



PERRY

& Associates CPAs

PASSION *Beyond the Numbers*

**EAGLE JOINT FIRE DISTRICT
TRUMBULL COUNTY**

**REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2023 - 2022**



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Board of Trustees
Eagle Joint Fire District
33 W. Liberty St
Hubbard, Ohio 44425

We have reviewed the *Independent Auditor's Report* of the Eagle Joint Fire District, Trumbull County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2022 through December 31, 2023. 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. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Finding for Recovery

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951) provides that expenditures made by a governmental unit should serve a public purpose. Typically, the determination of what constitutes a "proper public purpose" rests with the judgement of the governmental entity, unless such determination is arbitrary or unreasonable. Even if a purchase is reasonable, Ohio Attorney General Opinion 82-006 indicates that it must be memorialized by a duly enacted ordinance or resolution and may have a prospective effect only. Auditor of State Bulletin 2003-005 Expenditures of Public Funds/Proper "Public Purpose" states that the Auditor of State's Office will only question expenditures where the legislative determination of a public purpose is manifestly arbitrary and incorrect.

The Fiscal Clerk was responsible for making timely payments to avoid incurring penalties. Paying late fees and penalties that could have been avoided by remitting withholdings on time does not qualify as expenditure of funds for a public purpose.

During Teena Wylie's term of office as fiscal clerk, the District failed to remit withholdings timely, therefore, the District paid penalties and interest in a subsequent time frame in the amount of \$1,195.93 to the IRS and \$136.53 to OPERS to total \$1,332.46.

During John Morris's term of office as fiscal clerk, the District failed to remit withholdings timely, therefore, the District paid penalties and interest in a subsequent time frame in the amount of \$16.41 to the IRS and \$11.38 to OPERS to total \$27.79.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Teena Wylie and her bonding company Western Surety Company, jointly and severally, in favor of the Eagle Joint Fire District's General Fund in the amount of \$1,332.46.

Board of Trustees
Eagle Joint Fire District
33 W. Liberty St
Hubbard, Ohio 44425
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In addition, in accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against John Morris and his bonding company Western Surety Company, jointly and severally, in favor of the Eagle Joint Fire District' General Fund in the amount of \$27.79.

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 Eagle Joint Fire District is responsible for compliance with these laws and regulations.



Keith Faber
Auditor of State
Columbus, Ohio

February 20, 2025

**EAGLE JOINT FIRE DISTRICT
TRUMBULL COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Eagle Joint Fire District
Trumbull County
33 W. Liberty St
Hubbard, Ohio 44425

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Eagle Joint Fire District, Trumbull County, Ohio (the District), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of December 31, 2023 and 2022, or the changes in financial position thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by the District on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2024, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Perry & Associates CPAs A.C.".

Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

October 31, 2024

**EAGLE JOINT FIRE DISTRICT
TRUMBULL COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$ 224,715	\$ 524,428	\$ 749,143
Charges for Services	1,730	361,598	363,328
Intergovernmental	38,983	61,732	100,715
Earnings on Investments	4,975	5,404	10,379
Miscellaneous	1,166	3,302	4,468
	<hr/>	<hr/>	<hr/>
<i>Total Cash Receipts</i>	271,569	956,464	1,228,033
	<hr/>	<hr/>	<hr/>
Cash Disbursements			
Current Disbursements:			
General Government	157,765	5,509	163,274
Public Safety	230,707	573,967	804,674
Capital Outlay	-	53,648	53,648
Debt Service:			
Principal Retirement	-	33,943	33,943
Interest and Fiscal Charges	-	685	685
	<hr/>	<hr/>	<hr/>
<i>Total Cash Disbursements</i>	388,472	667,752	1,056,224
	<hr/>	<hr/>	<hr/>
<i>Excess of Receipts Over (Under) Disbursements</i>	(116,903)	288,712	171,809
	<hr/>	<hr/>	<hr/>
Other Financing Receipts (Disbursements)			
Transfers In	-	75,000	75,000
Transfers Out	(75,000)	-	(75,000)
	<hr/>	<hr/>	<hr/>
<i>Total Other Financing Receipts (Disbursements)</i>	(75,000)	75,000	-
	<hr/>	<hr/>	<hr/>
<i>Net Change in Fund Cash Balances</i>	(191,903)	363,712	171,809
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, January 1 (Restated - See Note 12)</i>	583,462	305,961	889,423
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, December 31</i>	<u>\$ 391,559</u>	<u>\$ 669,673</u>	<u>\$ 1,061,232</u>

