

Sterling Joint Ambulance District
Madison County
Agreed-Upon Procedures
For the Years Ended December 31, 2017 and 2016



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Dave Yost • Auditor of State

Board of Trustees
Sterling Joint Ambulance District
5650 Dyer Road
Mount Sterling, Ohio 43143

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the Sterling Joint Ambulance District, Madison County, prepared by Millhuff-Stang, CPA, Inc., for the period January 1, 2016 through December 31, 2017. 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 Sterling Joint Ambulance 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 15, 2018

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Sterling Joint Ambulance District
Madison County
Table of Contents
For the Years Ended December 31, 2017 and 2016

<u>Title</u>	<u>Page</u>
Independent Accountant's Report on Applying Agreed-Upon Procedures.....	1

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Independent Accountant's Report on Applying Agreed-Upon Procedures

Sterling Joint Ambulance District
Madison County
5650 Dyer Road
Mount Sterling, Ohio 43143

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Sterling Joint Ambulance District, Madison County (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, 2017 and 2016, 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 in the cash-basis accounting records for the years ended December 31, 2017 and 2016 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, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2016 beginning fund balances recorded in the Cash Journal to the December 31, 2015 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2017 beginning fund balances recorded in the Cash Journal to the December 31, 2016 balances in the Cash Journal. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2017 and 2016 fund cash balances reported in the Cash Journals. The amounts agreed.
4. We confirmed the December 31, 2017 bank account balances with the District's financial institution. 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, 2017 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2017 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 Cash Journal, to determine the debits were dated prior to December 31. There were no exceptions.

Sterling Joint Ambulance District
Madison County
Independent Accountants' Report on Applying Agreed-Upon Procedures

6. We selected the only reconciling credit (such as deposit in transit) from the December 31, 2017 bank reconciliation:
 - a. We traced the credit to the subsequent January bank statement. We found no exceptions.
 - b. We agreed the credit amount to the Cash Journal. The credit was recorded as a December receipt for the same amount recorded in the reconciliation.

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 2017 and one from 2016:
 - a. We traced the gross receipts from the Statement to the amount recorded in the Receipts Journals. The amounts agreed.
 - b. We inspected the Receipts Journals to confirm the receipt was allocated to the proper fund as required by Ohio Revised Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Receipts Journals to confirm the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the Receipts Journals to determine whether it included two real estate tax receipts for 2017 and 2016. The Receipts Journals included the proper number of tax receipts for each year.
3. We haphazardly selected five receipts from the State Distribution Transaction Lists (DTL) from 2017 and five from 2016. We also selected all receipts from the County Auditor's Audit Trail by Vendor Report from 2017 and all from 2016.
 - a. We compared the amount from the above reports to the amount recorded in the Receipts Journals. The amounts agreed.
 - b. We inspected the Receipts Journals to determine whether these receipts were allocated to the proper funds. We found no exceptions.
 - c. We inspected the Receipts Journals to determine whether the receipts were recorded in the proper year. We found no exceptions.
4. We confirmed the amounts paid from Monroe Township to the District during 2017 and 2016 with Monroe Township. We found no exceptions.
 - a. We inspected the Receipts Journals to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We inspected the Receipts Journals to determine whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

1. We confirmed the amounts paid from Lifeforce Management, Inc., the service organization that performs the emergency medical billings, to the District during 2017 and 2016 with Lifeforce Management, Inc. We found no exceptions.
 - a. We inspected the Receipts Journals to determine whether these receipts were allocated to the proper funds. We found no exceptions.
 - b. We inspected the Receipts Journals to determine whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2015.
2. We inquired of management, and inspected the Receipts Journals, Appropriation Ledgers, and Cash Journals for evidence of debt issued during 2017 or 2016 or debt payment activity during 2017 or 2016. There were no new debt issuances, nor any debt payment activity during 2017 or 2016.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2017 and one payroll check for five employees from 2016 from the Payroll Registers and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Registers 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 Registers. We found no exceptions.
 - c. We inspected the Payroll Registers to determine the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files, minute record or as required by statute. 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, 2017 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 2017. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare	January 31, 2018	December 27, 2017	\$4,305.42	\$4,305.42
State income taxes	January 15, 2018	December 27, 2017	1,557.75	1,557.75
Local city taxes	January 31, 2018	December 27, 2017	1,293.82	1,293.82
School district taxes	January 15, 2018	December 27, 2017	172.77	172.77
OPERS retirement	January 31, 2018	December 27, 2017	12,984.72	12,984.72

Non-Payroll Cash Disbursements

1. From the Appropriation Ledger, we re-footed checks recorded as General Fund disbursements for public safety, for 2017. We found no exceptions.
2. We haphazardly selected ten disbursements from the Cash Journal for the year ended December 31, 2017 and ten from the year ended December 31, 2016 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 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 Revised Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the Amended Official Certificate of Estimated Resources, required by Ohio Revised Code Section 5705.36(A)(1), to the amounts recorded in the Receipts Journals for the years ended December 31, 2017 and 2016. The amounts agreed.
2. We inspected the appropriation measures adopted for 2017 and 2016 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 Revised Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Revised Code Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Ledgers for 2017 and 2016. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Ledgers.
4. Ohio Revised Code Sections 5705.36(A)(5) and 5705.39 prohibit appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the years ended December 31, 2017 and 2016. There were no funds for which appropriations exceeded certified resources.
5. Ohio Revised 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, 2017 and 2016 as recorded in the Appropriation Ledgers. There were no funds for which expenditures exceeded appropriations.
6. Ohio Revised Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the Receipts Journals for evidence of new restricted receipts requiring a new fund during December 31, 2017 and 2016. We also inquired of management regarding whether the District received new restricted receipts. We observed no evidence of new restricted receipts for which Ohio Revised 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 inquired of management and inspected the Appropriation Ledgers to determine whether the District elected to establish reserve accounts permitted by Ohio Revised Code Section 5705.13. The District did not establish these reserves.
9. We inspected the Cash Journals for the years ended December 31, 2017 and 2016 for negative cash fund balance. Ohio Revised 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 a negative cash fund balance.

Other Compliance

1. Ohio Revised 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, in addition to filing extensions granted for extenuating circumstances, allow for re-filing to complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in the 2015-2016 or 2016-2017 agreed-upon procedure engagements, subsequent to the District's deadline where the initial filing was filed on time but incomplete. 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 2017 and 2016 in the Hinkle system. There were no exceptions.

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, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Natalie Millhuff-Stang, CPA, CITP
President/Owner
Millhuff-Stang, CPA, Inc.
Portsmouth, Ohio

May 25, 2018

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Dave Yost • Auditor of State

STERLING JOINT AMBULANCE DISTRICT

MADISON 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, 2018**