



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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

Deer Park Silverton Joint Fire District  
Hamilton County  
7050 Blue Ash Road  
Cincinnati, Ohio 45236

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Deer Park Silverton Joint Fire District (the District) 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 and Investments

1. We recalculated the December 31, 2018 and December 31, 2017 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2017 beginning fund balances recorded in the General Ledger to the December 31, 2016 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2018 beginning fund balances recorded in the General Ledger to the December 31, 2017 balances in the General Ledger. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2018 and 2017 fund cash balances reported in the General Ledger. 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, 2018 bank reconciliation without exception.
5. We selected a sample (agreed upon) of five reconciling debits (such as outstanding checks) from the December 31, 2018 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 check register, to determine the debits were dated prior to December 31. There were no exceptions.

6. We traced interbank account transfers occurring in December of 2018 and 2017 to the accounting records and bank statements. We found no exceptions.
7. We inspected investments held at December 31, 2018 and December 31, 2017 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. There were 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 2018 and one from 2017:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the General Ledger.
  - b. We inspected the General Ledger to confirm the receipt was allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We inspected the General Ledger to confirm whether the receipt was recorded proper year. The receipt was recorded in the proper year.
2. We inspected the General Ledger to determine whether it included two real estate tax receipts for 2018 and 2017. The General Ledger included the proper number of tax receipts for each year.
3. We selected a sample (agreed upon) of five receipts from the State Distribution Transaction Lists (DTL) from 2018 and five from 2017. We also selected a sample (agreed upon) of five receipts from the County Auditor's Confirmation Listing from 2018 and five from 2017.
  - a. We compared the amount from the above reports to the amount recorded in the General Ledger. The amounts agreed.
  - b. We inspected the General Ledger to determine that these receipts were allocated to the proper funds. We found no exceptions.
  - c. We inspected the General Ledger 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 Medicount Management, the service organization that performs the emergency medical/fire billings, to the District during 2017 and 2018 with Medicount Management. We found no exceptions.
  - a. We inspected the General Ledger to determine whether these receipts were allocated to the proper funds. We found no exceptions.
  - b. We inspected the General Ledger 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 General Ledger and General Journal for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of loan debt activity for 2018 and 2017 and agreed principal and interest payments from the related debt amortization schedule to debt service fund payments reported in the General Ledger. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the General Fund per the General Ledger. The amounts agreed.
5. For new debt issued during 2018 and 2017, we inspected the debt legislation, which stated the District must use the proceeds to purchase a fire truck. We scanned the General Ledger and observed the District purchase a fire truck in July of 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 Employee Detail Payroll and:
  - a. We compared the hours and pay rate, or salary recorded in the Employee Detail Payroll Report 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 inspected the General Ledger 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. 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, 2018 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 2018. 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, 2019	January 15, 2019	52,356.80	52,356.80
State income taxes	January 15, 2019	January 15, 2019	40,103.49	40,103.49
Local income tax	February 28, 2019	February 28, 2019	10,236.71	10,236.71
OPERS retirement	January 30, 2019	January 17, 2019	762.73	762.73
OP&F retirement	January 31, 2019	January 17, 2019	11,968.17	11,968.17

### Non-Payroll Cash Disbursements

1. From the General Ledger, we re-footed checks recorded as General Fund disbursements for *security of persons and property*, for 2018. We found no exceptions.
2. We selected a sample (agreed upon) of 10 disbursements from the General Ledger 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 General Ledger 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 Section 5705.41(D). We found no exceptions.

### Compliance – Budgetary

1. We compared the total estimated receipts from the Amended Official of Estimated Resources, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the YTD Financial Report for the General Fund and Special Revenue Funds for the year ended December 31, 2018, and the General Fund for the year ended December 31, 2017. The amounts on the *Certificate* agreed to the amount recorded in the accounting system except for the General Fund. The YTD Financial Report recorded budgeted (i.e. certified) resources for the General Fund of \$2,058,601 for 2018. However, the final *Amended Official Certificate of Estimated Resources* reflected \$2,030,026. The fiscal officer should periodically compare amounts recorded in the YTD Financial 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 inspected the appropriation measures adopted for 2018 and 2017 to determine whether, for the General and Special Revenue funds, 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 Sections 5705.38 and 5705.40, to the amounts recorded in the YTD Financial Report for 2018 and 2017 for the following funds: General Fund for 2018 and 2017, Special Revenue Fund for 2018. The amounts on the appropriation resolutions agreed to the amounts recorded in the YTD Financial Reports for 2018.
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 General and Special Revenue Fund for the years ended December 31, 2018 and 2017. There were no funds for which appropriations exceeded 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, 2018 and 2017 for the General and Special Revenue Fund, as recorded in the YTD Financial Report. There were no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the General Ledger and YTD Financial Report for evidence of new restricted receipts requiring a new fund during December 31, 2018 and 2017. We also inquired of management regarding whether the District received new restricted receipts. The District established a Special Revenue fund during 2017 to segregate a BWC grant and a Special Revenue fund in 2018 to segregate an EMS Grant, in compliance with Section 5705.09.
7. 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.
8. We inspected YTD Financial Report for evidence of interfund transfers which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers.
9. We inquired of management and inspected the YTD Financial Report to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. The District did not establish these reserves.
10. We inspected the General Ledgers and YTD Financial Report for the years ended December 31, 2018 and 2017 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.

#### **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, 2018 and 2017 in the Hinkle system. There were no exceptions.

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 inspected the established policy obtained above and determined it is:

- i. in compliance with the HB 312 statutory requirements, and
- ii. implemented by the entity.

We found no exceptions.

b. We selected 3 credit card transactions for testing. For selected transactions we inspected documentation to determine that:

- i. Use was by an authorized user within the guidelines established in the policy, and
- ii. Each transaction was supported with original invoices and for a proper public purpose.

We found 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, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber  
Auditor of State

Columbus, Ohio

September 10, 2019



# OHIO AUDITOR OF STATE KEITH FABER



**DEER PARK SILVERTON JOINT FIRE DISTRICT**

**HAMILTON 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  
SEPTEMBER 26, 2019**