



**RICHLAND COUNTY SOLID WASTE MANAGEMENT DISTRICT
RICHLAND COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Richland County Solid Waste Management District
Richland County
1125 National Parkway
Mansfield, Ohio 44906

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Richland County Solid Waste Management District, Richland County, Ohio, (the District) and the Auditor of State, on the receipts, disbursements and balances recorded in the District's cash basis accounting records for the years ended December 31, 2018 and 2017 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, 2018 and 2017 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

1. Richland County is custodian for the District's deposits, and therefore the County's deposit and investment pool holds the District's assets. We compared the District's fund balance reported on its December 31, 2018 annual report to the balance reported in Richland County's Account Summary Trial Balance Report. The amounts agreed.
2. We agreed the January 1, 2017 beginning fund balance recorded in the Fund Balances report to the December 31, 2016 balance in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2018 beginning fund balance recorded in the Account Summary Trial Balance Report to the December 31, 2017 balance in the Fund Balances report. We found no exceptions.

Tipping Fees and Other Confirmable Cash Receipts

1. We confirmed the amounts paid from the Rumpke of Ohio, Inc. to the District during 2018 and 2017. They confirmed payment of the following amounts to the District:

Company	2018 Payments	2017 Payments
Rumpke of Ohio, Inc.	\$703,712.89	\$622,387.01

- a. We compared the amount confirmed with the amount the District recorded in its receipt records. We found no exceptions.
 - b. We inspected the Rev Detail Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - c. We inspected the Rev Detail Report to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We obtained the July 2017 and March 2018 total tonnage reports from the organization in procedure 1.
 - a. We recalculated the dollar amount sent to the District based on the rates in force during the period and agreed to the amounts posted to the District's ledgers. We observed no exceptions.
 3. We confirmed the generation fee amounts paid from Rumpke of Ohio, Inc. to the District during 2018 and 2017 with the Rev Detail Report. We found no exceptions.
 - a. We inspected the Rev Detail report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We inspected the Rev Detail report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2016.
2. We inquired of management, and inspected the Rev Detail Report and Expense Detail Report for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. There were no new debt issuances, nor any debt payment activity during 2018 or 2017.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the Detailed Check Register Report and:
 - a. We compared the hours and pay rate, or salary amount recorded in the Detailed Check Register Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We inspected the fund and account codes to which the check was posted to determine if they 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.

Payroll Cash Disbursements (Continued)

2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2018 to confirm remittances were timely charged by the fiscal agent Richland County, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2018. 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, 2019	December 21, 2018	\$1,541.12	\$1,541.12
State income taxes	January 15, 2019	December 21, 2018	\$305.07	\$305.07
Local income tax	January 31, 2019	December 21, 2018	\$288.36	\$288.36
OPERS retirement	January 30, 2019	December 21, 2018	\$3,409.74	\$3,409.74

3. We selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Detailed Check Register Report:
- a. Accumulated leave records
 - b. The employee's pay rate in effect as of the termination date
 - c. The District's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

Non-Payroll Cash Disbursements

1. We selected a sample (agreed upon) of 10 disbursements from the Expense Detail Report for the year ended December 31, 2018 and 10 from the year ended 2017 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 Expense Detail Report 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 Sections 5705.28(B)(2) and 5705.41(D). We found twelve 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 Sections 5705.28(B)(2) and 5705.41(D) require 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.
 - e. The disbursement was allowable under Ohio Rev. Code Section 3734.57(G), and the District's policies and procedures. We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the *Certificate of the Total Amount From All Sources Available For Expenditures and Balances*, required by Ohio Rev. Code Section(s) 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Rev Detail Report for the General fund for the years ended December 31, 2018 and 2017. The amounts agreed.
2. We inspected the appropriation measures adopted for 2018 and 2017 to determine whether, for the General fund, the Board of 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(s) 5705.28(B)(2) and 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.38 and 5705.40, to the amounts recorded in the Expense Detail Report for 2018 and 2017 for the General fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Expense Detail Report.
4. Ohio Rev. Code Section 5705.28(B)(2)(c) prohibits appropriations from exceeding the estimated revenue available for expenditure (receipts plus beginning unencumbered cash). We compared total appropriations to total estimated revenue for the General fund for the years ended December 31, 2018 and 2017. We observed that appropriations did not exceed estimated revenue.
5. Ohio Rev. Code Section(s) 5705.28(B)(2) and 5705.41(B) prohibit expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2018 and 2017 for the General fund, as recorded in the Expense Detail Report. We observed that expenditures did not exceed appropriations.
6. For funds existing in prior years, we inspected 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.
7. We inspected the Fund Balances report for the years ended December 31, 2018 and 2017 for negative cash fund balance. 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. We observed no funds having negative cash fund balances.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires these districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy. Financial information for 2017 and 2018 was filed on March 7, 2019, 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 to provide assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

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

Keith Faber
Auditor of State

Columbus, Ohio

October 14, 2019

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OHIO AUDITOR OF STATE KEITH FABER



RICHLAND COUNTY SOLID WASTE MANAGEMENT DISTRICT

RICHLAND 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 7, 2019**