

**C.B. & S. JOINT FIRE DISTRICT  
RICHLAND COUNTY  
Agreed-Upon Procedures  
For the Years Ended December 31, 2011 and 2010**

***Perry & Associates***  
Certified Public Accountants, A.C.





# Dave Yost • Auditor of State

Board of Trustees  
C.B. & S. Joint Fire District  
11 N. Delaware Street  
Shiloh, Ohio 44878

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the C.B. & S. Joint Fire District, Richland County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2010 through December 31, 2011. 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 C.B. & S. Joint 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

June 18, 2012

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**C.B. & S. JOINT FIRE DISTRICT  
RICHLAND COUNTY**

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***Perry & Associates***  
Certified Public Accountants, A.C.  
www.perrycpas.com

MARIETTA

428 Second Street  
Marietta, OH 45750  
(740) 373-0056  
(740) 373-2402 Fax

PARKERSBURG

1035 Murdoch Avenue  
Parkersburg, WV 26101  
(304) 422-2203  
(304) 428-5587 Fax

ST. CLAIRSVILLE

121 E. Main Street  
St. Clairsville, OH 43950  
(740) 695-1569  
(740) 695-5775 Fax

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

April 23, 2012

C.B. & S. Joint Fire District  
Richland County  
11 N. Delaware Street  
Shiloh, Ohio 44878

To the Board of Trustees:

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the **C.B. & S. Joint Fire District**, Richland 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, 2011 and 2010, 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**

1. We tested the mathematical accuracy of the December 31, 2011 and December 31, 2010 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2010 beginning fund balances recorded in the Cash Journal to the December 31, 2009 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, 2011 and 2010 fund cash balances reported in the Cash Journal. The amounts agreed.
4. We confirmed the December 31, 2011 bank account balance with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2011 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2011 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and date written to the check register, to determine the debits were dated prior to December 31. 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 2011 and one from 2010:
  - a. We traced the gross receipts from the *Statement* to the amounts recorded in the Receipts Journal. The amounts agreed.
  - b. We determined whether the receipts were recorded in the proper year. The receipts were recorded in the proper year.
2. We scanned the Receipts Journal to determine whether it included two real estate tax receipts for 2011 and 2010. We noted the Receipts Journal included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2011 and all from 2010. We also selected five receipts from the County Auditor's DTLs from 2011 and five from 2010.
  - a. We compared the amount from the above reports to the amount recorded in the Receipts Journal. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

We noted that the tested receipts were accurate for the proper amount, fund and year, however various intergovernmental receipts were improperly recorded as Property and Other Local Taxes or Other Receipts in 2011 and 2010.

4. We agreed the amounts paid from the Firefighters Association to the District during 2011 and 2010 with supporting documentation from the Firefighters Association. We found no exceptions. We agreed the amounts paid from the VFIS Insurance to the District during 2010 with supporting documentation from the VFIS Insurance. We found no 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.

**Charges for Services**

1. We confirmed the amounts paid from the Ambulance Billing Specialists, the service organization that performs the emergency medical billings, to the District during 2010 with the Ambulance Billing Specialists. We found that the billing service does not provide a collection service for the District. Ambulance Billing Specialists bills the individuals or their insurance providers and invoices the District 5% of the gross billings. The District receives payments directly from the individuals or their insurance providers. There is no reconciliation between the District and the billing service. We recommend that a monthly reconciliation be performed.
  - 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.

