



Dave Yost • Auditor of State



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BPM Joint Fire District
Fayette County
7 Cross Street
P.O. Box 1
Bloomington, Ohio 43106

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the BPM Joint Fire District, Fayette County, (the District) for the years ended December 31, 2013 and 2012.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2013 or 2012.

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

Current Year Observations

1. We noted that the District did not withhold taxes from the Trustees' payroll. 26 U.S.C. §3402, requires withholding of income tax from wages. The Internal Revenue Service (IRS) makes the final determination on when amounts are to be withheld, and the District has not received a determination from the IRS. Failure to properly withhold income tax can lead to liabilities for the amounts that should have been withheld, plus penalties and interest.

We recommend that the District request an IRS determination as to whether taxes should be withheld.

2. The District collected payments for fire district runs. The District did not maintain a separate fund for these charges. Additionally, the District misclassified the fire run receipts as miscellaneous revenues instead of charges for services. Ohio Rev. Code Section 505.371, requires charges collected under this section to be kept in a separate fund designated as the ambulance and emergency medical services fund, requires that the board appropriate and administer the fund. Ohio Rev. Code Section 505.371 also requires that the fund be used for the payment of the costs of the management, maintenance, and operation of ambulance and emergency medical services in the district. Failure to accurately account for fire run receipts increases the risk that errors, theft or fraud could occur and not be detected in a timely manner.

We recommend that the District establish the required fund for all fire run receipts and post receipts appropriately.

Current Status of Matters we Reported in our Prior Engagement

3. In addition to the matters reported in item 1 and 2 above, our prior year agreed upon procedures audit for the years ended December 31, 2011 and 2010 noted two exceptions. The District did not record budgeted receipts in the receipt ledger and one payment for overtime that was paid, but actual hours were not recorded on the Payroll Register. Our current review shows that the District took the necessary steps to correct the above matters.



Dave Yost
Auditor of State

Columbus, Ohio

July 7, 2014



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BMP JOINT FIRE DISTRICT

FAYETTE 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
AUGUST 5, 2014**