EDDYVILLE COMMUNITY FIRE AGENCY
EDDYVILLE, IOWA

INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENT AND REQUIRED
SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS

June 30, 2008

Peak & Gerdes, LLP
Certified Public Accountants
1051 Office Park Road
West Des Moines, IA 50265

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Eddyville Community Fire Agency

Officials

Name	Title	Term Expires
	(Before February, 2008)	
Doug Greenlee	Chairman	Feb. 2009
Dave Roberts	Vice-Chairman	Feb. 2008
David Hargis	Board Treasurer	Feb. 2010
Mike Roe	Board Member	Feb. 2008
Roger Rodwell	Board Member	Feb. 2009
Angie Sutton	Secretary/Treasurer	Indefinite
	(After February, 2008)	
Mike Roe	Chairman	Feb. 2011
Dave Roberts	Vice-Chairman	Feb. 2011
David Hargis	Board Treasurer	Feb. 2010
Doug Greenlee	Board Member	Feb. 2009
Roger Rodwell	Board Member	Feb. 2009
Angie Sutton	Secretary/Treasurer	Indefinite

Eddyville Community Fire Agency

PEAK & GERDES, LLP
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WEST DES MOINES, IOWA 50265

(515) 277-3077

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board
Eddyville Community Fire Agency
Eddyville, Iowa

We have audited the accompanying financial statement of the Eddyville Community Fire Agency, Eddyville, Iowa, as of and for the year ended June 30, 2008, as listed in the table of contents of this report. This financial statement is the responsibility of the Eddyville Community Fire Agency's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with U.S. 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 described in Note 1, the Eddyville Community Fire Agency prepares its financial statement on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, the aforementioned financial statement referred to above presents fairly, in all material respects, the cash basis financial position of the Eddyville Community Fire Agency as of June 30, 2008 and the changes in its cash basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated April 28, 2009 on our consideration of the Eddyville Community Fire Agency'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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 7 through 9 is not a required part of the basic financial statement, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statement that collectively comprise the Eddyville Community Fire Agency's basic financial statement. The supplementary information on page 15 is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statement and, in our opinion, is fairly stated in all material respects in relation to the basic financial statement taken as a whole.

Peak & Gerdes, LLP
Certified Public Accountants

April 28, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Eddyville Community Fire Agency provides this Management's Discussion and Analysis of its financial statement. This narrative overview and analysis of the financial activities of the Eddyville Community Fire Agency is for the fiscal year ended June 30, 2008. We encourage readers to consider this information in conjunction with the Agency's financial statement, which follows.

2008 FINANCIAL HIGHLIGHTS

- The Agency's operating receipts decreased 41.4%, or $37,035, from fiscal 2007 to fiscal 2008.
- The Agency's operating disbursements decreased 13.2%, or $6,621, from fiscal 2007 to fiscal 2008.
- The Agency's non-operating disbursements increased $141,438, from fiscal 2007 to fiscal 2008.
- The Agency's net assets decreased 29.6%, or $113,398, from June 30, 2007 to June 30, 2008.

USING THIS ANNUAL REPORT

The Agency has elected to present its financial statement on the cash basis of accounting. The cash basis of accounting is a basis of accounting other than U.S. generally accepted accounting principles. Basis of accounting refers to when financial events are recorded, such as the timing for recognizing revenues, expenses and the related assets and liabilities. Under the Agency's cash basis of accounting, revenues and expenses and the related assets and liabilities are recorded when they result from cash transactions.

As a result of the use of the cash basis of accounting, certain assets and their related revenues and liabilities and their related expenses are not recorded in this financial statement. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

The annual report is presented in a format consistent with the presentation of Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the Agency's cash basis of accounting.

This discussion and analysis are intended to serve as an introduction to the Eddyville Community Fire Agency's financial statement and other information, as follows:

- Management's Discussion and Analysis introduces the financial statement and provides an analytical overview of the Agency's financial activities.
- The Statement of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets presents information on the Agency's operating receipts and disbursements, non-operating receipts and disbursements and whether the Agency's cash basis financial position has improved or deteriorated as a result of the year's activities.
- The Notes to Financial Statement provide additional information essential to a full understanding of the data provided in the financial statement.
- Other Supplementary Information provides detailed information about the detail which makes up the receipts and disbursements as recorded on the financial statement.

FINANCIAL ANALYSIS OF THE AGENCY

Statement of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets

The purpose of the statement is to present the receipts received by the Agency and the disbursements paid to the Agency, both operating and non-operating. The statement also presents a financial snapshot of the Agency's cash balance at year end. Over time, readers of the financial statement are able to determine the Agency's cash basis financial position by analyzing the increase and decrease in cash basis net assets.

