



Mary Taylor, CPA  
Auditor of State



**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

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Mary Taylor, CPA  
Auditor of State

Cumberland Trail Fire District  
Belmont County  
P.O. Box 505  
St. Clairsville, Ohio 43950

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

October 23, 2009

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Cumberland Trail Fire District  
Belmont County  
P.O. Box 505  
St. Clairsville, Ohio 43950

To the Board of Trustees:

We have audited the accompanying financial statements of the Cumberland Trail Fire District, Belmont County, Ohio (the District) as of and for the years ended December 31, 2008 and 2007. 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. 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 fire 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.

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, 2008 and 2007 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, 2008 and 2007, 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 of the Cumberland Trail Fire District, Belmont County, Ohio, as of December 31, 2008 and 2007, 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 October 23, 2009, 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.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

October 23, 2009

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>			
Property and Local Taxes	\$863,432	\$0	\$863,432
Charges for Services	512,592		512,592
Intergovernmental	215,443		215,443
Earnings on Investments	13,894		13,894
Miscellaneous	20,571		20,571
	<hr/>		<hr/>
Total Cash Receipts	1,625,932	0	1,625,932
	<hr/>		<hr/>
<b>Cash Disbursements:</b>			
Current:			
Security of Persons and Property	1,420,597		1,420,597
Capital Outlay	6,643	200,000	206,643
Debt Service:			
Redemption of Principal	32,312		32,312
Interest and Fiscal Charges	3,645		3,645
	<hr/>		<hr/>
Total Cash Disbursements	1,463,197	200,000	1,663,197
	<hr/>		<hr/>
Total Cash Receipts Over/(Under) Cash Disbursements	162,735	(200,000)	(37,265)
	<hr/>		<hr/>
Fund Cash Balances, January 1	555,128	200,000	755,128
	<hr/>		<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u>\$717,863</u></b>	<b><u>\$0</u></b>	<b><u>\$717,863</u></b>

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

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT 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>Governmental Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Property and Local Taxes	\$902,991	\$0	\$0	\$902,991
Charges for Services	486,597			486,597
Intergovernmental	124,716	72,200		196,916
Earnings on Investments	19,735			19,735
Miscellaneous	7,618			7,618
	<u>1,541,657</u>	<u>72,200</u>	<u>0</u>	<u>1,613,857</u>
<b>Cash Disbursements:</b>				
Current:				
Security of Persons and Property	1,328,296			1,328,296
Capital Outlay	37,329	72,200		109,529
Debt Service:				
Redemption of Principal	30,634			30,634
Interest and Fiscal Charges	5,323			5,323
	<u>1,401,582</u>	<u>72,200</u>	<u>0</u>	<u>1,473,782</u>
Total Cash Receipts Over Cash Disbursements	<u>140,075</u>	<u>0</u>	<u>0</u>	<u>140,075</u>
<b>Other Financing Receipts / (Disbursements):</b>				
Transfers-In			200,000	200,000
Transfers-Out	(200,000)			(200,000)
	<u>(200,000)</u>	<u>0</u>	<u>200,000</u>	<u>0</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(59,925)	0	200,000	140,075
Fund Cash Balances, January 1	615,053	0	0	615,053
<b>Fund Cash Balances, December 31</b>	<b><u>\$555,128</u></b>	<b><u>\$0</u></b>	<b><u>\$200,000</u></b>	<b><u>\$755,128</u></b>

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

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007**

**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 Cumberland Trail Fire District, Belmont County, Ohio (the District), as a body corporate and politic. A four-member Board of Trustees governs the District. Each political subdivision within the District appoints one member. Those subdivisions are Richland Township and the City of St. Clairsville. The other two Board members are appointed by the existing Board of Trustees. 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. 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. Deposits and Investments**

The District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The District values certificates of deposit at cost. Money market mutual funds (including STAR-Ohio) are recorded at share values the mutual funds report.

**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.

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds**

This fund accounts 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 Fund:

*Federal Emergency Management Agency (FEMA) Fund:* This fund received federal grant monies for the purchase of personal protective equipment.

