

SCIOTO VALLEY FIRE DISTRICT

MARION COUNTY

**JANUARY 1, 2012 TO DECEMBER 31, 2013
AGREED UPON PROCEDURES**



Dave Yost • Auditor of State

Board of Trustees
Scioto Valley Fire District
P.O. Box 367
Larue, Ohio 43332

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Scioto Valley Fire District, Marion County, prepared by Holbrook & Manter, for the period January 1, 2012 through December 31, 2013. 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. The Scioto Valley Fire District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 31, 2014

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees
Scioto Valley Fire District
Marion County
P.O. Box 367
Larue, Ohio 43332

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Scioto Valley Fire District (the District) and the Auditor of State 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, 2013 and 2012, 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, 2013 and 2012 bank reconciliations.
 - No exceptions were noted during the testing of the bank reconciliations.
2. We agreed the January 1, 2012 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2011 documentation in the prior year Agreed-Upon Procedures working papers. We also agreed the January 1, 2013 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2012 balances in the Fund Ledger Report.
 - The January 1, 2012 beginning fund balances tied to the December 31, 2011 documentation in the prior year Agreed-Upon Procedures working papers. The January 1, 2013 beginning fund balances tied to the December 31, 2012 balances in Fund Ledger Report.

Cash and Investments (continued)

3. We agreed the totals per the bank reconciliations to the corresponding totals in the December 31, 2013 and 2012 fund cash balances reported in the Fund Status Reports.
 - The amounts agreed from the bank reconciliation to the Fund Status Reports.
4. We confirmed the December 31, 2013 and 2012 bank account balances with the District's financial institution and agreed the confirmed balances to the corresponding amounts appearing in the December 31, 2013 and 2012 bank reconciliations.
 - The confirmed balances on the checking account agreed to those amounts within the bank reconciliations, and no exceptions were noted.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2013 bank reconciliation and traced each debit appearing in the subsequent January and February bank statements. We also traced the amounts and date written to the check register to determine that the debits were dated prior to December 31.
 - We found no exceptions when testing the reconciling debits.
6. We tested investments held at December 31, 2013 and 2012 to determine that they were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144 and matured within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14.
 - We found no exceptions when testing investments.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the statement) for 2013 and one from 2012 and traced the gross receipts from the *Statements* to the amount recorded in the Receipt Register Report, determined whether the receipt was allocated to the proper fund(s) as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10, and determined whether the receipt was recorded in the proper year.
 - We found no exceptions during our testing of the County receipts.
2. We scanned the Receipt Register Report to determine whether it included the proper number of tax receipts for 2013 and 2012 which includes two real estate tax receipts.
 - We found no exceptions during our testing of receipts.
3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2013 and all receipts from 2012 and compared the amount from the DTL to the amount recorded in the Receipt Register Report. We also determined whether these receipts were allocated to the proper funds and whether the receipts were recorded in the proper year.
 - We found no exceptions during our testing of the State receipts.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts (continued)

4. We also selected all receipts from the County Auditor’s DTL from 2013 and all receipts from 2012 and compared the amount from the DTL to the amount recorded in the Receipt Register Report. We also determined whether these receipts were allocated to the proper funds and whether the receipts were recorded in the proper year.
 - We found no exceptions when comparing the County confirms to the Receipt Register Report.

Debt

1. From the prior agreed-upon procedures documentation we noted the following loans outstanding as of December 31, 2011. These amounts agreed to the District’s January 1, 2012 balances on the summary we used in step 3.

<u>Issue</u>	<u>Principal outstanding as of December 31, 2011</u>
2010 Truck Loan	\$ 113,405

2. We inquired of management, and scanned the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2013 or 2012 or payment activity during 2013 or 2012.
 - All debt noted agreed to the summary we used in Step 3.
3. We obtained a summary of loan debt activity for 2013 and 2012 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 when comparing the payments from the amortization schedule to the actual payments recorded.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2013 and one payroll check for five employees from 2012 from the Employee Detail Adjustment Report and tested the following attributes:
 - 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)

Payroll Cash Disbursements (continued)

- We determined whether the account code(s) to which the check was posted was reasonable based on the employees' duties as documented in the employees' personnel files and time records and determined whether the payment was posted to the proper year.
 - No exceptions were noted during our testing of payroll cash disbursements.
2. For any new employees selected in step 1, we determined whether the following information in the minute records was consistent with the information used to compute gross and net pay related to this check:
- Name
 - Authorized salary or pay rate
 - Department and fund to which the check should be charged
 - Retirement system participation and payroll withholding
 - Federal, State & Local income tax withholding authorization and withholding
 - Any other deduction authorizations (deferred compensation, etc.)
 - Fund to which the check should be charged.
- We found no exceptions related to the steps above.
3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2013 to determine whether 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 2013. We noted the following:

Withholding (Plus employer share where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income tax & Medicare	January 31, 2014	January 6, 2014	895.14	895.14
State income taxes	January 15, 2014	December 17, 2013	46.27	46.27
School district income taxes	January 31, 2014	December 17, 2013	56.10	56.10
OPERS retirement	January 30, 2014	December 11, 2013	516.96	516.96

- No exceptions were noted during the testing of the withholdings and all payments tested were made timely.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Payment Register Detail Report for the year ended December 31, 2013 and ten from the year ended 2012 to determine the following:
 - The disbursements are for a proper public purpose.
 - 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.
 - The fiscal officer certified disbursements requiring certification or issued a Then and Now Certificate, as required by Ohio Rev. Code Section 5705.41(D).
 - During our testing of non-payroll disbursements, we found three instances where the certification date was after the vendor invoice date, and there was no evidence that a Then and Now Certificate was issued. 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 test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Compliance-Budgetary

1. We compared the total estimated receipts from the Amended Certificate of Estimated Resources required by Ohio Rev. Code Section 5705.36 (A)(1) to the amounts recorded in the Revenue Status Reports for the years ended December 31, 2013 and 2012.
 - The amounts on the Certificate agreed to the amount recorded in the accounting system in 2013. In 2012, the Revenue Status Report recorded budgeted (i.e. certified) resources of \$111,475. However, the final Amended Official Certificate of Estimated Resources reflected \$113,315. 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 2013 and 2012 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).
 - We found no exceptions when comparing appropriation measures to Trustee salaries for personal services.

Compliance-Budgetary (continued)

3. We compared the total appropriations required by Ohio Rev. Code Section 5705.38 and 5705.40 to the amounts recorded in the Appropriation Status Report for 2013 and 2012.
 - The amounts on the appropriation resolution agreed to the amounts recorded in the Appropriation Status report.
4. Ohio Rev. Code Section 5705.36 (a)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the years ended December 31, 2013 and 2012.
 - No exceptions were noted for 2013 or 2012.
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, 2013 and 2012, as recorded in the Appropriation Status Report.
 - No exceptions were noted for 2013 or 2012.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipts Register Report for evidence of new restricted receipts requiring a new fund during December 31, 2013 and 2012. We also inquired of management regarding whether the District received new restricted receipts.
 - We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the District to establish a new fund.
7. 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; therefore, no exceptions were noted.
8. We scanned the Cash Summary by Fund Report for the years ended December 31, 2013 and 2012 for negative cash fund balance. 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.
 - We noted no funds having a negative cash fund balance.

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, those charged with governance, the Auditor of State, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.

Shullbrook & Manta

Certified Public Accountants

May 21, 2014
Marion, Ohio

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Dave Yost • Auditor of State

SCIOTO VALLEY FIRE DISTRICT

MARION 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
AUGUST 12, 2014**