Operating receipts are received for services provided by the Eddyville Community Fire Agency. The Eddyville Community Fire Agency provides fire protection and emergency medical services to the citizens of the member city of Eddyville and the member townships of Columbia, East Des Moines, Harrison and Pleasant. The Agency also provides services to the City of Kirkville and West Des Moines Township, as well as to other departments through the use of mutual aid agreements. Operating disbursements are disbursements paid to operate the Eddyville Community Fire Agency. Non-operating receipts are for interest on investments. Non-operating disbursements are for equipment purchased. A summary of cash receipts, disbursements and changes in cash basis net assets for the years ended June 30, 2008 and 2007 is presented below.

	Year ended June 30, 2008	Year ended June 30, 2007
Operating receipts:		
Use of money and property	$ 625	600
Charges for service	51,288	86,488
Miscellaneous	445	2,305
Total operating receipts	52,358	89,393
Operating disbursements:		
Public safety	43,493	50,114
Total operating disbursements	43,493	50,114
Excess of operating receipts over operating disbursements	8,865	39,279
Non-operating receipts (disbursements):		
Interest on investments	19,175	10,802
Equipment	(141,438)	-
Total non-operating receipts (disbursements)	(122,263)	10,802
Change in cash basis net assets	(113,398)	50,081
Cash basis net assets beginning of year, as restated	382,922	297,841
Cash basis net assets end of year	$269,524	347,922

In fiscal 2008, operating receipts decreased $37,035, or 41.4%, primarily due to the timing of the related receipts from the city and townships. In fiscal 2008, operating disbursements decreased $6,621, or 13.2% from fiscal 2007. Non-operating disbursements increased $141,438, due to the new tanker truck purchased in fiscal 2008. Non-operating receipts increased $8,373, or 78%, due to additional bank interest received in fiscal 2008.

DEBT ADMINISTRATION

At June 30, 2008, the Agency had no long-term debt outstanding.

ECONOMIC FACTORS

The Eddyville Community Fire Agency's financial position decreased 29.6%, or $113,398, from fiscal 2007. In addition, the current condition of the economy in the state continues to be a concern for Agency officials. Some of the realities that may potentially become challenges for the Agency to meet are:

- Facilities require constant maintenance and upkeep and need to be replaced at some point in time.
- Property tax rollback and the reduction in machinery and equipment credits on the industrial equipment will decrease the amount of funds available to the Agency.
- New training and safety standards will increase the cost of training for the Agency.
- The Eddyville Community Fire Agency has acquired over $200,000 worth of essential equipment through federal grants over the last few years. In 15 years, this equipment will need to be replaced.

The Agency anticipates the current fiscal year will be much like the last and will maintain a close watch over resources to maintain the Agency's ability to react to unknown issues.

CONTRACTING THE AGENCY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Angie Sutton, Board Secretary/Treasurer, P.O. Box 197, Eddyville, Iowa 52553.

Financial Statement

Eddyville Community Fire Agency

Statement of Cash Receipts, Disbursements and
Changes in Cash Basis Net Assets

As of and for the Year ended June 30, 2008

Operating receipts:	
Use of money and property	$ 625
Charges for service	51,288
Miscellaneous	445
Total operating receipts	52,358
Operating disbursements:	
Public safety	43,493
Total operating disbursements	43,493
Excess of operating receipts over operating disbursements	8,865
Non-operating receipts (disbursements):	
Interest on investments	19,175
Equipment	(141,438)
Total non-operating receipts (disbursements)	(122,263)
Change in cash basis net assets	(113,398)
Cash basis net assets beginning of year, as restated	382,922
Cash basis net assets end of year	$ 269,524

Cash Basis Net Assets

Unrestricted	$ 63,402
Designated for vehicle replacement	206,122
Total cash basis net assets	$ 269,524

See notes to financial statement.

Note 1. Summary of Significant Accounting Policies

The Eddyville Community Fire Agency (Agency) is a voluntary joint undertaking and was created in 1989 by the City of Eddyville and the surrounding townships pursuant to the provisions of Chapter 28E of the Code of Iowa. The purpose of the Agency is to save life and property from fire and render aid wherever possible in the event of an emergency in the community on behalf of the units of government which are members of the Agency.

The governing body of the Agency is composed of five representatives, with one representative from each member Agency. The Agency members are Columbia Township of Wapello County, East Des Moines and Harrison Townships of Mahaska County, Pleasant Township of Monroe County and the City of Eddyville.

A. Reporting Entity

For financial reporting purposes, the Agency has included all funds, organizations, agencies, boards, commissions and authorities. The Agency has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the Agency are such that exclusion would cause the Agency's financial statement to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the Agency to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the Agency. The Agency has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

The accounts of the Agency are organized as an Enterprise Fund. Enterprise Funds are utilized to finance and account for the acquisition, operation and maintenance of governmental facilities and services supported by user charges.

