



OHIO AUDITOR OF STATE
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Spencer Community Fire District
Medina County
P.O. Box 82
Spencer, Ohio 44275

We have performed the procedures enumerated below on the Spencer Community Fire District's (the District) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2022 and 2021 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, 2022 and 2021 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, 2022 and 2021, and certain compliance requirements related to these transactions and balances. 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 purpose 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 and Investments

1. We recalculated the December 31, 2022 and December 31, 2021 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2021 beginning fund balance recorded in the Statement of Receipts, Disbursements and Changes in Fund Balance to the December 31, 2020 balance in the prior year Agreed-Upon Procedures workpapers. We found no exceptions. We also agreed the January 1, 2022 beginning fund balances for each fund recorded in the Statement of Receipts, Disbursements and Changes in Fund Balance to the December 31, 2021 balances in the Statement of Receipts, Disbursements and Changes in Fund Balance. We found no exceptions.

3. We agreed the 2022 and 2021 bank reconciliations as of December 31, 2022 and 2021 to the total fund cash balances reported in the Reconciliation Summary Reports and the financial statements filed by the District in the HINKLE System. The amounts agreed.
4. We confirmed the December 31, 2022 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, 2022 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2022 bank reconciliation:
 - a. We traced each debit to the subsequent January and July bank statements. We found no exceptions.
 - b. We traced the amounts and dates to the check register and determined the debits were dated prior to December 31. We found no exceptions.
6. We inspected investments held at December 31, 2022 and December 31, 2021 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. 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* and State Distribution Transaction Lists (DTL) from 2022 and a total of five from 2021:
 - a. We compared the amount from the above named reports to the amount recorded in the Deposit Detail and Profit & Loss Report. The amounts agreed.
 - b. We inspected the Deposit Detail and Profit & Loss Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code §§ 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Deposit Detail and Profit & Loss 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 Deposit Detail and Profit & Loss report to determine whether it included two real estate tax receipts plus seven advances for 2022 and 2021. The Deposit Detail and Profit & Loss report included the proper number of tax receipts for each year. We found no exceptions.
3. We confirmed the total amount paid from the Ohio Bureau of Workers' Compensation to the District during 2022 to the supporting documentation. We found no exceptions.
 - a. We inspected the Deposit Detail report to determine whether these receipts were allocated to the proper funds. We found no exceptions.
 - b. We inspected the Deposit Detail report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

1. We selected five receipts recorded in the cash receipts records from the year ended December 31, 2022 from the Deposit Detail and Profit & Loss Detail Report:
 - a. Agreed the cash receipt to the credit on the bank statement.
 - b. Agreed the receipt amount to the amount shown as collected on Life Force's Run Report, 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 Profit & Loss Detail Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - d. Inspected the Profit & Loss Detail Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Other Receipts

1. We selected 10 other receipts from the year ended December 31, 2021 and:
 - a. Agreed the receipt amount recorded in the Deposit Detail report to supporting documentation. The amounts agreed.
 - b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
 - c. Inspected the Deposit Detail report to determine the receipt was posted to the proper fund and was 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, 2020.
2. We inquired of management and inspected the Deposit Detail Report and Payment Detail Report for evidence of debt issued during 2022 or 2021 or debt payment activity during 2022 or 2021. There were no new debt issuances, nor any debt payment activity during 2022 or 2021.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2022 and one payroll check for five employees from 2021 from the Payroll Summary and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Summary 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 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 and/or minute record. We found no exceptions.
 - d. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We selected the one new Board of Trustees member from 2022 and:
 - a. We inspected the Trustee's personnel file for the Retirement System, Federal, State & Local income tax withholding authorizations.
 - b. We agreed the items in a above to the Payroll Summary.We found no exceptions.

3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2022 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 2022. We observed the following:

Withholding (plus employer share, where applicable)	<u>Date Due</u>	<u>Date Paid</u>	<u>Amount Due</u>	<u>Amount Paid</u>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2023	December 13, 2022	\$380.91	\$380.91
State income taxes	January 15, 2023	December 13, 2022	573.71	573.71
OPERS retirement	January 30, 2023	December 13, 2022	177.27	177.27

We found no exceptions.

Non-Payroll Cash Disbursements

1. From the Payment Detail Report, we re-footed checks recorded as General Fund disbursements for 2022. We found no exceptions
2. We selected 10 disbursements from the Payment Detail Report for the year ended December 31, 2022 and 10 from the year ended 2021 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 Detail Report 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 § 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. 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, 2022 and 2021. Expenditures did not exceed appropriations.
2. We inspected the Statement of Receipts, Disbursements, and Changes in Fund Balances for the years ended December 31, 2022 and 2021 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.

Sunshine Law Compliance

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 inquired of District management and determined that the District did not have a policy manual during the engagement period and therefore the public records policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).
6. We observed 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 request.We 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.
 - 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 Rev. Code § 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, 2022 and 2021 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.



Keith Faber
Auditor of State
Columbus, Ohio

December 20, 2023

OHIO AUDITOR OF STATE KEITH FABER



SPENCER COMMUNITY FIRE DISTRICT

MEDINA 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 1/2/2024

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