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

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Eagle Joint Fire District, Belmont County, (the District) as a body corporate and politic. A five-member Board of Trustees governs the District. Each political subdivision within the District (The City of Hubbard and Hubbard Township) appoints one member from its legislative authority (Hubbard City Council and Hubbard Township Board of Trustees), and alternately two residents from one of the political subdivisions and one resident from the other political subdivision serve for three-year terms. For the year 2023 there were two Hubbard City residents and one Hubbard Township resident serving on the Board of Trustees. The District provides fire protection and rescue services within the District and through mutual aid agreements with other local fire districts.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

General Fund The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio. In 2023 a 4.1 mil permanent levy was passed for Fire and EMS services to hire full time employees.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Funds:

Capital Improvements and New Equipment Fund This fund accounts for and reports the tax proceeds from a five-year levy, commencing in 2020, that was payable in 2021, and ending in 2024, payable in 2025. This five-year levy, specified to be used for capital improvements and new equipment, was first passed in 2015, and was renewed in November 2019, commencing with tax year 2020, and first payable in 2021. Some of the significant purchases made from this fund in 2023 are as follows:

- \$23,829.50 for the purchase and setup of new computers from Hudson Communications
- \$9,695.00 for a Power Roller with coupling jaws and battery pack
- \$4,083.00 for Energy pant and coat turnout gear to from All American Fire Equipment

Ambulance and EMS Services Fund This fund is for the payroll and support of the EMS employees. A levy was passed in 2021 to cover the fire department with staffing by three individuals from Monday through Friday between the hours of 7:00am until 7:00am the following day. Creating a 24-hour service and three individuals for staffing on the weekends. The former "volunteer" firefighters also became hourly paid staff and provided coverage as needed Monday through Friday as well as on the weekends. The accounting for the increased tax revenue and staffing and related costs is included in the ambulance and EMS services.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2023 budgetary activity appears in Note 3.

Deposits and Investments

The District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

A 2019 resolution made First National Bank of Pennsylvania, Hubbard, Ohio office, its banking depository. The funds at First National Bank, not required for immediate expenditure, are held in a Public Funds Money Market account, which pays a variable rate of interest. As of December 31, 2023, the cash balance in the money market account was \$439,285.20. The District participates in the Ohio Pooled Collateral System.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Leases

The District is the lessor/lessee in one lease (as defined by GASB 87) related to equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the District and the nonspendable portion of the corpus in permanent funds.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed Trustees can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 276,603	\$ 271,569	\$ (5,034)
Special Revenue	907,241	1,031,464	124,223
Total	<u>\$ 1,183,844</u>	<u>\$1,303,033</u>	<u>\$ 119,189</u>

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 3 – Budgetary Activity (Continued)

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 521,752	\$ 465,990	\$ 55,762
Special Revenue	885,875	776,764	109,111
Total	<u>\$ 1,407,627</u>	<u>\$ 1,242,754</u>	<u>\$ 164,873</u>

Note 4 – Deposits and Investments

The District maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	<u>2023</u>
Demand deposits	\$ 1,061,232

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation and collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

At December 31, 2023, the District held a Public Funds Money Market Account at First National Bank with a balance of \$439,285.

Note 5 – Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the District.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the District.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 6 – Risk Management

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some District employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the District contributed an amount equaling 14 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2023.

Social Security

Other District employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The District contributed an amount equal to 6.2 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2023.

Note 8 – Postemployment Benefits

OPERS offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 9 – Leases

Leases outstanding at December 31, 2023, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Harris MARCS Radio Lease	\$5,751	2.83%
Total	<u>\$5,751</u>	

The District entered into a lease agreement with F.N.B. Equipment Finance on March 22, 2019 in the amount of \$99,486. The District disbursed \$34,628 to pay lease costs for the year ended December 31, 2023. Total remaining lease cost as of December 31, 2023 is \$5,772.

Amortization of the above debt, including interest, is scheduled as follows:

<u>Year Ending December 31:</u>	<u>Harris MARCS Radio Lease</u>
2024	\$ 5,772
Total	<u>\$ 5,772</u>

Note 10 – Construction and Contractual Commitments

The District contracted with BSHM Architects and United Contractors for renovation to the building for the updated bathroom/shower facilities. As of December 31, the renovation was completed. However, the invoice for the renovation in the amount of \$99,640.00 to United Contractors was not issued or paid until 2024.