**3. Capital Project Fund**

This fund accounts for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The District had the following significant Capital Project Fund:

*Capital Improvement Fund:* This fund received transfers from the General Fund for the purchase of new fire apparatus.

**E. 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 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. Appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 canceled, and reappropriated in the subsequent year.

A summary of 2008 and 2007 budgetary activity appears in Note 3.

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**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 Deposits and Investments**

The District maintains a deposit and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2008	2007
Demand deposits	\$362,971	\$412,637
Certificates of deposit	177,654	169,679
Total deposits	540,625	582,316
 STAROhio	 177,238	 172,812
Total investments	177,238	172,812
Total deposits and investments	\$717,863	\$755,128

**Deposits:** Deposits are insured by the Federal Deposit Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

**Investments:** Investments in STAROhio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**3. Budgetary Activity**

Budgetary activity for the years ending December 31, 2008 and 2007 follows:

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,450,000	\$1,625,932	\$175,932
	\$1,450,000	\$1,625,932	\$175,932

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**3. Budgetary Activity (Continued)**

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,757,960	\$1,463,197	\$294,763
Capital Projects	200,000	200,000	0
Total	\$1,957,960	\$1,663,197	\$294,763

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,471,000	\$1,541,657	\$70,657
Special Revenue	0	72,200	72,200
Capital Projects	0	200,000	200,000
Total	\$1,471,000	\$1,813,857	\$342,857

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,656,500	\$1,601,582	\$54,918
Special Revenue	0	72,200	(72,200)
Total	\$1,656,500	\$1,673,782	(\$17,282)

**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 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 Township.

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**5. Debt**

Debt outstanding at December 31, 2008 was as follows:

	Principal	Interest Rate
Promissory Note	\$34,079	5.50%
Total	\$34,079	

The District issued a promissory note to finance a portion of the construction cost of a new fire station. The note was issued on April 20, 2000 for \$250,000, maturing on April 20, 2009. The District's taxing authority collateralizes the note.

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

Year ending December 31:	Promissory Note
2009	\$35,957
Total	\$35,957

**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 these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2008 and 2007, OP&F participants contributed 10% of their wages. For 2008 and 2007, the District contributed to OP&F an amount equal to 24% of full-time fire fighters' wages. For 2008 and 2007, OPERS members contributed 10% and 9.5%, respectively, of their gross salaries and the District contributed an amount equaling 14% and 13.85%, respectively, of participants' gross salaries. The District has paid all contributions required through December 31, 2008.

The part-time employees of the District are not members of OP&F or OPERS. Instead, they contribute to Social Security. The contribution rate for these employees is 6.2% of their gross wages. The District contributed an amount equal to 6.2% of the employees' gross wages. The District has paid all contributions required through December 31, 2008.

**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.

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**7. Risk Management (Continued)**

**Commercial Insurance (Continued)**

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

**8. Contingent Liabilities**

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor, principally the federal government. 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**

On April 7, 2009, the District entered into a capital lease agreement for a Sutphen 70' Aerial Platform fire truck, in the amount of \$457,133 at 4.88%.



# 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*

Cumberland Trail Fire District  
Belmont County  
P.O. Box 505  
St. Clairsville, Ohio 43950

To the Board of Trustees:

We have audited the financial statements of the Cumberland Trail Fire District, Belmont County, Ohio (the District), as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated October 23, 2009, wherein we noted the District prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. 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 certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

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.

We consider findings 2008-001 and 2008-002 described in the accompanying Schedule of Findings to be significant deficiencies 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 the 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. We believe the significant deficiencies described above are material weaknesses.

### **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 instances of noncompliance or other matters that we must report under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2008-001, 2008-002 and 2008-003.

We also noted certain noncompliance or other matters that we reported to the District's management in a separate letter dated October 23, 2009.

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



**Mary Taylor, CPA**  
Auditor of State

October 23, 2009

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008 AND 2007**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
----------------------------------------------------------------------------------------------------------

**FINDING NUMBER 2008-001**

**Noncompliance Citation and Material Weakness**

Ohio Rev. Code Section 5705.09(F) states that each subdivision shall establish a special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose. As further discussed in Auditor of State Bulletin 1998-013, grants received from the Federal Emergency Management Agency (FEMA) must be placed in a FEMA fund.