**Debt**

1. From the prior audit documentation, we noted the following loan outstanding as of December 31, 2009. This amount was used to prepare the Districts January 1, 2010 balance on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2009
First Bankers' Corp.	\$22,582

**Debt (continued)**

2. We inquired of management, and scanned the Receipts Journal and Appropriation Ledger for evidence of debt issued during 2011 or 2010 or debt payment activity during 2011 or 2010. All debt noted agreed to the summary we used in step 3.
3. We prepared a summary of note debt activity for 2011 and 2010 and agreed principal and interest payments from the related debt amortization schedules to the general fund payments reported in the Appropriation Ledgers. We also compared the date the debt service payments were due to the date the District made the payments. We found that principal and interest were not separately recorded and that debt payments were recorded as capital outlay rather than as principal and interest.
4. We attempted to agree the amount of the debt proceed from the debt documents to amounts recorded in the general fund per the Receipts Journal. We found that the debt proceeds were paid directly from the bank to the vendor and not recorded in the Receipts Journal.
5. For new debt issued during 2010, we inspected the debt legislation, noting the District must use the proceeds to purchase a fire truck. We scanned the Appropriation Ledger and noted the District purchased a fire truck in February of 2010.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2011 and one payroll check for five employees from 2010 from the Payroll Register and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Register to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
  - c. We determined the account code to which the check was posted was reasonable based on the employees' duties as documented in the employees' personnel files. 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, 2011 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2011. We noted the following:

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare	January 31, 2012	N/A	\$0.00	\$0.00
State income taxes	January 15, 2012	N/A	\$0.00	\$0.00
Local income tax	January 31, 2012	N/A	\$0.00	\$0.00
OPERS retirement (withholding plus employee share)	December 30, 2011	December 19, 2011	\$374.40	\$374.40
Ohio school tax	January 18, 2012	N/A	\$0.00	\$0.00

We found that no deductions were made for federal withholding, social security and medicare during 2011 and 2010 for employees not covered by OPERS.

### Non-Payroll Cash Disbursements

1. From the Appropriation Ledger, we re-footed checks recorded as Fire District Fund disbursements for *public safety*, for 2011. We found no exceptions.
2. We haphazardly selected ten disbursements from the Cash Journal for the year ended December 31, 2011 and ten from the year ended 2010 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 number, date, payee name and amount recorded in the Cash Journal 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 that the District does not use purchase orders for any expenditures as required by Ohio Rev. Code Section 5705.41(D).

### Compliance – Budgetary

1. We compared the total estimated receipts from the *Certificate of the Total Amount From All Sources Available For Expenditures and Balances* for December 31, 2011 and from the *Amended Official Certificate of Estimated Resources* for December 31, 2010, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Receipts Journal for the years ended December 31, 2011 and 2010. We found that the total estimated receipts were not entered in the Receipts Journal for years ended December 31, 2011 and 2010. The fiscal officer should be able to periodically compare amounts recorded in the Receipts Journal to amounts recorded on *the Certificate of the Total Amount From All Sources Available For Expenditures and Balances or 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 2011 and 2010 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 Ledger for 2011 and 2010. The amounts in 2011 on the amended appropriation resolution agreed to the amounts recorded in the Appropriation Ledger for 2011, however they did not agree for 2010.
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, 2011 and 2010. We noted appropriations for 2011 exceeded certified resources by \$29,261 and for 2010 by \$55,000, contrary to Ohio Rev. Code Section 5705.39. The Trustees should not pass appropriations exceeding certified resources. Allowing this to occur could cause the District to incur a fund balance deficit.
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, 2011 and 2010 as recorded in the Appropriation Ledger. We noted no funds for which expenditures exceeded appropriations.

**Compliance – Budgetary (continued)**

6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipts Journal for evidence of new restricted receipts requiring a new fund during December 31, 2011 and 2010. 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 inquired of management and scanned the Appropriation Ledgers 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 Appropriation Ledger for the years ended December 31, 2011 and 2010 for procurements requiring competitive bidding under the following statute:  
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 \$50,000.

We identified a fire truck purchase exceeding \$50,000, subject to Ohio Rev. Code Section 505.37. For this project, we noted that the Board obtained competitive bids, and selected the lowest responsible bidder.

*Officials' Response* - We did not receive a response from Officials to the exceptions reported above.

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.

Respectfully Submitted,



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

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# Dave Yost • Auditor of State

**C. B. AND S. JOINT FIRE 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  
JUNE 28, 2012**