



**FORT MORROW CONSOLIDATED FIRE DISTRICT  
MARION COUNTY**

**AGREED-UPON PROCEDURES**

**FOR THE YEARS ENDED DECEMBER 31, 2018-2019**



# OHIO AUDITOR OF STATE KEITH FABER



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

Fort Morrow Consolidated Fire District  
Marion County  
306 North Marion Street  
Waldo, Ohio 43356

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Fort Morrow Consolidated Fire District (the District), on the receipts, disbursements and balances recorded in the Districts cash basis accounting records for the years ended December 31, 2019 and 2018 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, 2019 and 2018 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. We recalculated the December 31, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2018 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2017 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2018 balances in the Fund Ledger Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 fund cash balances reported in the Fund Status Report and the financial statements filed by the District in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2019 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, 2019 bank reconciliation without exception.
5. We traced interbank account transfers occurring in December of 2018 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.

**Property Taxes and Intergovernmental**

1. We selected a total of five receipt from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Lists (DTL) and the County Expenditure History by Vendors from 2019 and a total of five from 2018:
  - a. We compared the amount from the above named reports to the amount recorded in the Revenue Receipt Register Report. The amounts agreed.
  - b. We inspected the Revenue Receipt Register Report to determine these receipts were 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 Revenue Receipt Register Report to determine whether the receipt was recorded proper year. The receipt was recorded in the proper year. No found no exceptions.
2. We inspected the Revenue Receipt Register Report to determine whether it included two real estate tax receipts for 2019 and 2018. The Revenue Receipt Register Report included the proper number of tax receipts for each year.

**Charges for Services**

1. We confirmed the amounts paid from Medicount, the service organization that performs the emergency medical billings, to the District during 2019 and 2018 with the Medicount Month End Snapshot. We found no exceptions.
  - a. We inspected the Revenue Receipt Register Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
  - b. We inspected the Revenue Receipt Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

**Debt**

1. From the prior agreed-upon procedures documentation, we observed the following bonds were outstanding as of December 31, 2017. These amounts agreed to the District's January 1, 2018 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2017:
Fire House Bonds	\$989,907

2. We inquired of management, and inspected the Revenue Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2019 or 2018 or debt payment activity during 2019 or 2018. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of bonds debt activity for 2019 and 2018 and agreed principal and interest payments from the related debt amortization schedule to general fund payments reported in the Payment Register Detail Report. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2019 and one payroll check for five employees from 2018 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.
  - b. We inspected the Wage Detail Report to determine the account codes 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, 2019 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 2019. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2020	December 18, 2019	\$2,183.93	\$2,183.93
State income taxes	January 15, 2020	December 18, 2019	\$487.73	\$487.73
OPERS retirement	January 30, 2020	December 20, 2019	\$124.01	\$124.01

**Non-Payroll Cash Disbursements**

1. We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2019 and 10 from the year ended 2018 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 Payment Register Detail Report 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 one instance 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. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2019 and 2018 for the General fund. Expenditures did not exceed appropriations.
2. We inspected the Cash Summary by Fund Report for the years ended December 31, 2019 and 2018 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.

### **Sunshine Law Compliance**

1. We obtained and inspected the District's Public Records Policy to determine the policy did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We requested evidence of public records requests from the District Fiscal Officer to determine if the District was compliant and responded to the request in accordance with their adopted policy, provided and explanation which included the legal authority for denied requests, and was properly redacting records and making the redactions visible with provided legal authority explanation. The District did not maintain evidence of Public Records Requests received during 2019 and 2018.
3. We inquired whether the District has a records retention policy, and observed that it is readily available to the public. We found no exceptions.
4. We requested written evidence that the Public Records Policy was provided to the records custodian/manager. The District could not provide evidence Public Records Policy was provided to the records custodian/manager through written acknowledgement of receipt.
5. We requested the District's policy manual to determine the public records policy was included. The District could not provide evidence the Public Records Policy was included in a policy manual.
6. We requested to observe that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District. The District does not have a poster of the Public Records Policy displayed in the public office.
7. We requested applications submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. There was no disposal of public records during 2019 or 2018.
8. We requested to inspect the public notices for the public meetings held during the engagement period and determined the District notified the general public and news media of when and where meetings during the engagement period are to be held. The District could not provide public notices for the regular District public meetings.

9. We inspected the minutes of public meetings during the engagement period and determined whether they were:
- Prepared – a file is created following the date of the meeting
  - Filed – placed with similar documents in an organized manner
  - Maintained - retained, at a minimum, for the engagement period
  - Open to public inspection – available for public viewing or request.
- We found no exceptions.

11. We inspected the minutes from the engagement period and determined the following:
- Executive sessions were only held at regular or special meetings.
  - The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
  - Formal governing board actions were adopted in open meetings.
- We found no exceptions.

### Other Compliance

1. Ohio Rev. Code Section 117.38 requires 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, within the allotted timeframe for the years ended December 31, 2019 and 2018 in the Hinkle system. However, for the years ended December 31, 2019 and 2018, the completed financial statements were filed on March 20, 2020 which is after the March 2, 2020 and March 1, 2019 due dates.
2. For all credit card accounts we obtained:
- copies of existing internal control policies,
  - a list(s) of authorized users, and
  - a list of all credit card account transactions.
- a. We selected 1 credit card transaction from each credit card account for testing. For selected transactions we inspected documentation to determine that:
- Each transaction was supported with original invoices and for a proper public purpose.
- We found no exceptions.
- b. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
- No unpaid beginning balance was carried forward to the current billing cycle,
  - Ending statement balance was paid in full, and
  - Statement contained no interest or late fees.
- We found one credit card statement where the ending balance was not paid in full.

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 it's the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2019 and 2018, 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

April 28, 2020



# OHIO AUDITOR OF STATE KEITH FABER



**FORT MORROW CONSOLIDATED FIRE DISTRICT**

**MARION 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 9, 2020**