



**MIAMI VALLEY FIRE/EMS ALLIANCE  
MONTGOMERY COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2000-1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**MIAMI VALLEY FIRE/EMS ALLIANCE  
MONTGOMERY COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

Miami Valley Fire/EMS Alliance  
Montgomery County  
444 West Third Street, Suite 20-231  
Dayton, Ohio 45402-1460

To the Alliance Board:

We have audited the accompanying financial statements of the Miami Valley Fire/EMS Alliance Board, Montgomery County, (the Board) as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of the Board'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 Board 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 of the Miami Valley Fire/EMS Alliance Board, Montgomery County, as of December 31, 2000 and 1999, 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 March 22, 2001 on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

**Jim Petro**  
Auditor of State

March 22, 2001

**MIAMI VALLEY FIRE/EMS ALLIANCE  
MONTGOMERY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN FUND  
CASH BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Expendable Trust</u>	
<b>Cash Receipts:</b>				
Intergovernmental		\$381,884		\$381,884
Charges for services	\$150,950	11,250		162,200
Earnings on Investments	6,440	11,177	\$5,770	23,387
Miscellaneous	1,901	1,000	13,749	16,650
Total Cash Receipts	<u>159,291</u>	<u>405,311</u>	<u>19,519</u>	<u>584,121</u>
<b>Cash Disbursements:</b>				
Current:				
General government	<u>152,944</u>	<u>276,851</u>	<u>18,225</u>	<u>448,020</u>
Total Cash Disbursements	<u>152,944</u>	<u>276,851</u>	<u>18,225</u>	<u>448,020</u>
Total Receipts Over/(Under) Disbursements	6,347	128,460	1,294	136,101
Fund Cash Balances, January 1, 2000	<u>148,627</u>	<u>262,924</u>	<u>0</u>	<u>411,551</u>
<b>Fund Cash Balances, December 31, 2000</b>	<u>\$154,974</u>	<u>\$391,384</u>	<u>\$1,294</u>	<u>\$547,652</u>

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

**MIAMI VALLEY FIRE/EMS ALLIANCE  
MONTGOMERY 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>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Intergovernmental		\$483,303	\$483,303
Charges for services	\$136,726	11,250	147,976
Earnings on Investments	5,686	8,551	14,237
Miscellaneous	14,501	4,507	19,008
	<u>156,913</u>	<u>507,611</u>	<u>664,524</u>
Total Cash Receipts			
	<u>156,913</u>	<u>507,611</u>	<u>664,524</u>
<b>Cash Disbursements:</b>			
Current:			
General government	182,531	574,394	756,925
	<u>182,531</u>	<u>574,394</u>	<u>756,925</u>
Total Cash Disbursements			
	<u>182,531</u>	<u>574,394</u>	<u>756,925</u>
Total Receipts Over/(Under) Disbursements	(25,618)	(66,783)	(92,401)
Fund Cash Balances, January 1, 1999	174,245	329,707	503,952
	<u>174,245</u>	<u>329,707</u>	<u>503,952</u>
<b>Fund Cash Balances, December 31, 1999</b>	<u>\$148,627</u>	<u>\$262,924</u>	<u>\$411,551</u>

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



**MIAMI VALLEY FIRE/EMS ALLIANCE BOARD  
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 and 1999**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Miami Valley Fire/EMS Alliance Board, (the Board) has been established as a Regional Council of Governments pursuant to the constitution and laws of Ohio, including, but not limited to, Ohio Rev. Code Chapter 167. The purpose of the Board hereby established is to foster cooperation among the political subdivisions through the establishment of an organization which will promote programs and recommend matters which will result in more efficient methods of delivering fire and emergency medical services in the region. By-Laws were adopted on February 8, 1995. Ultimate authority of the Alliance shall be vested in a Fire/EMS Alliance Board. The Board consists of a representative from each political subdivision that has paid the "per capita" fee assessed against it or has contractually paid the "per capita" fee assessed against another political subdivision from which it receives Fire/EMS services. Each political subdivision may have one (1) delegate and one (1) alternate to the Board who shall be appointed by the legislative authority of said political subdivision.

The Board also assumed the duties as the fiscal administrator for the Miami Valley Urban Search and Rescue Task Force.

The Board's management believes these financial statements present all activities for which the Board 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. Cash and Investments**

Certificates of deposits are valued at cost.

Investments are reported as assets. 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 Board uses fund accounting to segregate cash and investments that are restricted as to use. The Board 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.

**MIAMI VALLEY FIRE/EMS ALLIANCE BOARD  
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 and 1999  
(Continued)**

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

**2. Special Revenue Funds**

These funds are 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 Board had the following significant Special Revenue Funds: Federal Emergency Management Agency Fund; State Emergency Management Agency Fund; and the Local Emergency Management Agency Fund.

**3. Fiduciary Fund (Expendable Trust Fund)**

The Board had the following significant Expendable Trust Fund for 2000: Miami Valley Fire/EMS Corporation. The purpose of this fund is to account for charitable donations from private individuals and businesses to support the needs of the Board.

**E. Budgetary Process**

Ohio Rev. Code Chapter 167 does not address the budgetary process of Regional Council of Governments but allows the government to adopt by-laws that may address budgetary matters. The Board's by-laws requires that the Alliance Board must adopt an Annual Budget. This budget is to be prepared by the Executive Director for the fiscal year beginning the next January 1 and submitted to the Alliance Board two weeks prior to the last quarterly meeting for approval.

**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.

**G. Unpaid Vacation and Sick Leave**

Employees are not entitled to cash payments for unused vacation, but are entitled to payments of up to 130 days of unused 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 Board.

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

The Board maintains separate cash and investments accounts used by the funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$433,358	\$303,696
Certificates of deposit	114,294	107,855
Total deposits	<u>\$547,652</u>	<u>\$411,551</u>

**MIAMI VALLEY FIRE/EMS ALLIANCE BOARD  
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000 and 1999  
(Continued)**

**2. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)**

**Deposits:**

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

**3. RETIREMENT SYSTEMS**

The Board's employees belong to the Public Employees Retirement System (PERS) of Ohio, 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. PERS members contributed 8.5% of their gross salaries. The Board contributed an amount equal to 13.55% of participants' gross salaries for January 1999 through June 2000 and an amount equal to 8.13% of participants' gross salaries for July through December 2000. The Board has paid all contributions required through December 31, 2000.

**4. RISK MANAGEMENT**

The Board has obtained commercial insurance for the following risks:

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

The Board also provides health insurance coverage to two full-time employees through the Ohio Benefit Cooperative.

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

Miami Valley Fire/EMS Alliance Board  
Montgomery County  
444 West Third Street, Suite 20-231  
Dayton, Ohio 45402-1460

To the Alliance Board:

We have audited the accompanying financial statements of the Miami Valley Fire/EMS Alliance Board, Montgomery County, Ohio (the Board), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated March 22, 2001. 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 Board'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*. However, we noted an immaterial instance of noncompliance that we have reported to management of the Board in a separate letter dated March 22, 2001.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board'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 other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Board in a separate letter dated March 22, 2001.

Miami Valley Fire/EMS Alliance Board  
Montgomery 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 Board, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

March 22, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**MIAMI VALLEY FIRE/ EMS ALLIANCE**

**MONTGOMERY 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  
MAY 8, 2001**