



**Auditor of State
Betty Montgomery**

**MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY
MONTGOMERY COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Miami Valley Emergency Management Authority
Montgomery County
117 South Main Street
Suite 721
Dayton, Ohio 45422

To the Executive Board:

We have audited the accompanying financial statements of the Miami Valley Emergency Management Authority, Montgomery County (the Authority), as of and for the period ended October 31, 2003 and the years ended December 31, 2002 and 2001. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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. 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 Authority 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 balance of Miami Valley Emergency Management Authority, Montgomery County, as of October 31, 2003 and December 31, 2002 and 2001, and its cash receipts and disbursements for the periods then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2003 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Miami Valley Emergency Management Authority
Montgomery County
Independent Accountants' Report
Page 2

This report is intended solely for the information and use of management, the Executive Board and other officials authorized to receive this report under § 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

October 31, 2003

**MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY
MONTGOMERY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN FUND CASH BALANCE
FOR THE PERIOD ENDED OCTOBER 31, 2003**

Cash Receipts:	
Interest	\$846
Reimbursements	7,798
Intergovernmental Revenue	13,450
Miscellaneous Revenue	<u>2,241</u>
Total Cash Receipts	<u>24,335</u>
Cash Disbursements:	
Personnel	6,627
Other Grant Spending	58,257
Miscellaneous	<u>2,818</u>
Total Cash Disbursements	<u>67,702</u>
Total Receipts (Under) Disbursements	(43,367)
Other Financing (Disbursements):	
Distribution to Other Entities	<u>(111,663)</u>
Excess of Cash Receipts (Under) Cash Disbursements and Other Financing Disbursements	(155,030)
Fund Cash Balance, January 1	<u>155,030</u>
Fund Cash Balance, December 31	<u><u>\$0</u></u>

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

**MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY
MONTGOMERY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2002**

Cash Receipts:	
Allocations/Fees	\$122,562
Interest	2,771
Reimbursements	73,974
Intergovernmental Revenue	256,607
Miscellaneous Revenue	16,559
	<hr/>
Total Cash Receipts	472,473
	<hr/>
Cash Disbursements:	
Personnel	197,668
Rent/Utilities	25,317
Supplies/Commodities	4,954
CMOG Spending	21,604
Other Grant Spending	86,291
Capital Equipment	14,813
Miscellaneous	25,547
Haz Mat Expenses	63,655
	<hr/>
Total Cash Disbursements	439,849
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Total Receipts Over Disbursements	32,624
Fund Cash Balance, January 1	122,406
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Fund Cash Balance, December 31	<u><u>\$155,030</u></u>

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

**MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY
MONTGOMERY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN FUND CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2001**

Cash Receipts:	
Allocations/Fees	\$108,020
Interest	7,014
Reimbursements	37,414
Intergovernmental Revenue	131,544
Miscellaneous Revenue	<u>6,302</u>
 Total Cash Receipts	 <u>290,294</u>
 Cash Disbursements:	
Personnel	208,926
Rent/Utilities	18,446
Supplies/Commodities	5,491
CMOG Spending	20,767
Other Grant Spending	21,531
Capital Equipment	23,811
Miscellaneous	17,286
Haz Mat Expenses	<u>35,159</u>
 Total Cash Disbursements	 <u>351,417</u>
 Total Receipts (Under) Disbursements	 (61,123)
 Fund Cash Balance, January 1	 <u>183,529</u>
 Fund Cash Balance, December 31	 <u><u>\$122,406</u></u>

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

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**MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2003, DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Miami Valley Emergency Management Authority, Montgomery County (the Authority), is a political body incorporated and established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of Ohio.

The Authority is a regional authority established for civil defense and emergency management as defined by Section 5502.27 of the Ohio Revised Code. The Authority provides emergency management services to Montgomery and Greene Counties.

The Authority operates under an appointed Executive Board and is responsible for the provision of civil defense and emergency management to the residents of Montgomery and Greene Counties. The Executive Board consists of fourteen (14) members from the various participating subdivisions as stated in the Executive Board's By-Laws.

Management believes these financial statements present all activities for which the Authority is financially accountable.