Enterprise Funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods on the connection with an Enterprise Fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

C. Basis of Accounting

The Agency maintains its financial records on the basis of cash receipts and disbursements and the financial statement of the Agency is prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statement does not present the financial position and results of operations of the Agency in accordance with U.S. generally accepted accounting principles.

Note 2. Cash and Investments

The Agency's deposits in banks at June 30, 2008 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The Agency is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Agency; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The Agency had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 3, as amended by Statement No. 40.

Note 3. Pension and Retirement Benefits

The Agency contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 3.90% of their annual salary and the agency is required to contribute 6.05% of annual payroll. Contribution requirements are established by State statute. The Agency's contribution to IPERS for the years ended June 30, 2008, 2007 and 2006 were $215, $184, and $159, respectively, equal to the required contributions for each year.

Note 4. Related Party Transactions

The Agency had business transactions between the Agency and Agency personnel totaling $1,368 during the year ended June 30, 2008.

Note 5. Risk Management

The Agency is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The Agency assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 6. Restatement

The July 1, 2007, cash balance was increased by $35,000 to account for monies not previously included on the financial statements. The cash balance at June 30, 2007, as previously reported, was $347,922. With an increase of $35,000 to the cash balance for monies not previously reported, the cash balance at July 1, 2007, as restated is $382,922.

Other Supplementary Information

Eddyville Community Fire Agency

Supplementary Detail Schedule of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets

As of and for the Year ended June 30, 2008

Operating receipts:	
Use of money and property -	
Rent	$ 625
	625
Charges for service:	
City of Eddyville	6,320
Columbia Township	5,897
Harrison Township	3,482
Pleasant Township	25,922
East Des Moines Township	5,218
West Des Moines Township	4,449
	51,288
Miscellaneous:	
Refunds, reimbursements, other	445
	445
Total operating receipts	52,358
Operating disbursements:	
Public safety -	
Radio maintenance and repair	635
Training/continuing education	738
Expendable items	942
Fire extinguisher service	35
Gasoline and parts	2,475
Miscellaneous items/equipment	658
Replace/small equipment	6,899
Vehicle maintenance	2,308
Insurance	7,662
Secretary/Treasurer wages	3,557
Payroll taxes	434
Workman's compensation	1,714
Office expenses	1,007
Utilities	7,655
Audit/publication	2,212
Building supplies and maintenance	3,991
E 911	571
Total operating disbursements	43,493
Excess of operating receipts over operating disbursements	8,865
Non-operating receipts (disbursements):	
Interest on investments	19,175
Equipment	(141,438)
Total non-operating receipts (disbursements)	(122,263)
Change in cash basis net assets	(113,398)
Cash basis net assets beginning of year, as restated	382,922
Cash basis net assets end of year	$ 269,524
Cash Basis Net Assets	
Unrestricted	$ 63,402
Designated for vehicle replacement	206,122
Total cash basis net assets	$ 269,524

See accompanying independent auditor's report.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF A FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members of the Board
Eddyville Community Fire Agency
Eddyville, Iowa

We have audited the financial statement of the Eddyville Community Fire Agency, Eddyville, Iowa, as of and for the year ended June 30, 2008, as listed in the table of contents, and have issued our report thereon dated April 28, 2009. Our report expressed an unqualified opinion on the financial statement which was prepared in conformity with an other comprehensive basis of accounting. We conducted our audit in accordance with U.S. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Eddyville Community Fire Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Eddyville Community Fire Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Eddyville Community Fire Agency's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified deficiencies in internal control over financial reporting that we consider to be significant deficiencies, including deficiencies that we consider to be material weaknesses.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Eddyville Community Fire Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with an other comprehensive basis of accounting such that there is more than a remote likelihood that a misstatement of Eddyville Community Fire Agency's financial statement that is more than inconsequential will not be prevented or detected by Eddyville Community Fire Agency's internal control. We consider the deficiencies in internal control described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood a material misstatement of the financial statement will not be prevented or detected by Eddyville Community Fire Agency's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe the significant deficiencies described above and reported as items I-A-08 and I-B-08 are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Eddyville Community Fire Agency's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters that are described in Part II of the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the Eddyville Community Fire Agency's operations for the year ended June 30, 2008 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Eddyville Community Fire Agency. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Eddyville Community Fire Agency's responses to findings identified in our audit are described in the accompanying Schedule of Findings. While we have expressed our conclusions on the Eddyville Community Fire Agency's responses, we did not audit Eddyville Community Fire Agency's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of the Eddyville Community Fire Agency and other parties to whom the Eddyville Community Fire Agency may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Eddyville Community Fire Agency during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Peak & Gerdes, LLP
Certified Public Accountants

April 28, 2009

Eddyville Community Fire Agency

Schedule of Findings

Year ended June 30, 2008

Part I: Findings Related to the Financial Statement

SIGNIFICANT DEFICIENCIES:

I-A-08 Segregation of Duties – One important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. One person has primary control over the collection of receipts and deposit preparation.

