



Dave Yost • Auditor of State

CUMBERLAND TRAIL FIRE DISTRICT
BELMONT COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Cumberland Trail Fire District
Belmont County
P.O. Box 505
St. Clairsville, Ohio 43950-1552

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Cumberland Trail Fire District, Belmont County, Ohio (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, 2014 and 2013, 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, 2014 and December 31, 2013 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2013 beginning fund balance recorded in the Cash Register to the December 31, 2012 balance in the prior year audited statements. We noted the beginning balance at January 1, 2013 did not agree to the prior year audited statements in the amount of \$732. We also agreed the January 1, 2014 beginning fund balances recorded in the Cash Register to the December 31, 2013 balances in the Cash Register. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2014 and 2013 fund cash balances reported in the Cash Register. We noted the bank reconciliation did not agree to the December 31, 2014 fund cash balances in the amount of \$366.
4. We confirmed the December 31, 2014 bank account balances with the District's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2014 bank reconciliation with the exception of the Health Reimbursement Account (HRA) balance of \$4,617, which we could not agree to a bank reconciliation, since we noted no evidence indicating a reconciliation was performed for this account at December 31, 2014. Even though the HRA account is not included on the December 31, 2014 bank reconciliation, this account is included in the fund cash balance on the annual financial report as of December 31, 2014, leaving an unreconciled balance of \$366 (see step #3 above).

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Cash and Investments (Continued)

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2014 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We tested investments held at December 31, 2014 and December 31, 2013 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, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2014 and one from 2013.
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Journal. The amounts did not agree by \$16,327 for the receipt tested in 2014 and \$20,539 for the receipt tested in 2013, as the property tax receipts were posted at net for both years under audit. We also traced the advances noted on the Statement to the Receipt Journal. The amounts agreed.
 - b. We determined whether the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the Receipt Journal to determine whether it included two real estate tax receipts, plus one advance for 2014 and two real estate tax receipts for 2013. We noted the Receipt Journal included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2014 and five from 2013. We also selected five receipts from the County Auditor's Cross Reference Report by Vendor Number from 2014 and five from 2013.
 - a. We compared the amount from the above reports to the amount recorded in the Receipt Journal. The amounts agreed.
 - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

1. We read the Monthly Aging Report.
 - a. We noted this report listed \$197,955 and \$201,689 of accounts receivable as of December 31, 2014 and 2013, respectively.

Charges for Services (Continued)

- b. Of the total receivables reported in the preceding step, \$32,212 and \$60,579 were recorded as more than 90 days delinquent.
- 2. We read the Monthly Adjustment Reports.
 - a. We noted these reports listed a total of \$602,439 and \$501,872 non-cash receipts adjustments for the years ended December 31, 2014 and 2013, respectively.
 - b. We selected five non-cash adjustments from 2014 and five non-cash adjustments from 2013, and noted that Ohio Billings approved each adjustment.
- 3. We haphazardly selected five run sheets, and agreed the patient name and service date to the related amounts billed, and the amount debited to accounts receivable from the year ended December 31, 2014; and five from the year ended December 31, 2013. Per the table below, we noted no exceptions.

2014

	Amount Billed per the Billing / Run Report, 2014	Amount Debited to Accounts Receivable
1.	\$807	\$807
2.	\$790	\$790
3.	\$606	\$606
4.	\$815	\$815
5.	\$573	\$573

2013

	Amount Billed per the Billing / Run Report, 2013	Amount Debited to Accounts Receivable
1.	\$770	\$770
2.	\$796	\$796
3.	\$565	\$565
4.	\$825	\$825
5.	\$801	\$801

We also agreed the amounts billed above to the rates in force as of the service date. We noted no exceptions.

Charges for Services (Continued)

- We haphazardly selected five receipts recorded in the cash receipts records from the year ended December 31, 2014 and five from the year ended December 31, 2013. We compared the receipt to the amount credited to accounts receivable records and credited in the bank statement. We also compared the date the payment was recorded in the cash receipts records to the date deposited per the bank statement. Per the table below, the amounts agreed, and the cash was deposited timely.

