



**TRI-COMMUNITY JOINT FIRE DISTRICT  
HURON COUNTY**

**AGREED-UPON PROCEDURES**

**FOR THE YEARS ENDED DECEMBER 31, 2022-2021**



# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Tri-Community Joint Fire District  
Huron County  
49 Main Street  
Greenwich, Ohio 44837

We have performed the procedures enumerated below on Tri-Community Joint Fire District, Huron County, Ohio (the District) on 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 Fund Ledger Report to the December 31, 2021 balances in the prior year documentation in the prior year Basic Audit Procedures working papers. We found no exceptions. We also agreed the January 1, 2022 beginning fund balance for recorded in the Fund Ledger Report to the December 31, 2021 balance in the Fund Ledger Report. We found no exceptions.
3. We agreed the 2022 and 2021 bank reconciliation adjusted Uniform Accounting Network Balances and Adjusted Bank Balances as of December 31, 2022 and 2021 to the fund cash balances reported in the Fund Status Report 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, 2022 bank account balances with the District's financial institution. 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 April 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 selected all reconciling credits (such as deposits in transit) from the December 31, 2022 bank reconciliation:
  - a. We were unable to trace each credit to a subsequent bank statement, as none of the credits have cleared the bank and are still being carried as reconciling credits on the most recent monthly reconciliation in the amount of \$2,129.
  - b. We agreed the credit amounts to the Receipts Register and determined they were dated prior to December 31. We found no exceptions.
7. 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 and Intergovernmental Cash Receipts**

1. We selected a total of five receipt 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 Revenue Receipt Register Report. The amounts agreed.
  - b. We inspected the Revenue Receipt Register Report 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 Receipt Register Report to determine whether the receipt was recorded proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Revenue Receipt Register Report to determine whether it included two real estate tax receipts for 2022 and 2021. The Revenue Receipt Register Report included the proper number of tax receipts for each year. We found no exceptions.

#### **Debt**

1. From the prior basic audit documentation, we observed the following lease was outstanding as of December 31, 2020.
  - a. This amount agreed to the District's January 1, 2021 balance on the summary we used in Procedure 3.
  - b. We inspected the debt's Master Equipment Lease Purchase Agreement for all outstanding debt, and we confirmed the District was in compliance with the debt covenants listed below.

Issue	Principal outstanding as of December 31, 2020:	Debt Covenant
Truck Lease	\$34,164	<p>Pay by the due date or will be assessed lesser of 18% or maximum rate allowed by law until original payment is made. (Section 4.02)</p> <p>Maintain casualty insurance covering the replacement cost of the equipment (Section 6.05).</p>

2. We inquired of management and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2022 or 2021 or debt payment activity during 2022 or 2021. All lease debt agreed to the summary we used in Procedure 3. The fire tanker/pumper truck loan was not recorded in the accounting system.
3. We obtained a summary of lease debt activity for 2022 and 2021 and agreed principal and interest payments from the related debt amortization schedule to General Fund 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. For new debt issued during 2022 we inspected the debt legislation, which stated the District must use the loan proceeds to purchase a fire tanker/pumper truck. We scanned the Revenue Receipt Register Report and Payment Register Detail Report and noted the District did not record the loan proceeds and corresponding capital outlay expenditures associated with this loan. Additionally, we noted there is no provision in the Ohio Revised Code for the District to enter into this type of debt.

**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 Wage Withholdings Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively-approved rate or salary). 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 and minute record. We found no exceptions.
  - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We selected all new employees from 2022 and all new employees from 2021 and:
  - a. We inspected the employees' personnel files and/or minute record for the retirement system and federal, state, and local income tax withholding authorization.
  - b. We agreed the items in a above to the Employee General Information Report.
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)	Due Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare (and social security, for employees not enrolled in pension system)	January 16, 2023	April 8, 2024	\$865	\$865
State income taxes	January 16, 2023	April 16, 2024	56	60
Local income tax	February 2, 2023	Not paid	99	Not paid
School District income tax	January 16, 2023	April 16, 2024	132	141
OPERS retirement	January 31, 2023	January 18, 2023	612	612

As noted above, the Fiscal Officer did withhold the required federal, state, and school district income taxes; however the withholdings were not paid until April, 2024. Additionally, the Fiscal Officer withheld the local income tax (Village of Greenwich),but failed to remit the required withholdings.

### Non-Payroll Cash Disbursements

We selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2022 and ten from the year ended December 31, 2021 and determined whether:

- a. The disbursements were for a proper public purpose. We found one exception where late payment fees and interest totaling \$21 were paid on a credit card. Late payment fees and interest do not represent a proper public purpose. Because we did not inspect all disbursements, our report provides no assurance whether or not additional similar errors occurred.
- b. The check number, date, payee name and amount recorded on the returned, canceled check or EFT/ACH description 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 three exceptions where the check number on the returned, canceled check did not agree with the check number listed in the Payment Register Detail Report. Because we did not inspect all disbursements, our report provides no assurance whether or not additional similar errors occurred.
- 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 § 5705.41(D). We found two instances where disbursements requiring certification were not certified and one instance 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.

### 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 for the General (2022 and 2021) and Capital Projects (2022) funds. Capital Projects Fund expenditures for 2022 exceeded total appropriations by \$554,842, contrary to Ohio Rev. Code § 5705.41(B).

2. We inspected the Cash Summary by Fund Report 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 a negative cash fund balance.

### **Sunshine Law Compliance**

1. We inquired with District management and determined that the District did not have a Public Records Policy during the engagement period as required by Ohio Rev. Code § 149.43(E)(2).
2. We inquired with District management and determined that the District did not have any public records requests (completed, denied, or redacted) during the engagement period.
3. 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).
4. We inquired with District management and determined that the District did not have a Public Records Policy during the engagement period therefore could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).
5. We inquired with District management and determined that the District did not have a Public Records Policy during the engagement period therefore it could not be included in a policy manual as required by Ohio Rev. Code § 149.43(E)(2).
6. We inquired with District management and determined that the District did not have a Public Records Policy during the engagement period therefore it could not be displayed in all the branches of the District as required by Ohio Rev. Code § 149.43(E)(2).
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**

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. Financial information was filed on March 6, 2023 and March 7, 2022 for the years ended December 31, 2022 and 2021, respectively, which was not within the allotted timeframe.

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

May 1, 2024



# OHIO AUDITOR OF STATE KEITH FABER



**TRI-COMMUNITY JOINT FIRE DISTRICT**

**HURON 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 5/23/2024**

65 East State Street, Columbus, Ohio 43215  
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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)