

***C.B.S. JOINT FIRE DISTRICT  
RICHLAND COUNTY***

***AUDIT REPORT***

***FOR THE YEARS ENDED DECEMBER 31, 2009 & 2008***

***Charles E. Harris and Associates, Inc.***  
**Certified Public Accountants and Government Consultants**





# Mary Taylor, CPA

Auditor of State

Board of Trustees  
C.B.S. Joint Fire District  
11 N. Delaware Street  
Shiloh, Ohio 44878

We have reviewed the *Report of Independent Accountants* of the C.B.S. Joint Fire District, Richland County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2008 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Report of Independent Accountants* on your financial statements. While the Auditor of State 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. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Report of Independent Accountants* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The C.B.S. Joint Fire District is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

May 25, 2010

**This Page is Intentionally Left Blank.**

**C.B.S. JOINT FIRE DISTRICT  
RICHLAND COUNTY  
Audit Report  
For the Years Ended December 31, 2009 & 2008**

**TABLE OF CONTENTS**

<u>Title</u>	<u>Page</u>
Report of Independent Accountants	1-2
Statement of Receipts, Disbursements, and Changes in Fund Cash Balances – Special Revenue Fund - For the Years Ended December 31, 2009 and 2008	3
Notes to the Financial Statements	4-10
Independent Accountants' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	11-12
Schedule of Findings	13
Schedule of Prior Audit Findings	15

**Rockefeller Building**  
**614 West Superior Avenue Suite 1242**  
**Cleveland, OH 44113-1306**  
**Office Phone - (216) 575-1630**  
**Fax - (216) 436-2411**

***Charles E. Harris & Associates, Inc.***  
***Certified Public Accountants***

**REPORT OF INDEPENDENT ACCOUNTANTS**

C.B.S. Joint Fire District  
Richland County  
11 N. Delaware St.  
Shiloh, Ohio 44878-9747

To the Board of Trustees:

We have audited the accompanying financial statements of the C.B.S. Joint Fire District, Richland County (the District), as of and for the years ended December 31, 2009 and 2008. 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 that 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.

Revisions to GAAP would require the District to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2009 and 2008. 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 the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The District has elected not to reformat its statements. Since the District does not use GAAP to measure financial statement amounts, 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, 2009 and 2008, 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, 2009 and 2008, 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 fund cash balances of the District, as of December 31, 2009 and 2008, and its cash receipts and disbursements, changes in fund cash balances and reserves for encumbrances for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the District to include Management's Discussion and Analysis for the years ended December 31, 2009 and 2008. 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 April 14, 2010, 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 do not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal controls 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.

***Charles E. Harris & Associates, Inc.***

April 14, 2010

**C.B.S. JOINT FIRE DISTRICT  
 RICHLAND COUNTY  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
 IN FUND BALANCES - SPECIAL REVENUE FUND  
 For the Years Ended December 31, 2009 and 2008**

	Special Revenue Fund	
	2009	2008
<b><u>RECEIPTS:</u></b>		
Property Taxes	\$ 84,061	\$ 80,245
Intergovernmental	17,329	17,700
Interest	101	113
Charges for Services	33,457	19,091
Donations	17,225	20,000
Other	50	1,299
	152,223	138,448
<b><u>DISBURSEMENTS</u></b>		
Salaries and Benefits	44,645	36,180
Public Safety	55,379	62,590
Other	12,680	12,981
Debt Service		
Principal Retirement	31,162	46,934
Interest and Fiscal Charges	2,942	3,440
	146,808	162,125
Total Receipts Over/(Under) Disbursements	5,415	(23,677)
Fund Cash Balance, January 1	22,213	45,890
Fund Cash Balance, December 31	\$ 27,628	\$ 22,213
Reserve for Encumbrances, December 31	\$ 2,854	\$ 197

See accompanying notes to the financial statements

**C.B.S JOINT FIRE DISTRICT  
RICHLAND COUNTY  
Notes to the Financial Statements  
For the Years Ended December 31, 2009 and 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. DESCRIPTION OF THE ENTITY**

The C.B.S. Joint Fire District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District provides fire protection and EMS services to Cass Township, Blooming Grove Township, Butler Township and the Village of Shiloh.

