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PERRY & Associates

Certified Public Accountants, A.C.

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6 9 @ A C B H C O U N T Y
Agreed-Upon Procedures
For the Years Ended December 31, 2016 & 2015

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...“bringing more to the table”

Tax – Accounting – Audit – Review – Compilation – Agreed Upon Procedure – Consultation – Bookkeeping – Payroll
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- Association of Certified Anti - Money Laundering Specialists •



Dave Yost • Auditor of State

Board of Trustees
Cumberland Trail Fire District
142 S. Marietta Street
P.O. Box 505
St. Clairsville, OH 43950

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Cumberland Trail Fire District, Belmont County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2015 through December 31, 2016. 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 Cumberland Trail 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

July 26, 2017

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CUMBERLAND TRAIL FIRE DISTRICT
BELMONT COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures.....	1

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 28, 2017

Cumberland Trail Fire District
Belmont County
142 S. Marietta Street
P.O. Box 505
St. Clairsville, OH 43950

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of **Cumberland Trail Fire District**, Belmont County (the District) and the Auditor of State on the receipts, disbursements and balances recorded in the Districts cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. 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 recalculated the December 31, 2016 and December 31, 2015 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2014 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We noted a variance of \$89,318 between the total fund balances from 2014 to 2015. This was due to Fiscal Officer making adjustments in 2015. We also agreed the January 1, 2016 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2015 balances in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. We found no exceptions.

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Cash and Investments (Continued)

3. We agreed the totals per the bank reconciliations to the total of the December 31, 2016 and 2015 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2016 bank account balances with the District's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2016 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2016 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. There were no exceptions.
6. We inspected investments held at December 31, 2016 and December 31, 2015 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. There were no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We haphazardly selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the *Statement*) for 2016 and one from 2015.
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Cash Register Report. The amounts agreed.
 - b. We inspected the Cash Register Report to confirm the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Cash Register Report to confirm the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Cash Register Report to determine whether it included two real estate tax receipts for 2016 and 2015. The Cash Register Report included the proper number of tax receipts for each year.
3. We haphazardly selected five receipts from the State Distribution Transaction Lists (DTL) from 2016 and five from 2015. We also haphazardly selected five receipts from the County Auditor's Cross Reference Report from 2016 and five from 2015.
 - a. We compared the amount from the above reports to the amount recorded in the Cash Register Report. The amounts agreed.
 - b. We inspected the Cash Register Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - c. We inspected the Cash Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

1. We inspected the Monthly Aging Report.
 - a. This report listed \$133,601 and \$164,772 of accounts receivable as of December 31, 2016 and 2015, respectively.
 - b. Of the total receivables reported in the preceding step, \$32,382 and \$28,520 were recorded as more than 90 days delinquent.

2. We inspected the Monthly Adjustment Reports.
 - a. This report listed a total of \$584,656 and \$594,382 non-cash receipts adjustments for the years ended December 31, 2016 and 2015, respectively.
 - b. We haphazardly selected five non-cash adjustments from 2016 and five non-cash adjustments from 2015, and observed that Ohio Billings approved each adjustment.

3. We haphazardly selected five run sheets, and agreed the patient name and service date to the related amounts billed, and the amount debited to accounts receivable, from the year ended December 31, 2016; and five from the year ended December 31, 2015. Per the table below, there were no exceptions.

2016

	Amount Billed per the Billing / Run Report, 2016	Amount Debited to Accounts Receivable
1.	\$ 837.00	\$ 837.00
2.	\$ 825.00	\$ 825.00
3.	\$ 843.00	\$ 843.00
4.	\$ 847.80	\$ 847.80
5.	\$ 797.40	\$ 797.40

2015

	Amount Billed per the Billing / Run Report, 2015	Amount Debited to Accounts Receivable
1.	\$ 785.00	\$ 785.00
2.	\$ 829.00	\$ 829.00
3.	\$ 788.00	\$ 788.00
4.	\$ 815.00	\$ 815.00
5.	\$ 875.00	\$ 875.00

We also agreed the amounts billed above to the rates in force as of the service date. There were no exceptions.

Charges for Services (Continued)

- We haphazardly selected five receipts recorded in the cash receipts records from the year ended December 31, 2016 and five from the year ended December 31, 2015. We compared the receipt to the amount credited to accounts receivable records and credited in the bank statement. We also compared the date the payment was recorded in the cash receipts records to the date deposited per the bank statement. Per the table below, the amounts agreed, and the cash was deposited timely.

