



Mary Taylor, CPA
Auditor of State

HOLMES FIRE DISTRICT #1
HOLMES COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Cover Letter	1
Independent Accountants' Report.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2007	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2006	6
Notes to the Financial Statements	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	13
Schedule of Findings.....	15
Schedule of Prior Audit Findings	16

This page intentionally left blank.



Mary Taylor, CPA
Auditor of State

Holmes Fire District #1
Holmes County
8478 SR 39 West
P.O. Box 7
Millersburg, Ohio 44654

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

Mary Taylor

Mary Taylor, CPA
Auditor of State

July 3, 2008

This page intentionally left blank



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Holmes Fire District #1
Holmes County
8478 SR 39 West
P.O. Box 7
Millersburg, Ohio 44654

To the Board of Trustees:

We have audited the accompanying financial statements of Holmes Fire District #1, Holmes County, Ohio (the District) as of and for the years ended December 31, 2007 and 2006. 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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. The District processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the District because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the District's larger (i.e. major) funds separately. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Districts to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

101 Central Plaza South / 700 Chase Tower / Canton, OH 44702-1509
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001

www.auditor.state.oh.us

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2007 and 2006 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2007 and 2006, or its changes in financial position for the years then ended.

Also, 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 Holmes Fire District #1, Holmes County, Ohio as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 3, 2008, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Mary Taylor, CPA
Auditor of State

July 3, 2008

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>All Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property and Other Local Taxes	\$221,409	\$255,891	\$477,300
Charges for Services	117,210		117,210
Intergovernmental	54,672	49,542	104,214
Earnings on Investments	17,807		17,807
Miscellaneous	4,837	1,499	6,336
	<u>415,935</u>	<u>306,932</u>	<u>722,867</u>
Total Cash Receipts			
Cash Disbursements:			
Current Disbursements:			
Security of Persons and Property	192,113	244,055	436,168
General Government	94,491	6,587	101,078
Capital Outlay	157,489	52,186	209,675
	<u>444,093</u>	<u>302,828</u>	<u>746,921</u>
Total Cash Disbursements			
Total Cash Receipts Over/(Under) Cash Disbursements	<u>(28,158)</u>	<u>4,104</u>	<u>(24,054)</u>
Other Financing Receipts:			
Sale of Notes	130,000		130,000
	<u>130,000</u>	<u>0</u>	<u>130,000</u>
Total Other Financing Receipts			
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	101,842	4,104	105,946
Fund Cash Balances, January 1	<u>211,818</u>	<u>127,331</u>	<u>339,149</u>
Fund Cash Balances, December 31	<u>\$313,660</u>	<u>\$131,435</u>	<u>\$445,095</u>
Reserve for Encumbrances, December 31	<u>\$11,059</u>	<u>\$450</u>	<u>\$11,509</u>

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

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>All Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property and Other Local Taxes	\$225,418	\$230,523	\$455,941
Charges for Services	102,697		102,697
Intergovernmental	50,188	115,025	165,213
Earnings on Investments	7,019		7,019
Miscellaneous	4,689		4,689
	<u>390,011</u>	<u>345,548</u>	<u>735,559</u>
Cash Disbursements:			
Current Disbursements:			
Security of Persons and Property	234,099	167,855	401,954
General Government	101,784	5,459	107,243
Capital Outlay	23,501	132,567	156,068
Debt Service:			
Redemption of Principal	18,100		18,100
Interest and Other Fiscal Charges	235		235
	<u>377,719</u>	<u>305,881</u>	<u>683,600</u>
Total Cash Receipts Over Cash Disbursements	<u>12,292</u>	<u>39,667</u>	<u>51,959</u>
Other Financing Receipts:			
Sale of Fixed Assets	<u>3,008</u>		<u>3,008</u>
	<u>3,008</u>	<u>0</u>	<u>3,008</u>
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	15,300	39,667	54,967
Fund Cash Balances, January 1	<u>196,518</u>	<u>87,664</u>	<u>284,182</u>
Fund Cash Balances, December 31	<u>\$211,818</u>	<u>\$127,331</u>	<u>\$339,149</u>
Reserve for Encumbrances, December 31	<u>\$0</u>	<u>\$11,985</u>	<u>\$11,985</u>

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

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

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 Holmes Fire District #1, Holmes County, (the District) as a body corporate and politic. The District is directed by appointed representatives from four political subdivisions consisting of the Village of Millersburg, Hardy Township, Mechanic Township, and Monroe Township. The Board of Trustees consists of five members, one member from each subdivision and one member at large whose appointment is made by one individual subdivision within the District on a yearly rotational basis. The principal purpose of the District is to pool mutual resources and abilities of the member subdivisions and thereby provide the subdivisions adequate and responsible fire protection and emergency medical services.

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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District 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 Auditor of State prescribes or permits.

C. Cash and Investments

The District maintains all cash in an interest bearing checking account, savings account and certificates of deposit.

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 reports all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The District had the following significant Special Revenue Funds:

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Fire Levy Fund – This fund accounts for the tax proceeds of a special operating levy used to provide fire protection and emergency medical service to the participating Townships and Village.

E. Budgetary Process

The Ohio Revised Code requires the District to budget each fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, object 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 individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated

A summary of 2007 and 2006 budgetary activity appears in Note 3.