The District's management believes these financial statements included in this report represent all of the funds of the District over which the District has the ability to exercise direct operating control.

**B. BASIS OF ACCOUNTING**

The C.B.S. Joint Fire District prepares its financial statements following 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. CASH**

Investments are included in the fund cash balance. Accordingly, purchases of investments are not recorded as disbursements and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

**D. FUND ACCOUNTING**

The District maintains its accounting records in accordance with the principles of "Fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity, which stands separate from the activities reported in other funds. The restriction associated with each class of funds is as follows:

**C.B.S JOINT FIRE DISTRICT  
RICHLAND COUNTY  
Notes to the Financial Statements  
For the Years Ended December 31, 2009 and 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**D. FUND ACCOUNTING - (Continued)**

Governmental Fund Type:

Special Revenue Fund: To account for the proceeds of specific revenue sources that are legally restricted to disbursements for specified purposes.

**E. BUDGETARY PROCESS**

A budget of estimated cash receipts and disbursements is prepared by the Clerk, approved by the District Board of Trustees, and submitted to the county auditor, as secretary of the County Budget Commission, by July 15 of each year, for the period January 1 to December 31 of the following year.

**1. Estimated Resources**

The county auditor calculates the estimated revenues available to the District. He prepares a certificate of estimated resources based upon this calculation and upon the other financial information supplied in the budget sent by the District. The certificate is approved by the county budget commission and sent to the District Clerk by September 1.

Prior to December 31, the District must revise its budget so that the total budgeted expenditures for a fund will not exceed the amount of estimated resources stated in the certificate of estimated resources. The revised budget serves as the basis for the annual appropriation measure.

On or about January 1, the Clerk sends the county auditor a certificate which includes the actual unencumbered balances from the preceding year. The county auditor prepares an amended certificate, submits it to the county budget commission for approval. This amended certificate may be further amended during the year if projected revenue increases or the Clerk identifies decreases in revenue.

Budgeted receipts, as shown in Note 4, do not include the unencumbered fund balances as of January 1, 2009 and 2008. However, those fund balances are available for appropriation.

**C.B.S JOINT FIRE DISTRICT  
RICHLAND COUNTY  
Notes to the Financial Statements  
For the Years Ended December 31, 2009 and 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**E. BUDGETARY PROCESS - (Continued)**

2. Appropriations

A temporary appropriation measure to control cash expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by March 31 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

3. Encumbrances

The District is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The sum of expenditures and encumbrances may not exceed appropriated totals at any level of budgetary control. The legal level of control is the object level.

Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year without being re-appropriated.

**F. 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. CASH AND CASH EQUIVALENTS**

The District maintains a cash and investment pool. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31, 2009 and 2008 follows:

**C.B.S JOINT FIRE DISTRICT  
 RICHLAND COUNTY  
 Notes to the Financial Statements  
 For the Years Ended December 31, 2009 and 2008**

**2. CASH AND CASH EQUIVALENTS - (Continued)**

	2009	2008
Demand Deposits	\$ 27,628	\$ 22,213

**Deposits:** Deposits are either: (1) insured by the Federal Depository Insurance Corporation; (2) collateralized by securities specifically pledged by the financial institution to the District or (3) collateralized by the financial institution's public entity deposit pool.

**3. PROPERTY TAXES**

Real property taxes are levied on assessed values, which equal 35% of appraised value. The county auditor reappraises all real property every six years with a triennial update.

Real property taxes become a lien on all non-exempt real property located in the county on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

The State Board of Tax Equalization adjusts the tax rates for inflation. Real property owners' tax bills are further reduced by homestead and rollback deductions when applicable. The amount of these homestead and rollback reductions is reimbursed to the District by the State of Ohio. The amounts reimbursed by the State of Ohio are reflected in the accompanying financial statements as intergovernmental receipts.

Public utilities are also taxed on personal and real property located within the District. Tangible personal property taxes are assessed on the property owners, who must file a list of such property to the County by each April 30. The tangible personal property taxes are being phased out through 2009.