2016

	Amount Recorded in Cash Receipts Records, 2016	Amount Credited to Accounts Receivable	Amount Deposited per Bank Statement	Date Recorded in Cash Receipts Records	Date Deposited per Bank Statement
1.	\$ 248.43	\$ 248.43	\$ 248.43	1/3/2016	1/22/2016
2.	\$ 393.94	\$ 393.94	\$ 393.94	5/10/2016	5/31/2016
3.	\$ 412.63	\$ 412.63	\$ 412.63	5/22/2016	6/13/2016
4.	\$ 491.04	\$ 491.04	\$ 491.04	5/29/2016	5/29/2016
5.	\$ 187.60	\$ 187.60	\$ 187.60	9/13/2016	9/28/2016

2015

	Amount Recorded in Cash Receipts Records, 2015	Amount Credited to Accounts Receivable	Amount Deposited per Bank Statement	Date Recorded in Cash Receipts Records	Date Deposited per Bank Statement
1.	\$ 400.62	\$ 400.62	\$ 400.62	9/21/2015	10/12/2015
2.	\$ 530.63	\$ 530.63	\$ 530.63	9/1/2015	10/12/2015
3.	\$ 381.27	\$ 381.27	\$ 381.27	9/24/2015	10/15/2015
4.	\$ 385.80	\$ 385.80	\$ 385.80	10/14/2015	11/5/2015
5.	\$ 529.23	\$ 529.23	\$ 529.23	9/4/2015	12/23/2015

Debt

- From the prior agreed-upon procedures documentation, we observed the following lease outstanding as of December 31, 2014. This amount agreed to the District's January 1, 2015 balance on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2014:
Capital Lease	\$ 71,745

- We inquired of management, and inspected the Cash Register for evidence of debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. All debt observed agreed to the summary we used in step 3.
- We obtained a summary of lease debt activity for 2016 and 2015 and agreed principal and interest payments from the related debt amortization schedule to debt service fund payments reported in the Cash Register. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.

Debt (Continued)

4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the General fund per the Cash Register. The amounts agreed.
5. For new debt issued during 2016 and 2015, we inspected the debt legislation, which indicated the District must use the proceeds to purchase a fire truck. We were unable to determine if the District purchased a fire truck by reviewing the accounting system due to the District not recording debt proceeds and the corresponding capital outlay, however we reviewed the lease documents noting the District purchased a fire truck.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2016 and one payroll check for five employees from 2015 from the Payroll Journal and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Journal to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We inspected the Cash Register to determine the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2016 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2016. We observed 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, 2017	January 3, 2017	\$ 11,032.64	\$ 11,032.64
State income taxes	January 31, 2017	January 13, 2017	\$ 3,302.00	\$ 3,302.00
Local income tax	January 31, 2017	January 13, 2017	\$ 851.14	\$ 851.14
OPERS retirement	January 30, 2017	December 27, 2016	\$ 1,152.27	\$ 1,152.27
OP&F retirement	January 31, 2017	December 28, 2016	\$ 22,321.12	\$ 22,321.12

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Cash Register for the year ended December 31, 2016 and ten from the year ended 2015 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 Cash Register and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
 - d. 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 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 inspect 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 Receipt Journal for the years ended December 31, 2016 and 2015. The amounts on the *Certificate* did not agree to the amount recorded in the accounting system. The Receipt Journal recorded budgeted (i.e. certified) resources of \$0 for 2015 and \$0 for 2016. However, the final *Amended Official Certificate of Estimated Resources* reflected \$3,362,291 in 2015 and \$3,515,848 in 2016. The fiscal officer should periodically compare amounts recorded in the Revenue Status Report to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Trustees may be using inaccurate information for budgeting and monitoring purposes.
2. We inspected the appropriation measures adopted for 2016 and 2015 to determine whether, the Trustees appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal 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 Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Ledger for 2016 and 2015. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Ledger.
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, 2016 and 2015. There were no funds for which appropriations exceeded certified resources.

Compliance – Budgetary (Continued)

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, 2016 and 2015, as recorded in the Appropriation Ledger. There were no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the Receipt Journal for evidence of new restricted receipts requiring a new fund during December 31, 2016 and 2015. We also inquired of management regarding whether the District received new restricted receipts. We observed no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the District to establish a new fund.
7. For funds existing in prior years, inspect the fund activity to determine whether the fund is still being used for the statutorily approved purpose and that all the required funds were established. All the required funds were established and no funds for which the statutorily approved purpose was no longer valid were included on the accounting records.
8. We inspected the 2016 and 2015 Cash Register and Appropriation Ledger 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.
9. We inquired of management and inspected the Appropriation Ledger to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. The District did not establish these reserves.
10. We inspected the Cash Register for the years ended December 31, 2016 and 2015 for negative cash fund balances. Ohio Rev. Code Section 5705.10 (I) 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. There were no funds having negative cash fund balances.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2016-007. In 2016 and 2015, we noted the financial information was filed on 5/26/2017 and 5/16/2017, respectively, which was not within the allotted timeframe.

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

This report is for the use of the District to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

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



Dave Yost • Auditor of State

CUMBERLAND TRAIL FIRE DISTRICT

BELMONT 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 8, 2017**