



Dave Yost • Auditor of State

**BLADENSBURG JOINT FIRE DISTRICT
KNOX COUNTY**

TABLE OF CONTENTS

TITLE _____ **PAGE**

Independent Accountants' Report on Applying Agreed-Upon Procedures..... 1

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Bladensburg Joint Fire District
Knox County
22600 Deal Road
Gambier, Ohio 43022

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Bladensburg Joint Fire District, Knox County, Ohio (the District) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2010 and 2009, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash

1. We tested the mathematical accuracy of the December 31, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Cash Journal to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2010 and 2009 fund cash balances reported in the Cash Journal. The amounts agreed.
4. We confirmed the December 31, 2010 bank account balances with the District's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2010 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2010 bank reconciliation:
 - a. We traced each check to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates written to the check register, to determine the checks were dated prior to December 31. We noted no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2010 and one from 2009.
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipts Journal. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipts Journal to determine whether it included the proper number of tax receipts for 2010 and 2009:
 - a. One personal property tax receipt
 - b. Two real estate tax receiptsWe noted the Receipts Register included the proper number of tax settlement receipts for each year.
3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2010 and five from 2009.
 - a. We compared the amount from the DTL to the amount recorded in the Receipt Ledger. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

1. We confirmed the amounts paid from the MedBill Resources, Inc., the service organization that performs the emergency medical billings, to the District during 2010 with the MedBill Resources, Inc. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior audit report disclosed no debt outstanding as of December 31, 2008.
2. We inquired of management, and scanned the Receipt Ledger and Appropriation Ledger for evidence of debt issued during 2010 or 2009 or debt payment activity during 2010 or 2009. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of bonded debt activity for 2010 and 2009 and agreed principal and interest payments from the related debt amortization schedules to General Bond Retirement Fund payments reported in the Cash Journal. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.

Debt (Continued)

4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the General Bonded Retirement Fund per the Receipts Journal. The amounts agreed.
5. For new debt issued during 2009, we inspected the debt legislation, noting the District must use the proceeds to purchase an ambulance. We scanned the Cash Journal and noted the District purchased an ambulance in November of 2009.

Non-Payroll Cash Disbursements

1. From the Cash Journal, we re-footed checks recorded as General Fund disbursements for *security of persons and property*, for 2010. We found no exceptions.
2. We haphazardly selected ten disbursements from the Cash Journal for the year ended December 31, 2010 and ten from the year ended 2009 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, cancelled check agreed to the check number, date, payee name and amount recorded in the Cash Journal and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
 - d. We found three instances in 2010 and one instance in 2009 where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Section 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Compliance – Budgetary

1. The amounts on the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), were not recorded in the Receipts Journal. The District did not record budgeted (i.e. certified) resources for 2010 and 2009. The clerk should record budget resources and periodically compare amounts recorded in the Receipts Journal to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Trustees may be using inaccurate information for budgeting and monitoring purposes. We recommend that the District record the budgeted amounts in the Receipts Journal and compare the amounts to the *Amended Official Certificate or Estimated Resources*, and use this as a monitoring tool to monitor estimated receipts to actual receipts.
2. We scanned the appropriation measures adopted for 2010 and 2009 to determine whether, for the General, General Bond Retirement, and Ambulance and Emergency Medical Service funds, the Trustees appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Ledger for 2010 and 2009 for the following funds: General, General Bond Retirement, and Ambulance and Emergency Medical Service funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Ledger.

Compliance – Budgetary (Continued)

4. Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, General Bond Retirement, and Ambulance and Emergency Medical Service funds for the years ended December 31, 2010 and 2009. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2010 and 2009 for the General, General Bond Retirement, and Ambulance and Emergency Medical Service funds, as recorded in the Appropriation Ledger. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipts Journal for evidence of new restricted receipts requiring a new fund during December 31, 2010 and 2009. We also inquired of management regarding whether the District received new restricted receipts. The District established the Ambulance and Emergency Medical Service fund during 2009 to segregate ambulance runs and medical service receipts and disbursements. We also noted that the Trustees established the General Bond Retirement fund during 2010, to segregate receipts and disbursements from the purchase of a new ambulance.
7. We scanned the 2010 and 2009 Receipts Journal and Appropriation Ledger for evidence of interfund transfers exceeding \$5,000 which Ohio Rev. Code Sections 5705.14 -- .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Ledger to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the District did not establish these reserves.

Compliance – Contracts & Expenditures

1. We inquired of management and scanned the Cash Journal for the years ended December 31, 2010 and 2009 for procurements requiring competitive bidding under the following statutes:

Ohio Rev. Code Sections 505.37 to 505.42 & 731.14 require a fire district to competitively bid purchases of fire apparatus, mechanical resuscitators, other fire equipment, appliances, materials, fire hydrants, buildings, or fire-alarm communications equipment or service costs exceeding \$25,000.

We identified the purchase of an ambulance exceeding \$25,000, subject to Ohio Rev. Code Section 505.42. For this project, we noted that the Board advertised the project in a local newspaper, and selected the lowest responsible bidder.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

September 8, 2011

This Page is Intentionally Left Blank.



Dave Yost • Auditor of State

BLADENSBURG JOINT FIRE DISTRICT

KNOX 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
OCTOBER 11, 2011**