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, the Agency should review its control activities to segregate duties for receipt collection and deposit preparation.

Response – We will continue to review our procedures to determine if there is a better way of handling segregation of duties.

Conclusion – Response accepted.

I-B-08 Financial Reporting – We noted that while Agency personnel is capable of preparing a financial statement that provide information sufficient for Board members to make management decisions, reporting financial data reliably in accordance with an other comprehensive basis of accounting (OCBOA) require Agency personnel to possess sufficient knowledge and expertise to select and apply accounting principles and prepare a year-end financial statement, including footnote disclosures. Agency personnel presently lack the qualifications and training to appropriately fulfill these responsibilities, which is a common situation in most small entities.

Recommendation – Obtaining additional information through relevant accounting literature and attending local professional education courses should help Agency personnel significantly improve in the ability to prepare and take responsibility for reliable OCBOA financial statements.

Response – We will take this under advisement.

Conclusion – Response accepted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Part II: Other Findings Related to Required Statutory Reporting

II-A-08 Questionable Disbursements - No disbursements we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

II-B-08 Travel Expense - No disbursements of Agency money for travel expenses of spouses of Agency officials or employees were noted.

II-C-08 Business Transactions – Business transactions between the Agency and Agency officials or employees are detailed as follows:

Name, Title, and Business Connection	Transaction Description	Amount
Angie Sutton, Secretary/Treasurer	Contract work	$680
Randy Veldhuizen, Owner of Eddyville Car Wash, Fireman	Services	$488
Rick Smith, Fireman	Services	$200

In accordance with Chapter 362.5(10) of the Code of Iowa, the above transactions do not appear to represent a conflict of interest as defined in Chapter 362.5 of the Code of Iowa since the total transactions were less than $1,500 during the fiscal year.

II-D-08 Board Minutes - No transactions were found that we believe should have been approved in the Board minutes but were not.

In some cases, the Board minutes were not timely published. In addition, in one instance the publication did not include the schedule of bills allowed. Chapter 28E.6(3) of the Code of Iowa requires the Board minutes be published within 20 days following the meeting, and that the publication should include the schedule of bills allowed.

Recommendation - The Agency should publish all minute proceedings on a timely basis, and include in the publication a schedule of bills allowed, as required by the Code of Iowa.

Response – We will implement this recommendation.

Conclusion - Response accepted.

II-E-08 Deposits and Investments - No instances of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the Agency investment policy were noted.

II-F-08 Compliance Issues – We noted an instance in which the Agency failed to file an IRS 1099-Misc. form.

Recommendation – The Agency implement procedures to ensure all IRS 1099-Misc. forms are filed in the future.

Response – We will implement this recommendation in the future.

Conclusion – Response accepted.

II-G-08 Budget – Disbursements during the year ended June 30, 2008, exceeded the amounts budgeted.

Recommendation – The budget should have been amended before the disbursements were allowed to exceed the budget.

Response – The reason we went over budget was due to the new tanker truck that was purchased. This purchase was extensively discussed in the board minutes, even though the disbursements related to this purchase were not budgeted.

Conclusion – Response accepted.

II-H-08 Disbursements – In one instance, there was no detail on an invoice which documented what was purchased. In other instances, invoices were not submitted to the Board prior to payment. In addition, payroll hours worked by a part-time employee are not turned into the Agency.

Recommendation – The Agency implement procedures to ensure detailed invoices are received and are on file prior to payment of the invoices. In addition, the payroll hours, documenting dates and times, should be turned into the Agency prior to payment.

Response – We will attempt to implement these recommendations.

Conclusion – Response accepted.

II-I-08 Receipts – In July, 2007, the Agency cancelled its workers compensation policy and obtained workers compensation coverage from another company. At the time the policy was cancelled, the Agency had paid for approximately 11 months of workers compensation coverage in advance. The Agency has not received a refund for this unused policy premium, which appears to amount to over $1,000.

The Agency provided emergency response services as a result of a December, 2007 ice storm. The area was declared a presidential disaster area, for which Public Assistance money was available from the federal government. The Agency did not receive reimbursement from the federal government for costs incurred to respond to this emergency. It is unclear if the Agency ever turned in a claim for Public Assistance money. However, the Agency would have been eligible to receive Public Assistance money from the federal government, which could have amounted to several thousand dollars.

Recommendation – The Agency implement procedures to ensure all funds due to them are received, and in a timely manner. Procedures should be implemented to follow up on all sources of funding which are due or are available to the Agency.

Response – We will implement these recommendations.

Conclusion – Response accepted.