



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Eastern Joint Fire and EMS District
Brown County
PO Box 316
169 Winchester Street
Sardinia, Ohio 45171

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Eastern Joint Fire and EMS 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. The District commenced operations on January 1, 2018 and balances will not be agreed to any prior audit documentation. We agreed the January 1, 2019 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2018 balances in the manual ledger. 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 for 2019 and in the manual ledger for 2018 and the financial statements filed by the District in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2019 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, 2019 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2019 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.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, and County Auditor Distribution Transaction Lists (DTL) from 2019 (The District did not receive their own taxes and distributions from the County Auditor in 2018.):
 - a. We compared the amount from the above named report to the amount recorded in the Receipt Register Report. Property taxes were posted net of fees instead of at the gross amount.
 - b. We inspected the Receipt Register Report to determine these receipts were allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Receipt Register Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Receipt Register Report to determine whether it included two real estate tax receipts for 2019. The Receipt Register Report included the proper number of tax receipts.
3. We confirmed the individual amounts paid from the Village of Sardinia, Washington Township, and Sardinia Life Squad to the District during 2018 and 2019 which represented remaining fire levy funds the entities transferred to the District upon formation of the District. We found no exceptions.
 - a. We inspected the manual ledger for 2018 and the Receipt Register Report for 2019 to determine whether these receipts were allocated to the proper fund. . We found no exceptions.
 - b. We inspected the manual ledger for 2018 and the Receipt Register Report for 2019 to determine whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

We confirmed the amounts paid from Accumed, the service organization that performs the emergency medical billings, to the District during 2019 with Accumed. We found no exceptions.

- a. We inspected the Receipt Register Report to determine whether these receipts were allocated to the proper fund. We found the receipts were not allocated to the proper fund. Per Ohio Rev.Code Section 505.371 these receipts should have been posted to a separate Ambulance and EMS fund. The District has posted an adjustment to their accounting records to move these receipts to the correct fund.
- b. We inspected the Receipt Register Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The District was created in 2018, therefore, no debt was outstanding as of December 31, 2017.
2. We inquired of management, and inspected the Payment Register Detail Report for 2019 and the manual ledger for 2018 for evidence of debt issued during 2019 or 2018 or debt payment activity during 2019 or 2018. All debt issued in 2019 (none was issued in 2018) agreed to the summary we used in procedure 3.
3. We obtained a summary of loan debt activity for 2019 and agreed principal and interest payments from the related debt amortization schedule to 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.

4. We observed the amount of debt proceeds from the debt documents. The District did not record the proceeds of the vehicle loan obtained in 2019 or a related capital outlay expenditure.
5. For new debt issued during 2019, we inspected the debt legislation, which stated the District must use the proceeds to purchase a vehicle. The loan proceeds were disbursed by the bank directly to the vendor to purchase the vehicle.

Payroll Cash Disbursements

1. There were no payroll cash disbursements for the District in 2018. We selected one payroll check for five employees from 2019 from the Employee Detail Adjustment Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Employee Detail Adjustment Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We inspected the Payment Register Detail Report 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 and/or minute record. We also confirmed the payment was posted to the proper year. We found no exceptions.
 - c. For any new employees selected, we compared the following information contained in the employees' personnel files was consistent with the information used to compute gross and net pay related to this check:
 - i. Name
 - ii. Authorized salary or pay rate and department to which the check should be charged.
 - iii. Federal, State & Local income tax withholding authorization and withholding

We found no exceptions related to the procedures above.

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:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare, and Social Security	January 31, 2020	January 9, 2020	\$2,491.40	\$2,941.40
State income taxes	January 15, 2020	January 9, 2020	\$698.89	\$698.89
Local income tax	January 31, 2020	January 9, 2020	\$116.68	\$116.68

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2019 and 5 from the manual ledger for 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 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 for 2019. The District did not certify any disbursements for 2018. 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 year ended December 31, 2019. There were no funds for which expenditures exceeded appropriations. The District did not approve appropriations for the year ended December 31, 2018 contrary to Ohio Rev. Code Section 5705.38.
2. We inspected the Cash Summary by Fund Report for the year ended December 31, 2019 and the manual ledger for the year ended December 31, 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 inquired with District management and determined that the District did not have any completed public records requests during the engagement period.
3. We inquired with District management and determined that the District did not have any denied public records requests during the engagement period.
4. We inquired with District management and determined that the District did not have any public records requests with redactions during the engagement period.
5. We inquired with District management and determined that the District did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).
6. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager. We found no exceptions.

7. We inspected the District's policy manual and determined the public records policy was not included as required by Ohio Rev. Code Section 149.43(E)(2).
8. We observed that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District. We found no exceptions.
9. We inquired with District management and determined that the District did not have any applications for record disposal submitted to the Records Commission during the engagement period.
10. We inquired with District management and determined that the District did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
11. We inspected 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. We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.

We found no exceptions.

13. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. 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).
 - c. Formal governing board actions were adopted in open meetings.

We noted two executive sessions where the purpose of the executive session was not documented in the minutes. We found no other 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. Financial information was filed on March 19, 2020 for 2019 and 2018 which was not within the allotted timeframe.
2. For all credit card accounts we obtained:
 - a list of all credit card account transactions.

e. We selected 1 credit card transaction from each credit card account for testing. For selected transactions we inspected documentation to determine that:

i. Each transaction was supported with original invoices and for a proper public purpose.

We found no exceptions.

f. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:

i. No unpaid beginning balance was carried forward to the current billing cycle,

ii. Ending statement balance was paid in full, and

iii. Statement contained no interest or late fees.

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, 2019 and 2018, 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
February 16, 2021

OHIO AUDITOR OF STATE KEITH FABER



EASTERN JOINT FIRE AND EMERGENCY MEDICAL SERVICES DISTRICT

BROWN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 4/1/2021

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This report is a matter of public record and is available online at
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