2014

	Amount Recorded in Cash Receipts Records, 2014	Amount Credited to Accounts Receivable	Amount Deposited per Bank Statement	Date Recorded in Cash Receipts Records	Date Deposited per Bank Statement
1.	\$478	\$478	\$478	2/14/14	2/19/14
2.	\$755	\$755	\$755	4/21/14	4/23/14
3.	\$445	\$445	\$445	6/27/14	6/30/14
4.	\$612	\$612	\$612	9/17/14	9/20/14
5.	\$818	\$818	\$818	10/15/14	10/10/14

2013

	Amount Recorded in Cash Receipts Records, 2013	Amount Credited to Accounts Receivable	Amount Deposited per Bank Statement	Date Recorded in Cash Receipts Records	Date Deposited per Bank Statement
1.	\$257	\$257	\$257	5/13/13	5/15/13
2.	\$86	\$86	\$86	6/24/13	6/28/13
3.	\$183	\$183	\$183	8/5/13	8/15/13
4.	\$754	\$754	\$754	9/16/13	9/18/13
5.	\$519	\$519	\$519	12/10/13	12/11/13

Debt

- From the prior audit documentation, we noted the following lease outstanding as of December 31, 2012. These amounts agreed to the District's January 1, 2013 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2012:
Capital Lease	\$205,371

- We inquired of management, and scanned the Receipt Journal and Appropriation Ledger for evidence of debt issued during 2014 or 2013 or debt payment activity during 2014 or 2013. All debt noted agreed to the summary we used in step 3.

Debt (Continued)

3. We obtained a summary of lease debt activity for 2014 and 2013 and agreed principal and interest payments from the related debt amortization schedule to the Fire and EMS Levy Fund payments reported in the Appropriation Ledger. We noted in 2014 the principal payment posted to the Appropriation Ledger was \$3,185 less than the amortization schedule and the interest posted to the Appropriation Ledger was \$3,185 more than the amortization schedule. We also compared the date the debt service 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 2014 and one payroll check for five employees from 2013 from the Payroll Journal and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Journal to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2014 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 2014. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	1/31/15	1/2/15	\$4,547	\$4,547
State income taxes	1/31/15	1/20/15	\$4,007	\$4,007
Local income tax	1/31/15	1/28/15	\$1,215	\$1,215
OPERS retirement	1/30/15	1/30/15	\$1,815	\$1,815
OP&F retirement	1/31/15	1/30/15	\$29,696	\$29,696

3. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Payroll Journal:
 - a. Accumulated leave records
 - b. The employee's pay rate in effect as of the termination date
 - c. The District's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

Non-Payroll Cash Disbursements

1. From the Appropriation Ledger, we re-footed checks recorded as Fire and EMS Levy Fund disbursements for insurance, for 2014. We found no exceptions.
2. We haphazardly selected ten disbursements from the Cash Register for the year ended December 31, 2014 and ten from the year ended 2013 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 Cash Register and to the names and amounts on the supporting invoices. We found no exceptions.
 - 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 Treasurer 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 estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Receipt Journal for the Fire and EMS Levy Fund for the years ended December 31, 2014 and 2013. The amounts on the *Certificate* did not agree to the amount recorded in the accounting system. The Receipt Journal recorded budgeted (i.e. certified) receipts for the Fire and EMS Levy Fund of \$0 for 2014 and \$0 for 2013. However, the final *Amended Official Certificate of Estimated Resources* reflected \$2,230,222 for 2014 and \$2,348,988 for 2013. The Treasurer should periodically compare amounts recorded in the Receipt Journal to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Board may be using inaccurate information for budgeting and monitoring purposes.
2. We scanned the appropriation measures adopted for 2014 and 2013 to determine whether, for the Fire and EMS Levy Fund the Board 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.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Appropriation Ledger for 2014 and 2013 for the Fire and EMS Levy Fund. The amounts on the appropriation resolutions did not agree to the amounts recorded in the Appropriation Ledger. The Appropriation Ledger recorded appropriations at \$2,265,248 for 2014 and \$1,190,487 for 2013. However, the approved appropriation amounts were \$2,286,249 for 2014 and \$2,195,987 for 2013. The Treasurer should periodically compare amounts recorded in the Appropriation Ledger to amounts approved by the Board to assure they agree. If the amounts do not agree, the Board may be using inaccurate information for budgeting and monitoring purposes.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the Fire and EMS Levy Fund for the years ended December 31, 2014 and 2013. We noted that appropriations did not exceed certified resources.

Compliance – Budgetary (Continued)

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, 2014 and 2013 for the Fire and EMS Levy Fund, as recorded in the Appropriation Ledger. We noted expenditures did not exceed appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Receipt Journal for evidence of new restricted receipts requiring a new fund during December 31, 2014 and 2013. 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 scanned the 2014 and 2013 Receipt Journal and Appropriation Ledger for evidence of interfund transfers exceeding \$20,000 which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Appropriation Ledger to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13(C). We noted the District established a Capital Improvement Fund in 2006. Ohio Rev. Code Section 5705.13(C) establishes the criteria for this fund. The balance in this account was \$250,000 as of December 31, 2014, and was \$250,000 as of December 31, 2013.
9. We scanned the Cash Register for the years ended December 31, 2014 and 2013 for negative cash fund balances. 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, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

June 19, 2015



Dave Yost • Auditor of State

CUMBERLAND TRAIL FIRE DISTRICT

BELMONT 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 21, 2015**