The County Treasurer collects property tax on behalf of all taxing authorities within the county. The County Auditor periodically remits to the taxing authorities their portions of the taxes collected.

**C.B.S JOINT FIRE DISTRICT  
RICHLAND COUNTY  
Notes to the Financial Statements  
For the Years Ended December 31, 2009 and 2008**

**4. BUDGETARY ACTIVITY**

Budgetary activity for the years ended December 31, 2009 and 2008 is as follows:

<b>2009 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
Special Revenue	\$ 124,026	\$ 152,223	\$ 28,197

<b>2009 Budgeted vs. Actual Budgetary Basis Disbursements</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Actual Disbursements</b>	<b>Variance</b>
Special Revenue	\$ 146,041	\$ 149,662	\$ (3,621)

<b>2008 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
Special Revenue	\$ 118,899	\$ 138,448	\$ 19,549

<b>2008 Budgeted vs. Actual Budgetary Basis Disbursements</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Disbursements</b>	<b>Variance</b>
Special Revenue	\$ 162,395	\$ 162,322	\$ 73

**5. DEFINED BENEFIT PENSION PLAN**

The employees of the District are covered by the Ohio Public Employees Retirement System (OPERS), a cost sharing multiple-employer public employee retirement system administered by the Ohio Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code establishes benefits. OPERS issues a stand-alone financial report which may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio, 43215-4642.

Contribution rates are also prescribed by the Ohio Revised Code. In 2009 and 2008, OPERS member employees contributed 10% of their gross salaries. The District contributed an amount equal to 14% of participant's salaries. The District has paid all contributions required through December 31, 2009.

**C.B.S JOINT FIRE DISTRICT  
RICHLAND COUNTY  
Notes to the Financial Statements  
For the Years Ended December 31, 2009 and 2008**

**6. RISK MANAGEMENT**

The District has obtained Commercial Insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Public Officials Liability

Settled Claims have not exceeded this commercial coverage in any of the last three years. There have been no significant reductions in insurance coverage from last year.

The District pays the State Worker's Compensation System a premium based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

**7. DEBT**

Debt activity for the years ending December 31, 2009 and 2008 is as follows:

	Principal Balance 01/01/08	Additions	Principal Retired	Principal Balance 12/31/2008
USDA Loan	\$ 15,700	\$ -	\$ 15,700	\$ -
First Bankers' Corp.	84,978	-	31,234	53,744
<b>Total Debt</b>	<b>\$ 100,678</b>	<b>\$ -</b>	<b>\$ 46,934</b>	<b>\$ 53,744</b>
	Principal Balance 01/01/09	Additions	Principal Retired	Principal Balance 12/31/2009
First Bankers' Corp.	\$ 53,744	\$ -	\$ 31,162	\$ 22,582
<b>Total Debt</b>	<b>\$ 53,744</b>	<b>\$ -</b>	<b>\$ 31,162</b>	<b>\$ 22,582</b>

In 2005, the District entered into a loan agreement with the United States Department of Agriculture (USDA) whereby the USDA agreed to loan the District a total of \$67,000 for the purpose of assisting in the financing of the purchase of an ambulance. The loan bears interest at a rate of 4.125% annually beginning in November of 2005. This loan was paid off in 2008.

In June 2007, the District purchased a fire truck. The total cost of the truck was \$123,812, of which \$20,000 was paid directly by the Fire Fighters' Association to the vendor; \$6,150 was paid by the District from its operating funds and the remaining \$97,662 was paid through a lease purchase agreement with First Bankers' Corporation. The loan is projected to be paid off in 2010.

**C.B.S JOINT FIRE DISTRICT  
RICHLAND COUNTY  
Notes to the Financial Statements  
For the Years Ended December 31, 2009 and 2008**

**7. DEBT - (Continued)**

The amortization schedule of the term of the loan agreement, including interest, is as follows:

March 1, 2010	\$17,052
September 1, 2010	<u>7,871</u>
Total payments	<u>\$24,923</u>

**8. SUBSEQUENT EVENTS/PENDING LITIGATION**

Management believes there are no pending claims or lawsuits.

