



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

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**STATE OF OHIO**



**JSP FIRE DISTRICT  
CHAMPAIGN COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

JSP Fire District  
Champaign County  
P. O. Box 546  
St. Paris, Ohio 43072

To the Board of Trustees:

We have audited the accompanying financial statements of JSP Fire District, Champaign County, Ohio, (the District) as of and for the years ended December 31, 1999 and December 31, 1998. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the District, as of December 31, 1999 and December 31, 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 1, 2000 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 grants.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

August 1, 2000



**JSP FIRE DISTRICT  
CHAMPAIGN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Debt Service</u>	
<b>Cash Receipts:</b>			
Local Taxes	\$130,363	\$0	\$130,363
Intergovernmental	8,409	0	8,409
Charges for Services	17,000	0	17,000
Earnings on Investments	3,449	0	3,449
Miscellaneous	2,495	0	2,495
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	161,716	0	161,716
<b>Cash Disbursements:</b>			
Current:			
General Government	28,396	0	28,396
Public Safety	36,728	0	36,728
Debt Service:			
Redemption of Principal	0	39,250	39,250
Interest	0	10,662	10,662
Capital Outlay	277,933	0	277,933
	<hr/>	<hr/>	<hr/>
Total Disbursements	343,057	49,912	392,969
Total Receipts Over/(Under) Disbursements	<hr/> (181,341)	<hr/> (49,912)	<hr/> (231,253)
<b>Other Financing Receipts/(Disbursements):</b>			
Proceeds of Bank Note	274,000		274,000
Sale of Fixed Assets	11,120		11,120
Transfers-In		50,000	50,000
Transfers-Out	(50,000)		(50,000)
	<hr/>	<hr/>	<hr/>
Total Other Financing Receipts/(Disbursements)	235,120	50,000	285,120
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	53,779	88	53,867
Fund Cash Balances January 1	<hr/> 71,918	<hr/> 0	<hr/> 71,918
<b>Fund Cash Balances, December 31</b>	<hr/> <b>\$125,697</b>	<hr/> <b>\$88</b>	<hr/> <b>\$125,785</b>

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

JSP FIRE DISTRICT  
CHAMPAIGN COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE  
NONEXPENDABLE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 1999

<b>Operating Cash Receipts:</b>	
Miscellaneous	<u>\$45,000</u>
Total Operating Cash Disbursements	<u>0</u>
Operating Income/(Loss)	<u>45,000</u>
Fund Cash Balances, January 1	<u>0</u>
<b>Fund Cash Balances, December 31</b>	<b><u><u>\$45,000</u></u></b>

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



**JSP FIRE DISTRICT  
CHAMPAIGN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>General</u>
<b>Cash Receipts:</b>	
Local Taxes	\$54,706
Intergovernmental	3,161
Charges for Services	18,000
Earnings on Investments	1,579
Miscellaneous	4,043
	<hr/>
Total Cash Receipts	81,489
	<hr/>
<b>Cash Disbursements:</b>	
Current:	
General Government	22,270
Public Safety	29,378
Capital Outlay	3,037
	<hr/>
Total Disbursements	54,685
	<hr/>
Total Receipts Over/(Under) Disbursements	26,804
	<hr/>
Fund Cash Balances January 1	45,114
	<hr/>
<b>Fund Cash Balances, December 31</b>	<b><u><u>\$71,918</u></u></b>

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

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**JSP FIRE DISTRICT  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

JSP Fire District, Champaign County, (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a five-member Board of Trustees. Johnson Township and the Village of St. Paris each have two members on the Board with last member being appointed at-large. The District provides fire protection and rescue services within the District and by contract to areas outside the District.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. 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 prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

Certificates of deposit are valued at cost. The District utilizes an interest bearing Super Now Checking Account.

**D. Fund Accounting**

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies its funds into the following types:

**1. General Fund**

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**2. Debt Service Funds**

These funds are used to accumulate resources for the payment of bonds and note indebtedness. The District had the following debt service fund:

Note Retirement Fund - This fund receives transfers from the General Fund which are used to pay note debt on a fire truck.

**JSP FIRE DISTRICT  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

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

**D. Fund Accounting (Continued)**

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

These funds are used to account for resources restricted by legally binding trust agreements. The District had the following significant Fiduciary Fund:

Barger Nonexpendable Trust Fund - This fund receives interest income from the donated principal. The income is to be used for the general purposes of the Fire Department.

**E. Budgetary Process**

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

**1. 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. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over and need not be reappropriated. The District had no outstanding encumbrances at December 31, 1999 or 1998.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

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

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

**JSP FIRE DISTRICT  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

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

	<u>1999</u>	<u>1998</u>
Demand deposits	\$ 125,785	\$ 71,918
Certificates of deposit	45,000	0
Total deposits	\$ 170,785	\$ 71,918

**Deposits:** Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by securities specifically pledged by the financial institution to the District.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 1999 and December 31, 1998 follows:

1999 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 419,500	\$ 446,836	\$ 27,336
Debt Service	50,000	50,000	0
Fiduciary	0	45,000	45,000
Total	\$ 469,500	\$ 541,836	\$ 72,336

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 491,418	\$ 393,057	\$ 98,361
Debt Service	50,000	49,912	88
Fiduciary	0	0	0
Total	\$ 541,418	\$ 442,969	\$ 98,449

**JSP FIRE DISTRICT  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 73,700	\$ 81,489	\$ 7,789

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 118,814	\$ 54,685	\$ 64,129

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, 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.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

**5. DEBT**

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
General Obligation Notes	\$234,750	4.75%

The District entered into a general obligation note in order to finance the purchase of a new pumper/rescue truck. The note was issued on June 30, 1999 in the amount of \$274,000 with final maturity scheduled for December 30, 2006.

**JSP FIRE DISTRICT  
CHAMPAIGN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**5. DEBT (Continued)**

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

<u>Year ending December 31:</u>	<u>General Obligation Notes</u>
2000	45,669
2001	44,011
2002	42,384
2003	40,758
2004	39,144
Subsequent	<u>68,381</u>
Total	<u>\$ 280,347</u>

**6. RETIREMENT SYSTEMS**

The clerk and some fire fighters belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code. The remainder of the fire fighters belong to Social Security.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. Social Security participants contributed 6.2% of their gross salaries and this was matched by the District. The District has paid all contributions required through December 31, 1999.

**7. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles

The District is uninsured for the following risks:

- Errors and omissions

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OFFICE OF THE AUDITOR  

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

JSP Fire District  
Champaign County  
P. O. Box 546  
St. Paris, Ohio 43072

To the Board of Trustees:

We have audited the accompanying financial statements of JSP Fire District, Champaign County, Ohio (the District ), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated August 1, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to the management of the District in a separate letter dated August 1, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the audit committee, management, the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

**Jim Petro**  
Auditor of State

August 1, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR

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Facsimile 614-466-4490

**JSP FIRE DISTRICT**

**CHAMPAIGN 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  
SEPTEMBER 12, 2000**