During September, 2003, the Authority was dissolved, as discussed in Note 7.

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.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

D. Fund Accounting

The Authority uses fund accounting to segregate cash and investments that are restricted as to use. The Authority maintains the following fund:

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.

**MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2003, DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Authority is not considered a subdivision under Ohio Rev. Code, Section 5705.01, subject to 5705. The Authority prepares an annual budget for submission to the Budget Commission of the Executive Board at the fourth quarterly Board meeting. This budget is approved for the following fiscal year. The Authority also submits monthly reports comparing budgeted and actual activity.

A summary of 2003, 2002 and 2001 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.

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation upon leaving employment. Sick leave is only paid upon retirement. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Authority.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Authority maintains a cash and investments pool used by its fund. The Ohio Rev. Code prescribes allowable deposits and investments. The carrying amount of cash and investments are as follows:

	October 31, 2003	December 31, 2002	December 31, 2001
Demand deposits	\$0	\$49,207	\$8,475
Investments:			
STAR Ohio	0	105,823	113,931
Total deposits and investments	\$0	\$155,030	\$122,406

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2003, DECEMBER 31, 2002 AND 2001
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the period ending October 31, 2003 and the years ending December 31, 2002 and 2001 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$24,335	\$24,335

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$0	\$179,365	(\$179,365)

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$316,797	\$472,473	\$155,676

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$311,735	\$439,849	(\$128,114)

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$239,463	\$290,294	\$50,831

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$299,701	\$351,417	(\$51,716)

The Authority is not a subdivision as defined in Ohio Rev. Code 5705.01, or subject to Ohio Rev. Code 5705.

During 2003, the Authority was in the process of dissolution and obligations were liquidated as necessary. The Authority did not conduct general operations during 2003.

**MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2003, DECEMBER 31, 2002 AND 2001
(Continued)**

4. ALLOCATION FEE REVENUE

Allocation Fees are levied on assessed census data of the populations of Montgomery and Greene Counties, which equals \$0.11 per person for 2002 and \$0.09 per person for 2001. The last census count established was completed for the fiscal year 2000. A county wide census is completed every ten years. Adjustments for population movements are made on an irregular basis with the cooperation of the individual entities contributing allocation fees and benefiting from the services of the Authority.

Allocation fees are payable annually. Payment is due when billed, usually in the month of January.

5. RETIREMENT SYSTEMS

The Authority's employees 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.

Contribution rates are also prescribed by the Ohio Revised Code. For 2002 and 2001, PERS members contributed 8.5% of their gross salaries. The Authority contributed an amount equal to 13.55% of participants' gross salaries for this two year period.

6. RISK MANAGEMENT

The Authority has obtained commercial insurance for the following risks:

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

The Authority also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

7. DISSOLUTION OF ENTITY

During September, 2003, the Executive Board of the Authority formally approved the dissolution of the Authority. As of January 1, 2003, emergency management services were assumed by the governments of Montgomery County and Greene County for their respective citizenry.

As part of the dissolution, the Executive Board approved the disposition of assets for the Authority. In addition to the split of capital equipment, the following cash was disbursed, as reflected on the accompanying financial statement:

	<u>2003</u>
Greene County	\$78,143
Montgomery County	33,520
Total Distribution to Other Entities	<u><u>\$111,663</u></u>



Auditor of State Betty Montgomery

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

Miami Valley Emergency Management Authority
Montgomery County
117 South Main Street
Suite 721
Dayton, Ohio 45422

To the Executive Board:

We have audited the accompanying financial statements of the Miami Valley Emergency Management Authority, Montgomery County (the Authority), as of and for the period ended October 31, 2003 and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated October 31, 2003. We conducted our audit in accordance with 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.

Compliance

As part of obtaining reasonable assurance about whether the Authority'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 the 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 management of the Authority in a separate letter dated October 31, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority'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. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Authority in a separate letter dated October 31, 2003.

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

October 31, 2003



**Auditor of State
Betty Montgomery**

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MIAMI VALLEY EMERGENCY MANAGEMENT AUTHORITY

MONTGOMERY 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
NOVEMBER 13, 2003**