

NORTHERN UNION COUNTY JOINT FIRE AND EMS DISTRICT
UNION COUNTY
AGREED-UPON PROCEDURES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020



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OHIO AUDITOR OF STATE
KEITH FABER



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Board of Trustees
Northern Union County Joint Fire and EMS District
602 North Franklin Street
Richwood, Ohio 43344

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures of Northern Union County Joint Fire and EMS District, Union County*, prepared by Millhuff-Stang, CPA, Inc., for the period January 1, 2020 through December 31, 2021. 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. Northern Union County Joint Fire and EMS District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

February 22, 2023

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Union County
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Independent Accountant's Report on Applying Agreed-Upon Procedures

Northern Union County Joint Fire and EMS District
Union County
602 North Franklin Street
Richwood, Ohio 43344

We have performed the procedures enumerated below on the Northern Union County Joint Fire and EMS District's (the District) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2021 and 2020 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, 2021 and 2020 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District.

The Board of Trustees and the management of the District have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2021 and 2020, and certain compliance requirements related to these transactions and balances. Additionally, the Auditor of State has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purposes for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash

1. We recalculated the December 31, 2021 and December 31, 2020 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2020 beginning fund balances recorded in the Cash Journal to the December 31, 2019 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2021 beginning fund balances recorded in the Cash Journal to the December 31, 2020 balances in the Cash Journal. We found no exceptions.
3. We agreed the 2021 and 2020 bank reconciliation as of December 31, 2021 and 2020 to the total fund cash balance reported in the Cash Journal and the financial statements filed by the District in the Hinkle System. The amounts agreed.

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4. We confirmed the December 31, 2021 bank account balances with the District's financial institution and the Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2021 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2021 bank reconciliation:
 - a. We traced each debit to the subsequent January and February bank statements. We found that two checks totaling \$21.66 had not cleared. We also found that the Fiscal Officer is carrying other adjusting factors in the amount of \$2,423.75 on the December 31, 2021 bank reconciliation. Accordingly, the other adjusting factors could not be traced to subsequent redemption. The Fiscal Officer should take appropriate steps to ensure the items are resolved and removed from the monthly reconciliation, including posting any necessary adjustments to the accounting system.
 - b. We traced the amounts and dates to the Cash Journal and determined the debits were dated prior to December 31. We were unable to trace the other adjusting factors described in Procedure 5.a. above to support. The Fiscal Officer should take appropriate steps to ensure the items are resolved and removed from the monthly reconciliation, including posting any necessary adjustments to the accounting system. We found no other exceptions.
6. We inspected investments held at December 31, 2021 and December 31, 2020 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, or 135.144. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code § 135.13 or 135.14. We found 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, State Distribution Transaction Lists (DTL) and the County Auditor Vendor Payment Reports from 2021 and a total of five from 2020:
 - a. We compared the amount from the above named reports to the amount recorded in the Revenue Ledger. The amounts agreed.
 - b. We inspected the Revenue Ledger to determine these receipts were allocated to the proper fund as required by Ohio Rev. Code §§ 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Revenue Ledger 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 Revenue Ledger to determine whether it included two real estate tax receipts for 2021 and 2020. The Revenue Ledger included the proper number of tax receipts for each year. We found no exceptions.

Charges for Services

1. We selected five receipts recorded in the Cash Journal from the year ended December 31, 2021 and five from the year ended December 31, 2020 and:
 - a. Agreed the cash receipt to the credit on the bank statement. We found no exceptions.
 - b. Agreed the receipt amount to the amount credited on the Deposit Listing Report received from Lifeforce Management, the service organization that performs the emergency medical billings, but does not collect all of the receipts for the District. We found no exceptions.
 - c. Inspected the Cash Journal to determine whether these receipts were allocated to the proper fund. We found no exceptions.

- d. Inspected the Cash Journal to determine whether the receipts were recorded in the proper year. We found no exceptions.