**9. BUDGETARY NONCOMPLIANCE**

Contrary to Ohio Revised Code 5705.41(D), the District did not properly certify expenditures.

Rockefeller Building  
614 W Superior Ave Ste 1242  
Cleveland, OH 44113-1306  
Office phone - (216) 575-1630  
Fax - (216) 436-2411

***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

---

---

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

C.B.S. Joint Fire District  
Richland County  
11 N. Delaware St.  
Shiloh, Ohio 44878-9747

To the Board of Trustees:

We have audited the financial statements of C.B.S. Fire District, Richland County, Ohio (the District) as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated April 14, 2010, wherein we noted the District followed accounting practices prescribed or permitted by the Auditor of State of Ohio. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls 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 the purpose of expressing our opinions on the financial statements, but not for the purpose of opining 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.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### 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 an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2009-CBS-01.

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 it.

We noted certain matters that we have reported to management of the District in a separate letter dated April 14, 2010.

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

*Charles E. Harris & Associates, Inc.*

April 14, 2010

C.B.S. JOINT FIRE DISTRICT  
RICHLAND COUNTY, OHIO

SCHEDULE OF FINDINGS  
December 31, 2009 & 2008

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

**FINDING NUMBER 2009-CBS-01 – Non-compliance Citation**

Ohio Rev. Code Section 5705.41 (D) (1) prohibits a subdivision or taxing entity from making a contract or ordering any expenditure of money unless a certificate signed by a fiscal officer is attached thereto. The fiscal officer must certify that the amount required to meet any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41 (D)(1) and 5705.41 (D)(3), respectively, of the Ohio Revised Code.

1. "Then and Now Certificates" – If the fiscal officer can certify that both at the time that contract or order was made ("then") and at the time that the fiscal officer was completing the certification ("now"), that sufficient funds were available or in the process of collection, to credit of a proper fund, properly appropriated and free from any previous encumbrance, the District can authorize the drawing of a warrant for payment of the amount due. The District has thirty days from the receipt of the "then and now" certificate to approve payment by resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the District.

2. Blanket Certificates - Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution adopted by a majority of members of the legislative authority against any specific line item amount over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

3. Super Blanket Certificates – The District may also make expenditures and contracts for any amount for a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most profession services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

C.B.S. JOINT FIRE DISTRICT  
RICHLAND COUNTY, OHIO

SCHEDULE OF FINDINGS – (continued)  
December 31, 2009 & 2008

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

**FINDING NUMBER 2009-CBS-01 – Non-compliance Citation – (continued)**

The District did not make the proper certification of funds in all instances. All items tested had the certifications after the obligation date during the audit period. We recommend that the District institute the use of purchase orders for any expenditure to be made and certify expenditures prior to incurring the liability. In instances where prior certification is not practical, we recommend the issuance of a “Then and Now” certificate.

Management Response: As all the Trustees and the Fiscal Officer work part-time, it is not feasible for the Fiscal Officer to prepare purchase orders and have these signed by the Trustees prior to the meeting. However, all purchases are reviewed and approved by all Trustees.

**C.B.S. JOINT FIRE DISTRICT  
RICHLAND COUNTY, OHIO**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
December 31, 2009 and 2008**

<b>FINDING NUMBER</b>	<b>FUNDING SUMMARY</b>	<b>FULLY CORRECTED?</b>	<b>Not Corrected. Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain</b>
2007-CBS-01	Ohio Revised Code Section 5705.38(A) requires that on or about the first day of each fiscal year, an appropriation measure is to be passed.	Yes	District passed appropriation measure on time.
2007-CBS-02	Ohio Admin. Code Section 117-2-02(A)- Proper classification and reporting of transactions	Yes	Finding no longer valid
2007-CBS-03	Ohio Revised Code Section 5705.41 (D)- Proper certification of funds prior to disbursement	No	Not Corrected – See Finding 2009-CBS-01



**Mary Taylor, CPA**  
Auditor of State

**C. B. S. JOINT FIRE DISTRICT**

**RICHLAND 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  
JUNE 8, 2010**