As of December 31, 2023, the District is in a contract with F.N.B. Equipment Finance to lease 26 MARCS radios and other associated equipment through February 2024, with a monthly lease payment obligation of \$2,885.71. The effective interest rate component of lease payment is an annual rate of 2.83%.

Note 11 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Outstanding Encumbrances	\$ 2,518	\$ 109,012	\$ 111,530
Total	<u>\$ 2,518</u>	<u>\$ 109,012</u>	<u>\$ 111,530</u>

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue funds would including the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 12 – Restatement of Fund Balance

During 2023, the General Fund was restated to account for an OPERS payment that was not recorded in UAN and to void a payment to OPERS that was never paid. The preceding changes affected the beginning balance as such:

	General Fund
Balance as of Decemeber 31, 2022	\$ 584,439
To correct for unposted OPERS payment	(1,558)
To correct for voided payment	581
Balance as of January 1, 2023	<u>\$ 583,462</u>

**EAGLE JOINT FIRE DISTRICT
TRUMBULL COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$ 542,638	\$ 206,365	\$ 749,003
Charges for Services	20	102,838	102,858
Intergovernmental	71,942	12,255	84,197
Earnings on Investments	3,591	1,658	5,249
Miscellaneous	6,582	-	6,582
	<hr/>	<hr/>	<hr/>
<i>Total Cash Receipts</i>	624,773	323,116	947,889
	<hr/>	<hr/>	<hr/>
Cash Disbursements			
Current Disbursements:			
General Government	91,439	-	91,439
Public Safety	473,266	70,772	544,038
Capital Outlay	-	182,879	182,879
Debt Service:			
Principal Retirement	-	32,997	32,997
Interest and Fiscal Charges	-	1,631	1,631
	<hr/>	<hr/>	<hr/>
<i>Total Cash Disbursements</i>	564,705	288,279	852,984
	<hr/>	<hr/>	<hr/>
<i>Excess of Receipts Over (Under) Disbursements</i>	60,068	34,837	94,905
	<hr/>	<hr/>	<hr/>
Other Financing Receipts (Disbursements)			
Transfers In	-	75,000	75,000
Transfers Out	(75,000)	-	(75,000)
	<hr/>	<hr/>	<hr/>
<i>Total Other Financing Receipts (Disbursements)</i>	(75,000)	75,000	-
	<hr/>	<hr/>	<hr/>
<i>Net Change in Fund Cash Balances</i>	(14,932)	109,837	94,905
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, January 1</i>	599,371	196,124	795,495
	<hr/>	<hr/>	<hr/>
<i>Fund Cash Balances, December 31</i>	<u>\$ 584,439</u>	<u>\$ 305,961</u>	<u>\$ 890,400</u>

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

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Eagle Joint Fire District, Trumbull County, (the District) as a body corporate and politic. A five-member Board of Trustees governs the District. Each political subdivision within the District (The City of Hubbard and Hubbard Township) appoints one member from its legislative authority (Hubbard City Council and Hubbard Township Board of Trustees), and alternately two residents from one of the political subdivisions and one resident from the other political subdivision serve for three-year terms. The District provides fire protection and rescue services within the District and through the mutual aid agreements with other local fire districts.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

General Fund The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio. In 2020 a permanent 1.5 mil levy was passed for the enabling of the Fire District to transition from a "volunteer" fire department to a "part-time" paid fire department. The change from being staffed by volunteer firefighters to paid part-time firefighters was implemented in early April 2021. This cost did come out of the General Fund until October 2022.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Funds:

Capital Improvements and New Equipment Fund This fund accounts for and reports the tax proceeds from a five year levy, commencing in 2020, that was payable in 2021, and ending in 2024, payable in 2025. This five-year levy, specified to be used for capital improvements and new equipment, was first passed in 2015, and was renewed in November 2019, commencing with tax year 2020, and first payable in 2021.

