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**TOWN AND COUNTRY FIRE DISTRICT  
WAYNE COUNTY  
Agreed-Upon Procedures  
For the Years Ended December 31, 2015 and 2014**

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- Association of Certified Anti - Money Laundering Specialists •





# Dave Yost • Auditor of State

Board of Trustees  
Town and Country Fire District  
P.O. Box 175  
West Salem, Ohio 44287

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Town and Country Fire District, Wayne County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2014 through December 31, 2015. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Town and Country Fire District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

May 20, 2016

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TOWN AND COUNTRY FIRE DISTRICT  
WAYNE COUNTY

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

April 13, 2016

Town and Country Fire District  
P.O. Box 175  
West Salem, Ohio 44287

To the Board of Trustees:

We have performed the procedures enumerated below, with which the Board of Trustees and the management of **Town and Country Fire District**, Wayne County, Ohio (the District) and the Auditor of State agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2015 and 2014, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash and Investments

1. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We noted the District did not record earned interest totaling \$164 in 2014, which understates Earnings on Investments and Fund balance. We found no other exceptions.
2. We agreed the January 1, 2014 beginning fund balance recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2013 balance in the prior year audited statements. The December 31, 2013 ending balance did not agree to the January 1, 2014 beginning balance. The December 31, 2013 fund balance was \$608,801 and the January 1, 2014 the balance was \$608,963. This difference was due to multiple voided checks totaling \$231 and the District not making adjustments from the prior audit report totaling \$69. The township did not post the adjustment, however the error was corrected when the District cashed out the CD and recorded the accrued interest. We also agreed the January 1, 2015 beginning fund balance recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balance to the December 31, 2014 balance in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balance reported in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. The amounts agreed.

...*"bringing more to the table"*

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**Cash and Investments (Continued)**

4. We confirmed the December 31, 2015 bank account balances with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2015 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 bank reconciliation:
  - a. We traced each debit to the subsequent January & February bank statement. We were only able to trace four of five reconciling debits to the subsequent bank statements.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We tested interbank account transfers occurring in December of 2015 and 2014 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
7. We tested investments held at December 31, 2015 and December 31, 2014 to determine that they:
  - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14, or 135.144. We found no exceptions.
  - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

**Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2015 and one from 2014:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the Revenue Ledger. The amounts agreed.
  - b. We determined whether the receipt was allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Revenue Ledger to determine whether it included two real estate tax receipts for 2015 and 2014. We noted the Revenue Ledger included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2015 and five from 2014. We also selected five receipts from the Wayne and Medina County Auditor's Vendor Audit Trail Report from 2015 and five from 2014.
  - a. We compared the amount from the above reports to the amount recorded in the Revenue Ledger. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper funds. No exceptions noted. However, we did determine in 2015 and 2014 Rollback receipts were posted to Property and Other Local Taxes instead of Intergovernmental.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Charges for Services**

1. We confirmed the amount paid from CHS and KMF Healthcare Billing Solutions, the service organizations that perform the fire billings, to the District during 2015 and 2014 with the Revenue Ledger. There is a \$4,022.70 total variance in 2015 and 2014 between what CHS and KMF Healthcare Billing Solutions reported and what the District recorded in their revenue ledger. We found no other exceptions.
  - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Over-The-Counter Cash Receipts**

We haphazardly selected 10 over-the-counter cash receipts from the year ended December 31, 2014 recorded in the Revenue Ledger and determined whether the:

- a. Receipt amount agreed to the amount recorded in the Revenue Ledger. The amounts agreed.
- b. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

### **Debt**

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2013.
2. We inquired of management, and scanned the Revenue Ledger and Appropriation Ledger for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note debt activity for 2015 and 2014 and agreed principal and interest payments from the related debt amortization schedule to the payments reported in the Appropriation Ledger. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions. However, the District classified all principal and interest payments as capital outlay in 2015 and 2014. No other exceptions noted.
4. We agreed the amount of the debt proceeds from the debt documents to amounts recorded in the General Fund per the Revenue Ledger. The District did not record debt proceeds in the Revenue Ledger.
5. For new debt issued during 2015 and 2014, we inspected the debt legislation, noting the District must use the proceeds to purchase an ambulance. We were unable to determine if the District purchased an ambulance by reviewing the accounting system due to the District not recording debt proceeds and the corresponding capital outlay, however we reviewed the loan documents and bill of sale noting the Township purchased an ambulance.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2015 and one payroll check for five employees from 2014 from the Wage Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.



**Payroll Cash Disbursements (Continued)**

- b. We determined whether the account codes to which the check was posted were reasonable based on the employees' duties as documented in the minute record or as required by statute. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2015 to determine whether the remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employers share, where applicable, during the final withholding period of 2015. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2016	December 11, 2015	\$ 6,838.43	\$ 6,838.43
State income taxes	January 15, 2016	December 14, 2015	\$ 348.20	\$ 348.20
Local income tax	January 15, 2016	December 14, 2015	\$ 371.28	\$ 371.28
OPERS retirement	January 30, 2016	January 12, 2016	\$ 1,362.00	\$ 1,362.00
OP&F retirement	January 31, 2016	January 19, 2016	\$ 2,207.63	\$ 2,207.63
School income tax	January 15, 2016	December 14, 2015	\$ 123.46	\$ 123.46

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Appropriation Ledger for the year ended December 31, 2015 and ten from the year ended 2014 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Appropriation Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found two instances in 2015 where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Section 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

### Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Status Report for the years ended December 31, 2015 and 2014. The amounts agreed.
2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether the Trustees appropriated separately for “each office, department, and division, and within each, the amount appropriated for personnel services,” as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Section 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2015 and 2014. The amounts per the appropriation resolutions did not agree to the amounts recorded in the Appropriation Status report for in 2015. The amount recorded in the Appropriation Status Report was \$873,100 and approved appropriations were \$873,500. No other exceptions noted.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2015 and 2014, as recorded in the Appropriation Status Report. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Revenue Ledger for evidence of new restricted receipts requiring a new fund during December 31, 2015 and 2014. We also inquired of management regarding whether the District received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the District to establish a new fund.
7. We scanned the 2015 and 2014 Revenue Ledgers and Appropriation Status Reports for evidence of interfund transfers exceeding \$1,000 which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Status Report to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the District did not establish these reserves.
9. We scanned the Cash Summary by Fund Report for the years ended December 31, 2015 and 2014 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (l) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. We noted no negative cash fund balances.

**Other Compliance**

1. Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the District filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. We noted the District did not file notes as a required part of the annual financial reporting for 2015. No other exceptions noted.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, the Auditor of State and others within the District and is not intended to be, and should not be used by anyone other than these specified parties.



**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

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# Dave Yost • Auditor of State

**TOWN AND COUNTRY FIRE DISTRICT**

**WAYNE 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  
JUNE 2, 2016**