F. 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.

G. 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 Cash and Investments

The District maintains a cash and investments 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:

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
Continued**

2. Equity in Pooled Cash and Investments (Continued)

	2007	2006
Demand deposits	\$191,681	\$238,727
Certificates of deposit	253,414	100,422
Total deposits	\$445,095	\$339,149

Deposits: Deposits are insured by the Federal Depository Insurance Corporation and collateral specifically pledged for the District.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2007 and 2006 follows:

2007 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$506,200	\$545,935	\$39,735
Special Revenue	293,713	306,932	13,219
Total	\$799,913	\$852,867	\$52,954

2007 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$570,886	\$455,152	\$115,734
Special Revenue	409,357	303,278	106,079
Total	\$980,243	\$758,430	\$221,813

2006 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$367,350	\$393,019	\$25,669
Special Revenue	337,853	345,548	7,695
Total	\$705,203	\$738,567	\$33,364

2006 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$498,539	\$377,719	\$120,820
Special Revenue	423,036	317,866	105,170
Total	\$921,575	\$695,585	\$225,990

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

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 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.

5. Debt

Debt outstanding at December 31, 2007 was as follows:

	Principal	Interest Rate
Tax Anticipation Note	\$130,000	4.13%
Total		

The District issued a tax anticipation note to finance the purchase of a new squad.

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

	Tax Anticipation Note
Year ending December 31:	
2008	\$29,263
2009	29,377
2010	29,245
2011	29,377
2012	29,259
Total	\$146,521

6. Retirement Systems

The District's full-time fire fighters belong to the Ohio 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 retirement benefits, including postretirement healthcare and survivor and disability benefits.

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006**

6. Retirement Systems (Continued)

The Ohio Revised Code also prescribes contribution rates. For 2007 and 2006, members of OP &F contributed 10 percent of their wages to the OP &F. The District Board of Trustees adopted a pick-up resolution effective February 26, 2006 to pay 2% of the 10% of their contribution and amended the pick-up resolution to pay 6% of the 10% of their contribution in 2007. The District contributed an amount equal to 24 percent of their wages. OPERS member employees contributed 9.5 percent of their gross salaries for 2007 and 9 percent for 2006. The District contributed an amount equal to 13.85 percent in 2007 and 13.7 percent in 2006 of participant's gross salaries.

All employees not otherwise covered by OPERS and OP &F System pay into social security. For fiscal years 2007 and 2006, part-time firefighters and EMS personnel paid into social security. The District's liability is 6.2% of wages paid.

7. Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

There has been no reduction in coverage and claims have not exceeded coverage.

8. Contingent Liabilities

Grantors may impose audit requirements on amounts they pay to the District. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

9. Subsequent Events

A replacement levy plus an additional .5 mills was passed in March 2008 benefiting the District's General Fund.

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Holmes Fire District #1
Holmes County
8478 SR 39 West
P.O. Box 7
Millersburg, Ohio 44654

To the Board of Trustees:

We have audited the financial statements of the Holmes Fire District #1, Holmes County, Ohio (the District) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated July 3, 2008, wherein we noted the District followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We also noted the District uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the District. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

101 Central Plaza South / 700 Chase Tower / Canton, OH 44702-1509
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001
www.auditor.state.oh.us

We consider Finding Number 2007-001 described in the accompanying Schedule of Findings to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, we believe Finding Number 2007-001 is also a material weakness.

We also noted certain internal control matters that we reported to the District's management in a separate letter dated July 3, 2008.

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, providing an opinion 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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note a certain noncompliance or other matter that we reported to the District's management in a separate letter dated July 3, 2008.

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 the response.

We intend this report solely for the information and use of the audit committee, management, and District Board of Trustees. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

July 3, 2008

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006**

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

FINDING NUMBER 2007-001

Significant Deficiency / Material Weakness

Financial Reporting

As a result of the audit procedures performed, errors were noted in the District's financial statements that required audit adjustments and reclassifications as follows:

During 2007, the District initially misclassified personal property tax reimbursements received from the State of Ohio in the General Fund in the amount of \$12,220 and in the Special Tax Levy Fund in the amount of \$12,219 as General Property Tax receipts instead of Intergovernmental Receipts. Additionally, the District received and expended \$18,527 for a United States Department of Agriculture (USDA) Grant; however, the amount was originally expended in the General Fund and received in the USDA Grant Fund. The District reimbursed this amount from their USDA Grant Fund to the General Fund. As a result, the District overstated receipts and expenditures by this amount in 2007. The receipts and expenditure in the USDA Grant Fund were subsequently adjusted by \$18,527 to correctly state receipts and expenditures in 2007.

During 2006, the District initially misclassified personal property tax reimbursements received from the State of Ohio in the General Fund and in the Special Tax Levy Fund in the amount of \$6,858, respectively, as General Property Tax receipts instead of Intergovernmental Receipts. The District also initially misclassified the sale of 2 vehicles totaling \$3,008 in the General Fund as Miscellaneous Revenue rather than Sale of an Asset. Also, the District initially misclassified \$7,526 received, in total, from Prairie Township, Killbuck Township, and Richland Township for a multi community grant.

Sound financial reporting is the responsibility of the District and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

To help ensure the District's financial statements and notes to the financial statements are complete and accurate, the District should adopt policies and procedures to identify and correct errors and omissions. In addition, the District should review the financial statements and notes prior to submission for audit.

Officials' Response: I will be proactive in the future to classify receipts in the correct account to ensure the accuracy of the financial statements for the Fire District.

**HOLMES FIRE DISTRICT #1
HOLMES COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007 AND 2006**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2005-001	Ohio Rev. Sections 505.39, 505.40, 505.401 – The District improperly obtained a bank loan for operating activities and equipment purchases.	Yes	Finding No Longer Valid



Mary Taylor, CPA
Auditor of State

HOLMES FIRE DISRICT #1

HOLMES 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
SEPTEMBER 4, 2008**