



Mary Taylor, CPA  
Auditor of State



WELLINGTON COMMUNITY FIRE DISTRICT  
LORAIN COUNTY

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

Wellington Community Fire District  
Lorain County  
202 Kelly Street  
Wellington, Ohio 44090

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Wellington Community Fire District (the District) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2009 and 2008, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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*. 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 tested the mathematical accuracy of the December 31, 2009 and December 31, 2008 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2008 beginning fund balances recorded in the Fund Status Report to the December 31, 2007 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2009 and 2008 fund cash balances reported in the Fund Status Reports. The amounts agreed.
4. We confirmed the December 31, 2009 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, 2009 bank reconciliation without exception.
5. We selected five outstanding checks haphazardly from the December 31, 2009 bank reconciliation:
  - a. We traced each check to the debit appearing in the subsequent January bank statement. We found no exceptions.
  - b. We traced the amounts and date written to the check register, to determine the checks were dated prior to December 31. We noted no exceptions.

6. We tested interbank account transfers occurring in December of 2009 and 2008 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.
7. We tested investments held at December 31, 2009 and December 31, 2008 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. We noted no exceptions.

**Property Taxes and Intergovernmental Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2009 and one from 2008.
  - a. We traced the gross receipts from the *Statement* to the amount posted to the General Fund in the Receipt Register Report. The amounts agreed.
  - b. We determined whether the receipt was recorded in the proper year. We found no exceptions.
2. We scanned the Receipt Register Report to determine whether it included the proper number of tax receipts for 2009 and 2008:
  - a. Two personal property tax receipts
  - b. Two real estate tax receipts

We noted the Receipts Register Report included the proper number of tax settlement receipts for each year.

3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2009 and 2008.
  - a. We compared the amount from the DTL to the amount recorded in the Receipt Register Report. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper fund. No exceptions noted, however, we noted that the following receipts were not posted to the proper receipt line item within the General Fund:

Fiscal Year 2009		
Receipt Date	Receipt Amount	Fund/Rct Code per UAN
05/14/09	\$ 38,411	1000-101
05/12/09	61	1000-101
10/15/09	38,816	1000-101
10/16/09	60	1000-101

Fiscal Year 2008		
Receipt Date	Receipt Amount	Fund/Rct Code per UAN
04/17/08	\$ 37,243	1000-101
04/23/08	59	1000-101
09/11/08	59	1000-101

The above listed exceptions are Homestead and Rollback receipts and should have been recorded as intergovernmental revenue but were improperly recorded as property tax revenue.

- c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### Debt

1. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of bonded or note debt issued during 2009 or 2008 or outstanding as of December 31, 2009 or 2008. We noted no new debt issuances during 2009 or 2008.
2. We obtained a summary of the District's fire truck loan payment schedule of debt activity for 2009 and 2008 and agreed principal and interest payments from the related loan amortization schedule to the General Fund payments reported in the Payment Register Detail Report. We noted principal payments were understated by \$1,922 and interest payments were overstated by \$1,922 in 2009. We noted principal payments were overstated by \$36 and interest payments were understated by \$36 in 2008. We recommend the District post principal and interest payments in accordance with their loan payment schedule. We also compared the date the loan payments were due to the date the District made the payments. We found no exceptions.

### Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2009 and one payroll check for five employees from 2008 from the Employee Detail Register and determined whether the following information in the employees' personnel files and minute records were consistent with the information used to compute gross and net pay related to this check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Retirement system participation and payroll withholding.
  - d. Federal, State & Local income tax withholding authorization and withholding.

We found no exceptions related to the steps above, except the retirement system enrollment form was not maintained for two employees. However, the payroll register did disclose retirement withholdings for these employees. We recommend the District maintain all documentation to support wages paid and deductions withheld.

2. We tested the checks we selected in step 1, as follows:  
 We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard and legislatively approved rate/salary). We found no exceptions.

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2009 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009. We noted the following:

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal income taxes	January 31, 2010	12/30/09	\$6242	\$6242
State income taxes	January 15, 2010	12/30/09	769	769
Local income tax	January 15, 2010	12/30/09	505	505
School District Income Tax	January 15, 2010	12/30/09	483	483
OPERS retirement (withholding plus employee share)	January 30, 2010	12/04/09	3364	3364
OP&F retirement (withholding plus employee share)	January 31, 2010	01/01/10	881	881

### **Non-Payroll Cash Disbursements**

We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2009 and ten from the year ended 2008 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 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 from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Revenue Status Report for the years ended December 31, 2009 and 2008. The Revenue Status Report recorded budgeted (i.e. certified) resources for the General Fund of \$699,971 for 2009. However, the final *Amended Official Certificate of Estimated Resources* reflected \$711,889. The Revenue Status Report recorded budgeted (i.e. certified) resources for the General Fund of \$691,448 for 2008. However, the final *Amended Official Certificate of Estimated Resources* reflected \$684,400. The fiscal officer should periodically compare amounts recorded in the Revenue Status 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 scanned the appropriation measures adopted for 2009 and 2008 to determine whether, 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). All appropriations passed were at the legal level of control, with the exception of one appropriation amendment passed in 2008, in the amount of \$24,000, for the General Fund, which was passed at the fund level.

