



OHIO AUDITOR OF STATE
KEITH FABER



**PORT WILLIAM – LIBERTY TOWNSHIP JOINT FIRE AND EMS DISTRICT
CLINTON COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Port William - Liberty Township Joint Fire and EMS District
Clinton County
220 Second Street
Port William, Ohio 45164

To the Board Members:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Port William Liberty Joint Fire and EMS District, Clinton County, Ohio (the District) as of and for the years ended December 31, 2018 and 2017.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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

As described in Note 2 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the District does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

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* paragraph, the financial statements referred to above 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, 2018 and 2017, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of Port William Liberty Joint Fire and EMS District, Clinton County as of December 31, 2018 and 2017, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2019 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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.



Keith Faber
Auditor of State

Columbus, Ohio

June 4, 2019

Port William- Liberty Township Joint Fire and EMS District
Clinton County
Combined Statement of Receipts, Disbursements and
Changes In Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2018

	General	Special Revenue	Debt Service	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$112,985			\$112,985
Charge for Services		\$8,920		\$8,920
Intergovernmental	\$9,692			\$9,692
Earnings on Investments	1,303	20		\$1,323
Miscellaneous	1,183			\$1,183
<i>Total Cash Receipts</i>	<u>125,163</u>	<u>8,940</u>	<u>0</u>	<u>134,103</u>
Cash Disbursements				
Current Disbursements:				
Current:				
General Government	35,879			35,879
Public Safety	23,942	10,102		34,044
Capital Outlay	8,424			8,424
Debt Service:				
Principal Retirement			18,600	18,600
Interest and Fiscal Charges			4,368	4,368
<i>Total Cash Disbursements</i>	<u>68,245</u>	<u>10,102</u>	<u>22,968</u>	<u>101,315</u>
<i>Excess Receipts Over (Under) Disbursements</i>	<u>56,918</u>	<u>(1,162)</u>	<u>(22,968)</u>	<u>32,788</u>
Other Financing Receipts (Disbursements)				
Sale of Capital Assets	1,750			1,750
Transfers In			22,968	22,968
Transfers Out	(22,968)			(22,968)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(21,218)</u>	<u>0</u>	<u>22,968</u>	<u>1,750</u>
<i>Net Change in Fund Cash Balance</i>	35,700	(1,162)	0	34,538
<i>Fund Cash Balances, January 1</i>	<u>459,051</u>	<u>9,030</u>	<u>0</u>	<u>468,081</u>
Fund Cash Balances, December 31				
Restricted	-	7,868	-	7,868
Assigned	196	-	-	196
Unassigned (Deficit)	494,555	-	-	494,555
<i>Fund Cash Balances, December 31</i>	<u>\$494,751</u>	<u>\$7,868</u>	<u>\$0</u>	<u>\$502,619</u>

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

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Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2018

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Port William-Liberty Township Joint Fire and EMS District, Clinton County, (the District) as a body corporate and politic. The Port William-Liberty Township Joint Fire and EMS District was formed on February 1, 2013 by the Village of Port William and Liberty Township. A Three member Board of Trustees governs the District. Each political subdivision within the District appoints one member who is a Township Trustee and One member who is a representative of the Village. One member shall be appointed by mutual consent by both political subdivisions. Those subdivisions are the Village of Port William, Clinton County and Liberty Township, Clinton County. The District provides fire protection and rescue services within the District

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 is 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.

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:

Ambulance and Emergency Medical Services Fund This fund receives revenue from the billing of emergency runs.

Debt Service Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The District had the following significant Debt Service Funds:

General Bond Retirement Fund This fund receives money that is used to pay the principal and Interest due on the bonds issued for the Life Squad.

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2018

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 (D). 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 (D) permit.

Budgetary Process

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 outstanding at year end are canceled, and reappropriated in the subsequent year. The District did not use the encumbrance method of accounting.

A summary of 2018 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.

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

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.

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2018

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*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Trustees or a District official delegated that authority by resolution, or by State Statute.

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.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$115,491	\$126,913	\$11,422
Special Revenue	8,936	8,940	4
Debt Service	22,968	22,968	0
Total	<u>\$147,395</u>	<u>\$158,821</u>	<u>\$11,426</u>

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$464,580	\$91,213	\$373,367
Special Revenue	15,162	10,102	5,060
Debt Service	22,968	22,968	0
Total	<u>\$502,710</u>	<u>\$124,283</u>	<u>\$378,427</u>

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2018

Note 4 – Deposits and Investments

The District maintains a deposit 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>2018</u>
Total Demand deposits	\$502,619

Deposits

Deposits are 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.

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 February 14. The second half payment is due the following July 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

The District insures against injuries to employees through the Ohio Bureau of Workers' Compensation.

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2018

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some 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, 2018.

Social Security

District's 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, 2018.

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 2018. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4.0 percent during calendar year 2018.

Note 9 – Debt

Debt outstanding at December 31, 2018, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ambulance Acquisition Bonds	\$165,300	2.375%

In December of 2016 the District issued general obligation bonds in the amount of \$202,000 to finance the purchase of a new Ambulance. The bonds have an interest rate of 2.375% with a maximum maturity of ten years.

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2018

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

Year Ending December 31:	Ambulance Bonds
2019	\$22,926
2020	22,984
2021	22,912
2022	22,939
2023	22,854
2024-2026	68,849
Total	<u><u>\$183,464</u></u>

Note 10 – Public Entity Risk Pool

CareWorksComp

The Fire District is a member of CareWorksComp, an Ohio Township Association Workers' Compensation Group Rating Program. CareWorksComp is a York Risk Services Company. Each year the Fire District pays an enrollment fee to participate in the group rating program.

