



**DEER PARK SILVERTON JOINT FIRE DISTRICT
HAMILTON COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**DEER PARK SILVERTON JOINT FIRE DISTRICT
HAMILTON COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT

Deer Park Silverton Joint Fire District
Hamilton County
7050 Blue Ash Road
Silverton, Ohio 45236

To the Board of Trustees:

We have audited the accompanying financial statements of Deer Park Silverton Joint Fire District, Hamilton County, Ohio (the District), as of and for the years ended December 31, 2000 and 1999. 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 audits.

We conducted our audits 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 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 of the District, as of December 31, 2000 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 February 28, 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.

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.

Jim Petro
Auditor of State

February 28, 2001

**DEER PARK SILVERTON JOINT FIRE DISTRICT
HAMILTON 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**

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts:			
Local Taxes	\$805,753	\$0	\$805,753
Intergovernmental	107,942	553,897	661,839
Charges for Services	93,115		93,115
Earnings on Investments	16,419	5,848	22,267
Miscellaneous	13,893	274	14,167
 Total Cash Receipts	 1,037,122	 560,019	 1,597,141
Cash Disbursements:			
Current:			
Security of Persons and Property	1,013,748		1,013,748
General Government	110,189		110,189
Debt Service:			
Redemption of Principal	26,200		26,200
Interest	26,795		26,795
Capital Outlay		830,285	830,285
 Total Disbursements	 1,176,932	 830,285	 2,007,217
 Total Receipts Over/(Under) Disbursements	 (139,810)	 (270,266)	 (410,076)
Other Financing Receipts/(Disbursements):			
Proceeds from:			
Sale of Notes	140,000		140,000
Sale of Fixed Assets	55,000		55,000
 Total Other Financing Receipts/(Disbursements)	 195,000	 0	 195,000
 Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	 55,190	 (270,266)	 (215,076)
 Fund Cash Balances January 1	 261,490	 309,981	 571,471
 Fund Cash Balances, December 31	 \$316,680	 \$39,715	 \$356,395

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

**DEER PARK SILVERTON JOINT FIRE DISTRICT
HAMILTON 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**

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts:			
Local Taxes	\$801,584	\$0	\$801,584
Intergovernmental	235,390	77,943	313,333
Charges for Services	58,258		58,258
Earnings on Investments	10,573	10,381	20,954
Miscellaneous	12,178		12,178
 Total Cash Receipts	 1,117,983	 88,324	 1,206,307
Cash Disbursements:			
Current:			
Security of Persons and Property	619,442		619,442
General Government	127,218		127,218
Debt Service:			
Interest	194,167		194,167
Capital Outlay		117,510	117,510
 Total Disbursements	 940,827	 117,510	 1,058,337
 Total Receipts Over/(Under) Disbursements	 177,156	 (29,186)	 147,970
Other Financing Receipts/(Disbursements):			
Proceeds from Sale of Notes	60,834	339,167	400,001
Sale of Fixed Assets	23,500		23,500
 Total Other Financing Receipts/(Disbursements)	 84,334	 339,167	 423,501
 Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	 261,490	 309,981	 571,471
 Fund Cash Balances January 1	 0	 0	 0
 Fund Cash Balances, December 31	 \$261,490	 \$309,981	 \$571,471

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

**DEER PARK SILVERTON JOINT FIRE DISTRICT
HAMILTON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Deer Park Silverton Joint Fire District, Hamilton 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 an appointed eight-member Board of Trustees. Four Board members are appointed by each political subdivision within the District. Those subdivisions are, City of Deer Park and City of Silverton. 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. 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 and investments that are 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

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects. The District had the following significant Capital Project Fund:

Construction Fund - This fund receives monies for the purchase and maintenance of fire fighting equipment from the subdivision members of the Fire District.

D. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

**DEER PARK SILVERTON JOINT FIRE DISTRICT
HAMILTON COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund 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. 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 canceled, and reappropriated in the subsequent year.

A summary of 2000 and 1999 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.

F. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the District.

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>
Total deposits	<u>\$ 356,395</u>	<u>\$ 571,471</u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation or (3) collateralized by the financial institution's public entity deposit pool.

3. BUDGETARY ACTIVITY

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

**DEER PARK SILVERTON JOINT FIRE DISTRICT
HAMILTON COUNTY**

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

3. BUDGETARY ACTIVITY (Continued)

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,167,996	\$ 1,232,122	\$ 64,126
Capital Projects	605,019	560,019	(45,000)
Total	\$ 1,773,015	\$ 1,792,141	\$ 19,125

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,203,413	\$ 1,176,932	\$ 26,481
Capital Projects	915,000	830,285	84,715
Total	\$ 2,118,413	\$ 2,007,217	\$ 111,196

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,141,482	\$ 1,202,317	\$ 60,835
Capital Projects	417,110	427,491	10,381
Total	\$ 1,558,592	\$ 1,629,808	\$ 71,216

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 953,125	\$ 940,827	\$ 12,298
Capital Projects	250,000	117,510	132,490
Total	\$ 1,203,125	\$ 1,058,337	\$ 144,788

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 payment, the first half is due December 31. The second half payment is due the following June 20.

**DEER PARK SILVERTON JOINT FIRE DISTRICT
HAMILTON COUNTY**

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

4. PROPERTY TAX (Continued)

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. DEBT

Debt outstanding at December 31, 2000, was as follows:

	Principal	Interest Rate
Bond Anticipation Notes	\$ 140,000	5.09%
Tax Anticipation Notes	378,800	4.49%
Total	\$ 513,800	

The District issued a bond anticipation note to finance the purchase of a fire equipment. The note was issued on August 9, 2000, in the amount of \$140,000 and will mature August 8, 2001. The note is collateralized by the equipment purchased. The tax anticipation note was issued to provide operating funds for current operating expenses. The note was issued on March 30, 1999, in the amount of \$400,000 and will mature April 1, 2009.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	Bond Anticipation Note	Tax Anticipation Note
2000	\$ 147,126	\$ 52,964
2001	0	53,016
2002	0	52,976
2003	0	53,479
2004	0	53,942
Subsequent	0	188,320
Total	\$ 147,126	\$ 454,697

**DEER PARK SILVERTON JOINT FIRE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

6. RETIREMENT SYSTEMS

The District's full-time fire fighters belong to the Police and Firemen's Disability and Pension Funds (PFDPF). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. PFDPF and PERS are cost-sharing, multiple-employer plans. These plans provide retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PFDPF contributed 10% of their wages to the PFDPF. The District contributed an amount equal to 24% of their wages. PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 10.84% for year 2000 and 13.55% for year 1999 of participants' gross salaries. The District has paid all contributions required through December 31, 2000.

7. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

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

The District also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

Deer Park Silverton Joint Fire District
Hamilton County
7050 Blue Ash Road
Silverton, Ohio 45236

To the Board of Trustees:

We have audited the accompanying financial statements of Deer Park Silverton Joint Fire District, Hamilton County, Ohio (the District), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated February 28, 2001. We conducted our audits 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated February 28, 2001.

Internal Control Over Financial Reporting

In planning and performing our audits, 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 February 28, 2001.

Deer Park Silverton Joint Fire District
Hamilton County
Report 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

February 28, 2001



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DEER PARK SILVERTON JOINT FIRE DISTRICT

HAMILTON 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
APRIL 5, 2001**