Ambulance and EMS Service Fund This fund is for the payroll of the EMS employees. A levy was passed in 2021 to cover the fire department with staffing by three individuals from Monday through Friday between the hours of 7:00am until 7:00am the following day. Creating a 24-hour service and three individuals for staffing on the weekends. The former "volunteer" firefighters also became hourly paid staff and provided coverage as needed Monday through Friday as well as on the weekends. The accounting for the increased tax revenue and staffing-related costs is included in the ambulance and EMS services.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances at year end are carried over, and not need to be reappropriated.

A summary of 2022 budgetary activity appears in Note 3.

Deposits and Investments

The District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

A 2019 resolution made First National Bank of Pennsylvania, Hubbard, Ohio office, its banking depository. The funds at First National Bank, not required for immediate expenditure, are held in a Public Funds Money Market account, which pays a variable rate of interest. As of December 31, 2022, the cash balance in the money market account was \$428,906. The District participates in the Ohio Pooled Collateral System.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

Leases

The District is the lessor/lessee in one lease (as defined by GASB 87) related to equipment under noncancelable leases.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the District and the nonspendable portion of the corpus in permanent funds.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed Trustees can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$593,423	\$624,773	\$31,350
Special Revenue	462,478	398,116	(64,362)
Total	<u>\$1,055,901</u>	<u>\$1,022,889</u>	<u>(\$33,012)</u>

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 3 – Budgetary Activity (Continued)

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 710,835	\$ 642,897	\$ 67,938
Special Revenue	463,124	289,341	173,783
Total	<u>\$ 1,173,959</u>	<u>\$ 932,238</u>	<u>\$ 241,721</u>

Note 4 – Deposits and Investments

The District maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	<u>2022</u>
Demand deposits	\$890,400

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation and collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

At December 31, 2022, the District held a Public Funds Money Market Account at First National Bank with a balance of \$428,906.

Note 5 – Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the District.

The County is responsible for assessing property and for billing, collecting, and distributing all property taxes on behalf of the District.

Note 6 – Risk Management

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The District participated in a retrospective Group Workers' Compensation Program through Sheakley Uniservice, Inc. and the Better Business Bureau.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 6 – Risk Management (Continued)

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some District employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the District contributed an amount equaling 14 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2022.

Social Security

Some District employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The District contributed an amount equal to 6.2 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2022.

Note 8 – Postemployment Benefits

OPERS offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2022.

Note 9 – Leases

Leases outstanding at December 31, 2022, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Harris MARCS Radio Lease	\$39,694	2.83%
Total	<u>\$39,694</u>	

The District entered into a lease agreement with F.N.B. Equipment Finance on March 22, 2019 in the amount of \$99,486. The District disbursed \$34,628 to pay lease costs for the year ended December 31, 2022. Total remaining lease cost as of December 31, 2022 is \$40,400.

Eagle Joint Fire District
Trumbull County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 9 – Leases (Continued)

Amortization of the above debt, including interest, is scheduled as follows:

Year Ending December 31:	Harris MARCS Radio Lease
2023	\$ 34,628
2024	\$ 5,772
Total	<u>\$ 40,400</u>

Note 10 – Construction and Contractual Commitments

As of December 31, 2022 the District is in a contract with F.N.B. Equipment Finance to lease 26 Marcs radios (Harris radios) and other associated equipment through February 2024, with a monthly lease payment obligation of \$2,885.71. the effective interest rate component of the lease payment is an annual rate of 2.83%.

The District contracted with All-American fire Equipment, Inc. on August 31, 2021 to obtain (28) sets of firefighter turnout gear at a total cost of \$81,261; as of December 31, 2021 the District's remaining obligation on this contract is \$79,436 (carryover encumbrance to 2022).

The District contracted with BSHM Architects in February 2021 to provide architectural drawings for renovation to the building for updated bathroom facilities. As of December 31, 2022 the District does not have a contract with anyone to perform the renovation, but still has an unbilled balance due on the architectural services proposal of \$1,875.

Note 11 – Fund Balances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$ 3,192	\$ 1,062	\$ 4,254
Total	<u>\$ 3,192</u>	<u>\$ 1,062</u>	<u>\$ 4,254</u>

The fund balance of special revenue funds is either restricted or committed. These restricted and committed amounts in the special revenue fund would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 12 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2022, the District did not receive COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the District. The impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

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

Eagle Joint Fire District
Trumbull County
33 W. Liberty Street
Hubbard, Ohio 44425

To the District Board of Trustees:

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements of the Eagle Joint Fire District, Trumbull County, (the District) and have issued our report thereon dated October 31, 2024, wherein we noted the District followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion(s) on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as items 2023-001 and 2023-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2023-002 and 2023-003.

