



Dave Yost • Auditor of State



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Delaware Valley Joint Fire District
Tuscarawas County
P.O. Box 6
Port Washington, Ohio 43837

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Delaware Valley Joint Fire District, Tuscarawas County, Ohio (the District), for the years ended December 31, 2013 and 2012.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2013 or 2012.

The District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Current Year Observations

1. Ohio Rev. Code § 5705.41(B) requires that no subdivision or taxing unit shall make any expenditure of money unless it had been appropriated. Expenditures exceeded appropriations by \$4,789 in 2013 due to the District not appropriating for Auditor/Treasurer fees on property tax collections. As a result, there was an increased risk of the District expending more monies than available. The District should review annual appropriations and ensure that all expenditures types are appropriated. Supplemental, or reductions, in appropriations should be made as necessary throughout the year.
2. Ohio Admin. Code § 117-2-02(C)(1) requires all local public offices to integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system in order to effectively maintain the accounting and budgetary records. However, we noted that the District did not integrate estimated revenue approved by the Tuscarawas County Budget Commission into their accounting software. As a result, there was an increased risk of the District utilizing inaccurate budgetary information when making decisions. The District should integrate all budgetary information into their ledgers. This will help to ensure the accuracy of information reported and provide accurate budget versus actual comparisons, which will allow management and the Board to make informed financial decisions.

Current Status of Matters we Reported in our Prior Engagement

3. Our prior year audit for the years ending December 31, 2011 and 2010 disclosed that the District did not utilize their accounting system to group revenues in categories as required by Ohio Admin. Code § 117-2-02(A). We noted that the District grouped revenue into classifications: Property and Other Local Taxes and Miscellaneous Revenue. Upon scanning the Cash Receipts Journal, we noted that the District received Intergovernmental Revenue (State grants, reimbursements on homestead and rollback taxes), Interest and Donations (grants through local non-governmental foundations) that were incorrectly identified as part of the Property and Other Local Taxes or Miscellaneous Revenue classifications. As a result, financial statements could potentially be materially misstated. The District should review revenue classifications and determine how their accounting system can be organized to more correctly report revenues by type. Revenue should then be reported based upon its source and purpose. This will help to ensure that the District's financial statements are materially correct as well as allow the District to properly identify and analyze all revenue types for annual budgeting.

4. Our prior year audit for the years ending December 31, 2011 and 2010 disclosed that the District did not properly utilize purchase orders as required by Ohio Rev. Code § 5705.41(D). We noted that the District used purchase orders for non-recurring items as equipment; however, the District did not utilize purchase orders on regular recurring items as such telephone charges. The District should review Ohio Rev. Code § 5705.41(D) for the proper use of purchase orders, including the potential usage of blanket or super blanket certificates. The District should ensure all required purchases are properly encumbered prior to incurring the expense. This will help the District to properly ensure and certify that funding is available prior to incurring obligations for the expense of items.



Dave Yost
Auditor of State

Columbus, Ohio

September 2, 2014



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DELAWARE VALLEY JOINT FIRE DISTRICT

TUSCARAWAS 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 16, 2014**