



**EMERGENCY MANAGEMENT AGENCY  
DARKE COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998**



**JIM PETRO  
AUDITOR OF STATE**

STATE OF OHIO



**EMERGENCY MANAGEMENT AGENCY  
DARKE COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

Emergency Management Agency  
Darke County  
5185 County Home Road  
Greenville, Ohio 45331

To the Members of the Agency Board:

We have audited the accompanying financial statements of the Emergency Management Agency, Darke County, Ohio, (the Agency) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Agency prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Agency as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2000, on our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the management, Agency Board, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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**Jim Petro**  
Auditor of State

June 19, 2000

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**EMERGENCY MANAGEMENT AGENCY  
DARKE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Intergovernmental	\$145,227	\$33,214	\$178,441
Miscellaneous	9,559	5	9,564
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	154,786	33,219	188,005
	<hr/>	<hr/>	<hr/>
<b>Cash Disbursements:</b>			
Current:			
Salaries and Benefits	63,764	11,483	75,247
Equipment	4,297	2,240	6,537
Contracts and Repairs	54,420	4,800	59,220
Insurance	6,167	1,847	8,014
Training	0	1,523	1,523
Utilities	3,465	0	3,465
Travel	1,628	107	1,735
Supplies	1,413	33	1,446
Miscellaneous	5,710	51	5,761
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	140,864	22,084	162,948
	<hr/>	<hr/>	<hr/>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	13,922	11,135	25,057
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1	14,287	7,458	21,745
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b>\$28,209</b>	<b>\$18,593</b>	<b>\$46,802</b>
	<hr/>	<hr/>	<hr/>
Reserve for Encumbrances, December 31	\$854	\$3,394	\$4,248
	<hr/>	<hr/>	<hr/>

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

**EMERGENCY MANAGEMENT AGENCY  
DARKE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Intergovernmental	\$78,168	\$18,017	\$96,185
Miscellaneous	10,215	235	10,450
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	88,383	18,252	106,635
	<hr/>	<hr/>	<hr/>
<b>Cash Disbursements:</b>			
Current:			
Salaries and Benefits	52,100	10,267	62,367
Equipment	5,501	9,397	14,898
Contracts and Repairs	26,079	0	26,079
Insurance	4,951	1,614	6,565
Training	0	620	620
Utilities	3,249	0	3,249
Travel	1,223	430	1,653
Supplies	572	0	572
Miscellaneous	6,272	443	6,715
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	99,947	22,771	122,718
	<hr/>	<hr/>	<hr/>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(11,564)	(4,519)	(16,083)
Fund Cash Balances, January 1	25,851	11,977	37,828
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<b>\$14,287</b>	<b>\$7,458</b>	<b>\$21,745</b>
	<hr/>	<hr/>	<hr/>
Reserve for Encumbrances, December 31	\$1,376	\$0	\$1,376
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*The notes to the financial statements are an integral part of this statement.*



**EMERGENCY MANAGEMENT AGENCY  
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Darke County Emergency Management Agency, (the Agency) was organized under Ohio Rev. Code Section 5502.26 to establish a program for a county-wide emergency management operation. The Agency has a seven member executive committee appointed by a county wide advisory group. The executive committee consists of a County Commissioner, four chief executives representing the municipal corporations and townships and two non-elected representatives. The executive committee appoints a director that is responsible for organizing, administering, and operating emergency management in accordance with the Agency's established program.

The Agency's management believes these financial statements present all activities for which the Agency is financially accountable.

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Fund Accounting**

The Agency uses fund accounting to segregate cash and investments that are restricted as to use. The Agency classifies its funds into the following types:

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

This fund is used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Agency had the following significant Special Revenue Fund:

**Special Emergency Planning Fund** - This fund is used to account for financial resources received through grant funding for the training for emergencies dealing with hazardous materials and other toxins.

**D. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**EMERGENCY MANAGEMENT AGENCY  
DARKE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998  
(Continued)**

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

**E. Unpaid Vacation and Sick Leave**

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

**2. EQUITY IN POOLED CASH AND INVESTMENTS**

The Darke County Auditor acts as the fiscal agent for the Emergency Management Agency and the County Treasurer maintains a cash and investment pool used by all County funds. Because the nature of the pool is to commingle the all County funds, the risk involved and the preferential claim of the Agency cannot be reasonably determined.

The amounts on the County Auditor's records as the Agency's cash balance as of December 31, 1999 and 1998, were \$46,802 and \$21,745 respectively.

**3. RETIREMENT SYSTEMS**

The Agency's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of PERS contributed 8.5% of their gross salaries. The Agency contributed an amount equal to 13.55% of participants' gross salaries. The Agency has paid all contributions required through December 31, 1999.

**4. RISK MANAGEMENT**

The Agency has obtained commercial insurance for the following risks:

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

The Agency also provides health insurance coverage to full-time employees through a private carrier.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Emergency Management Agency  
Darke County  
5185 County Home Road  
Greenville, Ohio 45331

To the Members of the Agency Board:

We have audited the accompanying financial statements of Emergency Management Agency, Darke County, Ohio (the Agency), as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated June 19, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted another matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Agency in a separate letter dated June 19, 2000.

Emergency Management Agency  
Darke County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

This report is intended for the information and use of the management and Agency Board, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

**Jim Petro**  
Auditor of State

June 19, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**EMERGENCY MANAGEMENT AGENCY**

**DARKE 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  
JULY 25, 2000**