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit and described in the accompanying schedule of findings. The District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

October 31, 2024

**EAGLE JOINT FIRE DISTRICT
TRUMBULL COUNTY**

**SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2023-001

Material Weakness

Financial Reporting

The District is responsible for establishing procedures and controls to help prevent and detect errors in financial reporting.

During 2023 and 2022, receipts and disbursements were not always posted or classified correctly. The following posting errors were noted:

- Four Real Estate Rollback Tax receipts were posted to Property Tax instead of Intergovernmental in 2023 and 2022 in the General, Building and Equipment Needs, and Ambulance and EMS Service Fund respectively;
- In 2023 a portion of the receipt improperly posted to the Building and Equipment Needs Fund and the Ambulance and EMS Services Fund;
- In 2022 a receipt was posted as a special item revenue that should have been classified as miscellaneous revenue to the General Fund;
- In 2023 and 2022 Principal and Interest payments for a Harris MARCS Radio Lease were not posted properly to the Building and Equipment Needs Fund.

Not posting receipts and disbursements accurately resulted in the financial statements requiring several reclassification entries. The Financial Statements reflect all reclassifications. The District has made these reclassifications to their accounting system.

To help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements. Such review should include procedures to ensure that all sources of revenues are properly identified and classified on the financial statements.

Officials' Response – We did not receive a response from officials to this finding.

FINDING NUMBER 2023-002

Material Weakness/Noncompliance

Withholding Remittances

State ex rel. McClure v. Hagerman 155 Ohio St. 320 (1951) provides that expenditures made by a governmental entity should serve a public purpose. Typically, the determination of "proper public purpose" rests with the governmental entity unless such determination is arbitrary or unreasonable.

During 2023 and 2022, the District paid \$3,824 in penalties, late fees, and interest charges for late payroll withholding submissions to the Ohio Public Employees Retirement System and Internal Revenue Service. Late payment fees and related finance charges are unnecessary expenditures which do not serve a proper public purpose. These charges would have been avoided had the funds been remitted by the required due dates.

The District should ensure that they are properly calculating payroll disbursements, including all withholdings, and that these withholdings, along with the employer portion, are being properly remitted the respective agencies. Failure to do so could result in additional penalties, which are not denoted as a proper public purpose.

**EAGLE JOINT FIRE DISTRICT
TRUMBULL COUNTY**

**SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2023-002 (CONTINUED)

Officials' Response – Due to the previous fiscal clerk's sudden departure (without notice), I was brought in during May 2023 at first on a temporary basis, and then hired permanently in July 2023. The Penalties and interest incurred from the time of my arrival were dues to both my catching up on past due bills from the previous clerk and my inexperience. I have corrected our procedures so that going forward, this should no longer be an issue.

FINDING NUMBER 2023-003

Noncompliance

Ohio Rev. Code § 5705.41(D)(1) requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

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 the 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" Certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the District can authorize the drawing of a warrant for the payment of the amount due. The District has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution. Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance 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 Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account 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 Certificate – The District may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional 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.

**EAGLE JOINT FIRE DISTRICT
TRUMBULL COUNTY**

**SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER 2023-003 (CONTINUED)

The District did not properly encumber 16 out of 34 or 47% were not properly encumbered in 2023.

Unless the District uses the exceptions noted above, prior certification is not only required by statute but also is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the District's funds exceeding budgetary spending limitations, we recommend that the Fiscal Officer certify that funds are or will be available prior to obligation by the District. When prior certification is not possible, "then and now" certification should be used.

Officials' Response – Due to the previous fiscal clerk's sudden departure (without notice), I was brought in during May 2023 at first on a temporary basis, and then hired permanently in July 2023. Because the previous fiscal clerk left so suddenly with bills owing that, by the time I was brought on, there was an urgency in getting bills paid. I did that as quickly as possible and in error did not make proper use of "then and now" certificates due to both my inexperience and the urgency of the situation. Through training and experience, I have corrected our processes and this will not be an issue going forward.

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OHIO AUDITOR OF STATE KEITH FABER



EAGLE JOINT FIRE DISTRICT

TRUMBULL COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 3/4/2025

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov