



**TOWN AND COUNTRY FIRE DISTRICT
WAYNE COUNTY**

AGREED-UPON PROCEDURES REPORT

FOR THE YEARS ENDED DECEMBER 31, 2009-2008



Mary Taylor, CPA
Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Town and Country Fire District (the District) 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, 2009 and 2008, 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, 2009 and December 31, 2008 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2008 beginning fund balances recorded in the Fund Status Report to the December 31, 2007 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2009 and 2008 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2009 bank reconciliation without exception.
5. We selected all five outstanding checks from the December 31, 2009 bank reconciliation:
 - a. We traced three checks to the debit appearing in the subsequent January and February bank statements. Two checks were voided after year end and reissued in 2010.
 - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to December 31. We noted no exceptions.

Cash and Investments (Continued)

6. We tested investments held at December 31, 2009 and December 31, 2008 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 two certificates of deposit held as interim investments by the District at December 31, 2009 and December 31, 2008 matured 15 months after deposit of funds, which is contrary to the requirement of Ohio Rev. Code Section 135.13 for certificates of deposit to mature within one year of deposit of funds.

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 2009 and one from 2008.
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Register Report. The amounts agreed.
 - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipt Register Report to determine whether it included the proper number of tax receipts for 2009 and 2008:
 - a. Four personal property tax receipts, two each from Medina and Wayne Counties.
 - b. Four real estate tax receipts, two each from Medina and Wayne Counties.

We noted the Receipts Register Report included the proper number of tax settlement receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2009 and five from 2008.
 - a. We compared the amount from the DTL to the amount recorded in the Receipt Register Report. The amounts agreed.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

We haphazardly selected five receipts recorded in the Cash Receipts Records from the year ended December 31, 2009 and five from the year ended December 31, 2008. We compared the amount billed and debited to accounts receivable for the service to the amount received per the cash receipts records, to the amount credited to accounts receivable, and to the amount deposited to the bank. We also compared the date the payment was recorded in the cash receipts records to the date deposited per the bank statement. The amounts agreed, except: receipt numbers 1, 2, 3, 4 below from 2009, and receipt numbers 6, 9, and 10 below from 2008 were partial payments collected by the District.

	Amount Billed and Debited to Accounts Receivable	Amount Recorded in Cash Receipts Records, 2009	Amount Credited to Accounts Receivable	Amount Deposited per Bank Statement	Date Recorded in Cash Receipts Records	Date Deposited per Bank Statement
1	\$1,500.00	\$632.61	\$632.61	\$632.61	1/22/09	1/22/09
2	1,500.00	674.48	674.48	674.48	4/8/09	4/8/09
3	500.00	300.00	300.00	300.00	6/23/09	6/23/09
4	1,500.00	1,088.13	1,088.13	1,088.13	9/9/09	9/9/09
5	1,000.00	1,000.00	1,000.00	1,000.00	11/30/09	11/30/09

Charges for Services (Continued)

	Amount Billed and Debited to Accounts <u>Receivable</u>	Amount Recorded in Cash Receipts Records, 2008	Amount Credited to Accounts <u>Receivable</u>	Amount Deposited per Bank <u>Statement</u>	Date Recorded in Cash Receipts <u>Records</u>	Date Deposited per Bank <u>Statement</u>
6	\$2,000.00	\$1,900.00	\$1,900.00	\$1,900.00	2/5/08	2/5/08
7	500.00	500.00	500.00	500.00	7/18/08	7/18/08
8	500.00	500.00	500.00	500.00	9/4/08	9/4/08
9	1,500.00	850.00	850.00	850.00	11/26/08	11/26/08
10	500.00	391.13	391.13	391.13	12/23/08	12/23/08

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

Debt

1. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of bonded or note debt issued during 2009 or 2008 or outstanding as of December 31, 2009 or 2008. We noted no debt issuances or payments during 2009 or 2008.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2009 and one payroll check for five employees from 2008 from the Employee Detail Adjustment Report and determined whether the following information in the W-4 File and the minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Retirement system participation and payroll withholding.
 - d. Federal, State & Local income tax withholding authorization and withholding.

We found no exceptions related to the steps above, except the District does not maintain documentation for employees who are enrolled in the Ohio Public Employees Retirement System (pension system) or maintain State withholding forms for any of its employees. **We recommend the District maintain all documentation to support deductions withheld.**

2. We tested the checks we selected in step 1, as follows:
We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2009 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009. We noted the following:

<u>Withholding</u>	<u>Date Due</u>	<u>Date Paid</u>	<u>Amount Withheld</u>	<u>Amount Paid</u>
Federal income taxes	1/31/10	12/23/09	\$4,227.01	\$4,227.01
State income taxes	1/15/10	1/10/10	321.44	321.44
Local income tax (West Salem) OPERS retirement (withholding plus employee share)	1/30/10	12/8/09 1/14/10	216.46 2,754.49	216.46 2,754.49

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2009 and ten from the year ended 2008 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 no exceptions.

Compliance – Budgetary

1. We compared the total 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, 2009 and 2008. The amounts did not agree. The estimated revenue recorded in the Revenue Status Report for the year ended December 31, 2009 was \$401,800 and the amount recorded on the *Amended Official Certificate of Estimated Resources* was \$381,400. The estimated revenue recorded in the Revenue Status Report for the year ended December 31, 2008 was \$394,700 and the amount recorded on the *Amended Official Certificate of Estimated Resources* was \$394,000. 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 scanned the appropriation measures adopted for 2009 and 2008 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 Section 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2009 and 2008. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status report, for the year ended December 31, 2009; however, the amount recorded in the Appropriation Status Report for the year ended December 31, 2008 was \$476,740 and the appropriation amount approved by the Trustees was \$477,140.
4. Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the years ended December 31, 2009 and 2008. We noted appropriations did not exceed 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, 2009 and 2008 as recorded in the Appropriation Status Report. We noted expenditures did not exceed appropriations.
6. We inquired of management and scanned the Appropriation Status Reports 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.

Compliance – Contracts & Expenditures

1. We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2009 and 2008 for procurements requiring competitive bidding under the following statute(s):

Ohio Rev. Code Sections 505.37 to 505.42 & 731.14 require a fire district to competitively bid purchases of fire apparatus, mechanical resuscitators, other fire equipment, appliances, materials, fire hydrants, buildings, or fire-alarm communications equipment or service costs exceeding \$25,000. We identified no purchases subject to the aforementioned bidding requirements.

Officials' Response: The Officials' elected not to respond.

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 and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

May 7, 2010



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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 1, 2010**