The District received Federal Emergency Management Agency (FEMA) grant monies in 2007 and did not create a separate Special Revenue Fund to provide the accounting for the grant monies. The General Fund was used to account for the receipts and expenditures of the grant during 2007. Adjustments were posted in the amount of \$72,200 to the accompanying 2007 financial statements to the grant as Special Revenue Fund receipts and expenditures. Failure to create this fund and track receipt and expenditures for the FEMA grant resulted in co-mingling of monies and would have resulted in misstated financial statements if the adjustments had not been posted. The District agreed to this adjustment.

We recommend the District create a Special Revenue Fund to account for the receipts and expenditures of any future FEMA grant. No additional Auditor of State approval is necessary to establish the FEMA fund, only a resolution of the legislative body is required. For any additional accounting guidance on the proper accounting of the FEMA grant, the District should refer to Auditor of State Bulletin 98-013.

**FINDING NUMBER 2008-002**

**Noncompliance Citation and Material Weakness**

Ohio Rev. Code Section 5705.13(C), states a taxing authority of a subdivision, by resolution or ordinance, may establish a capital projects fund for the purpose of accumulating resources for the acquisition, construction, or improvement of fixed assets of the subdivision. The ordinance or resolution shall identify the source of the money to be used to acquire, construct, or improve the fixed assets identified in the resolution or ordinance, the amount of money to be accumulated for that purpose, the period of time over which that amount is to be accumulated, and the fixed assets that the taxing authority intends to acquire, construct, or improve with the money to be accumulated in the fund.

Ohio Rev. Code 5705.14(E) states money may be transferred from the general fund to any other fund of the subdivision.

The Board of Trustees approved the establishment of the Capital Improvement Fund for future capital improvements and equipment replacements. Revenues for the fund were to be generated through EMS billings of residents recorded in the General Fund. The Board of Trustees authorized the transfer of \$25,000, \$125,000 and \$50,000 from the General Fund to the Capital Improvement Fund. However, the Financial Officer failed to record the transfers-in and the subsequent expenditure of the \$200,000 for the down payment on the purchase of new fire apparatus to the Capital Improvement Fund. As a result, the transfer-in and payment were posted to the accompanying financial statements to reflect this activity in the Capital Improvement Fund, Capital Projects Fund Type per the approval of a capital project improvement fund by the Board of Trustees under Ohio Revised Code Section 5705.13(C).

We recommend the Financial Officer develop procedures to ensure the financial activity authorized by the Board of Trustees is accurately recorded and reported on the District's ledgers and financial statements.

**CUMBERLAND TRAIL FIRE DISTRICT  
BELMONT COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2008-003**

**Noncompliance Citation**

Ohio Rev. Code Section 505.375 provides for the creation of a fire and ambulance district. Specifically, R.C. 505.375(C)(8) states, in pertinent part, that the board of trustees of a fire and ambulance district created under this section may exercise the following powers: establish reasonable charges for the use of ambulance or emergency medical services under the same conditions under which a board of fire district trustees may establish those charges under section 505.371 of the Revised Code.

Ohio Rev. Code Section 505.371(C)(1) states, in part, that the board of fire district trustees may establish reasonable charges for the use of ambulance or emergency medical services.

Ohio Rev. Code Section 505.371(C)(3) states that charges collected under division (C) of this section shall be kept in a separate fund designated as the ambulance and emergency medical services fund and shall be appropriated and administered by the board. The fund shall be used for the payment of the costs of the management, maintenance, and operation of ambulance and emergency medical services in the district.

Due to a lack of knowledge of the Ohio Revised Code requirements, the District did not establish the required fund. All receipt and expenditure activity of Emergency Medical Services was accounted for in the General Fund. Failure to establish a separate fund to account for emergency medical services charges could result in misleading financial statements and misappropriation of funds.

We recommend the District establish a separate fund to account for activity related to ambulance and emergency medical services.

**Officials' Response:** The District officials did not respond to the above findings.



**Mary Taylor, CPA**  
Auditor of State

**CUMBERLAND TRAIL FIRE DISTRICT**

**BELMONT 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  
NOVEMBER 24, 2009**