3. We compared total appropriations required by Ohio Rev. Code Section 5705.38 and 5705.40, to the amounts recorded in the Appropriation Status Report for 2009 and 2008. The amounts reported per the Resolution and the Appropriation Status Report agreed in total; however, exceptions were noted at the legal level of control. We noted the following exceptions:

<b>Fiscal Year 2009</b>				
<b>Acct. Code</b>	<b>Account</b>	<b>Final Appropriations per Resolution</b>	<b>Final Appropriations per UAN Appropriation Status Report</b>	<b>Appropriation Measure More/(Less) Than UAN</b>
1000-110-121	Salary - Clerk	\$ 11,200	\$ 13,000	(\$1,800)
1000-110-211	PERS	1,120	1,920	(800)
1000-110-213	Medicare	110	210	(100)
1000-110-313	UAN - Computer	3,180	1,680	1,500
1000-110-410	Office Supplies	1,500	2,100	(600)
1000-120-341	Telephone	4,600	6,800	(2,200)
1000-120-349	Other Communications	400	200	200
1000-120-353	Natural Gas	6,500	6,000	500
1000-120-389	Insurance & Bonding	26,000	26,749	(749)
1000-220-190	Fire Salaries	280,000	253,338	26,662
1000-220-215	Ohio Police/Fire Pension	26,000	31,000	(5,000)
1000-220-221	Medical-Hospitalization	36,000	52,578	(16,578)
1000-220-230	Worker's Comp	11,000	12,564	(1,564)
1000-220-314	County Auditor Fees	6,100	11,100	(5,000)
1000-220-319	Professional/Tech Services	13,000	10,000	3,000
1000-220-323	Repairs & Maintenance	26,000	37,000	(11,000)
1000-220-420	Operating Supplies	30,000	47,299	(17,299)
1000-220-599	FEMA/EMS Grants	12,040	10,040	2,000
1000-760-750	Capital Expenditures	50,000	26,700	23,300
1000-830-830	Interest Payments	10,800	5,272	5,528

Fiscal Year 2008				
Acct. Code	Account Name	Final Appropriations per Resolution	Final Appropriations per UAN Appropriation Status Report	Appropriation Measure More/(Less) Than UAN
1000-110-121	Salary - Clerk	\$ 10,000	\$ 11,200	(\$1,200)
1000-110-211	PERS	900	1,580	(680)
1000-110-213	Medicare	110	192	(82)
1000-110-313	UAN - Computer	2,100	5,400	(3,300)
1000-110-410	Office Supplies	1,500	1,918	(418)
1000-120-329	Other Property Services	5,100	38,485	(33,385)
1000-120-341	Telephone	4,600	5,700	(1,100)
1000-120-349	Other Communications	400	-	400
1000-120-353	Natural Gas	6,500	7,000	(500)
1000-120-359	Other - Utilities	11,000	10,500	500
1000-120-389	Insurance & Bonding	26,000	19,225	6,775
1000-120-490	Other Supplies & Mat.	5,000	6,937	(1,937)
1000-220-190	Fire Salaries	270,000	236,441	33,559
1000-220-211	PERS	14,000	9,000	5,000
1000-220-212	Social Security	5,000	5,420	(420)
1000-220-213	Medicare	5,000	3,000	2,000
1000-220-215	Ohio Police/Fire Pension	26,000	27,000	(1,000)
1000-220-221	Medical-Hospitalization	25,000	41,558	(16,558)
1000-220-230	Worker's Comp	11,000	3,263	7,737
1000-220-314	County Auditor Fees	6,100	9,600	(3,500)
1000-220-318	Training	16,000	7,800	8,200
1000-220-319	Professional/Tech Services	13,000	18,000	(5,000)
1000-220-323	Repairs & Maintenance	27,000	34,000	(7,000)
1000-220-370	Political Sub-Dispatch	4,000	1,000	3,000
1000-220-420	Operating Supplies	33,000	47,891	(14,891)
1000-220-599	FEMA/EMS Grants	2,000	15,000	(13,000)
1000-760-750	Capital Expenditures	32,000	23,809	8,191
1000-830-830	Interest Payments	10,800	6,191	4,609

We noted that the Board approved additional appropriations in the amount of \$24,000 for the General Fund, posted it to the UAN system at the fund/function/object level. This variance accounts for some of the exceptions noted above in 2008. We recommend that all appropriations be posted to UAN in accordance with the appropriation measure passed by legislative authority. If the District decides to transfer appropriations between account codes within the General Fund at the legal level of control or higher, it must obtain approval by the Board of Trustees through Resolution.

- Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the years ended December 31, 2009 and 2008. Appropriations did not exceed certified resources in the General Fund.

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, 2009 and 2008 as recorded in the Appropriation Status Report. Expenditures did not exceed appropriations in the General Fund.
6. We inquired of management and scanned the Appropriation Status Reports to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the District did not establish these reserves.

#### **Compliance – Contracts & Expenditures**

We inquired of management and scanned the Payment Register Detail report for the years ended December 31, 2009 and 2008 for procurements requiring competitive bidding under the following statute(s):

Ohio Rev. Code Sections 505.37 to 505.42 & 731.14 require a fire district to competitively bid purchases of fire apparatus, mechanical resuscitators, other fire equipment, appliances, materials, fire hydrants, buildings, or fire-alarm communications equipment or service costs exceeding \$25,000.

We identified no purchases subject to the aforementioned bidding requirements.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

May 26, 2010





Mary Taylor, CPA  
Auditor of State

WELLINGTON COMMUNITY FIRE DISTRICT  
LORAIN 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  
JULY 13, 2010