000-30574-001, 2000-30574-002 and 2000-30574-003. We also noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated June 26, 2001.

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. 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. However, we 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 26, 2001.

Bascom Joint Fire District
Seneca 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.

Jim Petro
Auditor of State

June 26, 2001

**BASCOM JOINT FIRE DISTRICT
SENECA COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000, 1999, 1998, 1997 AND 1996**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2000-30574-001

Noncompliance Citation

Ohio Revised Code § 5705.41(D) states no orders or contracts involving the expenditure of money is to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

This section also provides two "exceptions" to the above requirement:

- a. Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the Board may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
- b. If the amount involved is less than \$1,000, the fiscal officer may authorize it to be paid without the affirmation of the Board, if such expenditure is otherwise valid.

Thirty-two percent of the transactions tested were not certified by the fiscal officer at the time the commitment was incurred and neither of the exceptions provided for were used. To improve controls over disbursements, we recommend that all District disbursements receive certification of the fiscal officer that the funds are or will be available.

FINDING NUMBER 2000-30574-002

Noncompliance Citation

Ohio Revised Code § 5705.41(B) states that no subdivision shall make any expenditure of money unless it has been appropriated. Expenditures exceeded appropriations as follows:

<u>Fiscal Year</u>	<u>Fund</u>	<u>Appropriation</u>	<u>Expenditures plus Encumbrances</u>	<u>Excess</u>
1996	General		\$54,803	(\$54,803)
1999	General	\$113,905	147,403	(33,498)
2000	General	98,386	174,739	(76,353)

This could result in over spending the fund cash balance. Revenues were sufficient to have allowed the Board of Trustees to request an amended certificate and increase appropriations. It is recommended the Board of Trustees review budgetary reports and make amendments as allowable by law.

FINDING NUMBER 2000-30574-003

Noncompliance Citation

Ohio Revised Code § 5705.39 provides that appropriations from each fund shall not exceed the estimated revenue available for expenditure as certified by the budget commission. In fiscal year 2000 appropriations (\$175,000) exceed estimated resources (\$152,727) in the amount of \$22,273 in the Capital Equipment Fund. This could result in the fund balance being over expended. Actual resources were sufficient to have allowed the District to obtain an amended certificate for this fund. It is recommended that amended certificates be requested when additional resources are received and the District plans to spend the increased resources.



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

BASCOM JOINT FIRE DISTRICT

SENECA 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 19, 2001**