Port William- Liberty Township Joint Fire and EMS District
Clinton County
Combined Statement of Receipts, Disbursements and
Changes In Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2017

	General	Special Revenue	Debt Service	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$114,475			\$114,475
Charges for Services	\$300	\$13,005		\$13,305
Intergovernmental	\$36,590			\$36,590
Earnings on Investments	586	11		\$597
Miscellaneous	5,095			\$5,095
<i>Total Cash Receipts</i>	<u>157,046</u>	<u>13,016</u>		<u>170,062</u>
Cash Disbursements				
Current Disbursements:				
Current:				
General Government	35,245			35,245
Public Safety	27,073	12,559		39,632
Capital Outlay	15,025			15,025
Debt Service:				
Principal Retirement			18,100	18,100
Interest and Fiscal Charges			3,509	3,509
<i>Total Cash Disbursements</i>	<u>77,343</u>	<u>12,559</u>	<u>21,609</u>	<u>111,511</u>
<i>Excess Receipts Over (Under) Disbursements</i>	<u>79,703</u>	<u>457</u>	<u>(21,609)</u>	<u>58,551</u>
Other Financing Receipts (Disbursements)				
Sale of Bond	10,651			10,651
Transfers In			21,609	21,609
Transfers Out	(21,609)			(21,609)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(10,958)</u>	<u>0</u>	<u>21,609</u>	<u>10,651</u>
<i>Net Change in Fund Cash Balance</i>	68,745	457	0	69,202
<i>Fund Cash Balances, January 1</i>	<u>390,306</u>	<u>8,573</u>	<u>0</u>	<u>398,879</u>
Fund Cash Balances, December 31				
Restricted	-	9,030	-	9,030
Assigned	82	-	-	82
Unassigned (Deficit)	458,969	-	-	458,969
<i>Fund Cash Balances, December 31</i>	<u>\$459,051</u>	<u>\$9,030</u>	<u>\$0</u>	<u>\$468,081</u>

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

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Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2017

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Port William-Liberty Township Joint Fire and EMS District, Clinton County, (the District) as a body corporate and politic. The Port William-Liberty Township Joint Fire and EMS District was formed on February 1, 2013 by the Village of Port William and Liberty Township. A Three member Board of Trustees governs the District. Each political subdivision within the District appoints one member who is a Township Trustee and One member who is a representative of the Village. One member shall be appointed by mutual consent by both political subdivisions. Those subdivisions are the Village of Port William, Clinton County and Liberty Township, Clinton County. The District provides fire protection and rescue services within the District.

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 is organized on a fund type basis.

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General Bond Retirement Fund This fund receives money that is used to pay the principal and Interest due on the bonds issued for the Life Squad.

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2017

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 (D). 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 (D) permit.

Budgetary Process

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 outstanding at year end are canceled, and reappropriated in the subsequent year. The District did not use the encumbrance method of accounting.

A summary of 2017 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.

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.

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.

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2017

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*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Trustees or a District official delegated that authority by resolution, or by State Statute.

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.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$147,411	\$167,697	\$20,286
Special Revenue	10,000	13,016	3,016
Debt Service	21,609	21,609	0
Total	<u>\$179,020</u>	<u>\$202,322</u>	<u>\$23,302</u>

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2017

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
	Appropriation	Budgetary	
Fund Type	Authority	Expenditures	Variance
General	\$436,977	\$98,952	\$338,025
Special Revenue	15,148	12,559	2,589
Debt Service	21,609	21,609	0
Total	<u>\$473,734</u>	<u>\$133,120</u>	<u>\$340,614</u>

Note 4 – Deposits and Investments

The District maintains a deposit 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:

Total Demand deposits	<u>2017</u>
	\$468,081

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS).

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 February 14. The second half payment is due the following July 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.

Port William-Liberty Township Joint Fire and EMS District

Clinton County

Notes to the Financial Statements

For the Year Ended December 31, 2017

Note 6 – Risk Management

The District insures against injuries to employees through the Ohio Bureau of Workers' Compensation.

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 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, 2017.

Social Security

District's 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, 2017.

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. OPERS contributes 2 percent to fund these benefits.

Note 9 – Debt

Debt outstanding at December 31, 2017, was as follows:

Port William-Liberty Township Joint Fire and EMS District
Clinton County
Notes to the Financial Statements
For the Year Ended December 31, 2017

	Principal	Interest Rate
Ambulance Acquisition Bonds	\$183,900	2.375%

In December of 2016 the District issued general obligation bonds in the amount of \$202,000 to finance the purchase of a new Ambulance. The bonds have an interest rate of 2.375% with a maximum maturity of ten years. During 2016, the District received proceeds in the amount of \$191,350, for the purchase of the truck and equipment. The remaining proceeds in the amount of \$10,650 were received in January 2017.

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

Year Ending December 31:	Ambulance Bonds
2018	\$22,968
2019	22,926
2020	22,984
2021	22,912
2022	22,939
2023-2026	91,703
Total	\$206,432

Note 10 – Public Entity Risk Pool

CareWorksComp

The Fire District is a member of CareWorksComp, an Ohio Township Association Workers' Compensation Group Rating Program. CareWorksComp is a York Risk Services Company. Each year the Fire District pays an enrollment fee to participate in the group rating program.

OHIO AUDITOR OF STATE KEITH FABER



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

Port William - Liberty Township Joint Fire and EMS District
Clinton County
220 Second Street
Port William, Ohio 45164

To the Board Members:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Port William- Liberty Township Joint Fire and EMS District (the District) as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements and have issued our report thereon dated June 4, 2019, wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

June 4, 2019

OHIO AUDITOR OF STATE KEITH FABER



PORT WILLIAM – LIBERTY TOWNSHIP FIRE AND EMS DISTRICT

CLINTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 2, 2019**