



OHIO AUDITOR OF STATE
KEITH FABER



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Hill Valley Fire District #3
Belmont County
P.O. Box 133
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To the Board of Trustees:

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Hill Valley Fire District #3, Belmont County, Ohio (the Fire District), for the years ended December 31, 2019 and 2018.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Fire District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Fire District's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

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

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. We noted that General Fund expenditures of \$678,950 exceeded appropriations of \$673,738 by \$5,212 for the year ended December 31, 2019. **Ohio Rev. Code § 5705.41(B)** prohibits a subdivision or taxing unit from making an expenditure unless it has been properly appropriated. The Fire District's failure to limit expenditures to the amounts appropriated could result in deficit spending. The Fire District should regularly monitor budgetary information to ensure that expenditures do not exceed the total appropriations.
2. We noted that the Fire District has not adopted a public records policy or adopted a formal records retention schedule in accordance with **Ohio Rev. Code § 149.43**. The Fire District should establish a public records policy and a records retention schedule in accordance with the aforementioned Ohio Revised Code.
3. **Ohio Rev. Code § 117.38** states each public office shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the Auditor of State within sixty days after the close of the fiscal year. The Auditor of State may extend the deadline for filing a financial report and establish terms and conditions for any such extension. The Fire District filed its 2018 annual financial report on March 5, 2019. No extension was obtained. The Fire District should submit the Annual Financial Report each year in accordance with the aforementioned requirements.

Current Year Observations (Continued)

4. Budgetary data (estimated revenue) was not integrated into the manual accounting system. Failure to integrate budgetary data into the manual accounting system could lead to an inability to monitor actual results against the budget. The Fire District should include estimated receipt amounts in the revenue ledger.



Keith Faber
Auditor of State
Columbus, Ohio

August 31, 2020

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HILL VALLEY FIRE DISTRICT # 3

BELMONT 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 9/10/2020

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