Debt

- 1. From the prior audit documentation, we observed the following lease was outstanding as of December 31, 2019. These amounts agreed to the District's January 1, 2020 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2019:
Lease Agreement	\$505,907

- 2. We inquired of management, and inspected the Revenue Ledger and Appropriation Ledgers for evidence of debt issued during 2021 or 2020 or debt payment activity during 2021 or 2020. We found that in 2021 the District entered into a loan agreement in the amount of \$474,500 to repay the lease agreement outstanding but did not report the proceeds of the new loan in the Revenue Ledger nor the repayment of the principal (\$465,213), interest expense (\$12,243) or loan fees (\$225) of the prior lease agreement in the Appropriation Ledger.
- 3. We obtained a summary of lease debt activity for 2021 and 2020 and agreed principal and interest payments from the related debt amortization schedule to the General Fund payments reported in the Appropriation Ledger. We also compared the date the debt service payments were due to the date the District made the payments. We found that the 2020 payment of \$64,724.16 was incorrectly reported as public safety expense rather than principal (\$40,693.59) and interest (24,030.57). We found that in 2020 the annual lease payment was paid 1 day late and in 2021, 2 of the 9 monthly loan payments were paid late. We found no other exceptions.
- 4. We agreed the amount of debt proceeds received for 2021 from the debt documents and to amounts recorded in the General Fund per the Revenue Ledger. We noted that the District did not report the debt proceeds of \$474,500 in the Revenue Ledger.
- 5. For new debt issued during 2021 we inspected the debt legislation, which stated the District must use the proceeds to pay off the lease obligation outstanding. We reviewed the bank statement and supporting documentation and observed the District did pay off the lease obligation outstanding in April of 2021. However, these transactions were not recorded in the accounting records as stated in step 2 above.

Payroll Cash Disbursements

- 1. We selected one payroll check for five employees from 2021 and one payroll check for five employees from 2020 from the Payroll Registers 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).
 - i. We inspected the employees' personnel files and/or minute record for the Retirement system, Federal, State & Local income tax withholding authorization.
 - ii. We agreed these items to the information used to compute gross and net pay related to this check.
We found no exceptions.
 - b. We inspected the fund and account codes to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files, minute record or as required by statute. We found no exceptions.

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- c. We 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, 2021 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 2021. 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, 2022	December 22, 2021	\$6,099.71	\$6,099.71
State income taxes	January 15, 2022	December 21, 2021	1,712.53	1,712.53
Elgin School District LIT	January 31, 2022	December 21, 2021	14.65	14.65
North Union School District LIT	January 31, 2022	December 21, 2021	242.88	242.88
Big Walnut LSD LIT	January 31, 2022	December 21, 2021	9.27	9.27
Pleasant LSD LIT	January 31, 2022	December 21, 2021	28.77	28.77
Ridgemont SD LIT	January 31, 2022	December 21, 2021	13.27	13.27
City of Delaware	January 31, 2022	December 21, 2021	80.23	80.23
City of Marysville	January 31, 2022	December 27, 2021	212.01	212.01
City of Sunbury	January 31, 2022	December 21, 2021	12.36	12.36
OPERS Retirement	January 30, 2022	December 22, 2021	430.12	430.12
OP&F Retirement	January 31, 2022	December 22, 2021	7,081.33	7,081.33
R.I.T.A	January 31, 2022	December 21, 2021	561.93	561.93

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected ten disbursements from the Appropriation Ledger for the year ended December 31, 2021 and ten from the year ended December 31, 2020 and determined whether:
- The disbursements were for a proper public purpose. We found no exceptions.
 - 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.
 - 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.
 - 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 4 instances where the certification date was after the vendor invoice date, and there was also no evidence that a Then and Now Certificate was issued. Ohio Rev. Code § 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. No other exceptions were noted.

Compliance – Budgetary

- Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2021 and 2020 for the General and Coronavirus Relief funds. Expenditures did not exceed appropriations.
- We inspected the Cash Journals for the years ended December 31, 2021 and 2020 for negative cash fund balances. Ohio Rev. Code § 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.

Compliance - Sunshine Law

1. We obtained and inspected the District's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and 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 whether the District had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inspected the District's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We inquired with District management and determined that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. 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.
8. 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).
9. 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 were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) 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 requestWe found no exceptions.
11. 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.

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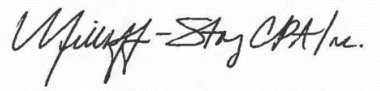
- b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.
- We found no exceptions.

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, 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, 2021 and 2020 in the Hinkle system. We found no exceptions.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' Government Auditing Standards. We were not engaged to, and did not conduct an examination or review engagement, 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.

We are required to be independent of the District and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' Government Auditing Standards related to our agreed upon procedures engagement.



Millhuff-Stang, CPA, Inc.
Chillicothe, Ohio

December 9, 2022

OHIO AUDITOR OF STATE KEITH FABER



NORTHERN UNION COUNTY JOINT FIRE AND EMERGENCY MEDICAL SERVICES DISTRICT

UNION 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 3/7/2023

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This report is a matter of public record and is available online at
www.ohioauditor.gov