

COMMUNITY EMS DISTRICT

PORTAGE COUNTY, OHIO

AGREED UPON PROCEDURES

For the Years Ended December 31, 2015 & 2014





Dave Yost • Auditor of State

Board of Trustees
Community EMS District
10804 Forest Street
Garrettsville, Ohio 44231

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Community EMS District, Portage County, prepared by Charles E. Harris & Associates, Inc., for the period January 1, 2014 through December 31, 2015. 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 Community EMS 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 11, 2016

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**COMMUNITY EMS DISTRICT
PORTAGE COUNTY
For the Years Ended December 31, 2015 and 2014**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Community EMS District
Portage County
10804 Forest Street
Garrettsville, Ohio 44231

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Community EMS 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, 2015 and 2014, 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 representations 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

1. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balances recorded in the Monthly Transaction and Treasury Report to the December 31, 2013 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the Monthly Transaction and Treasury Report to the December 31, 2014 balances in the Monthly Transaction and Treasury Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the Monthly Transaction and Treasury Report. The amounts agreed.
4. We confirmed the December 31, 2015 bank account balance with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2015 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 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.

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 2015 and one from 2014.
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Transaction Detail Report. 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 Revenue Transaction Detail by Account Report to determine whether it included two real estate tax receipts for 2015 and 2014. We noted the Revenue Transaction Detail by Account included the proper number of tax receipts for each year.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2015 and five from 2014. We also selected five receipts from the County Auditor's DTL Vendor Detail List from 2015 and five from 2014.
 - a. We compared the amount from the above reports to the amount recorded in the Revenue Transaction Detail by Account Report. 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 confirmed the amounts paid from Life Force Management Inc., the service organization that performs the emergency medical billings, to the District during 2014 and 2015 with the Revenue Transaction Detail Report. The amounts did not agree. For 2015, the confirmed amount paid from Life Force Management Inc. was \$229,087; however, the amount recorded in the Transaction Detail Report was \$224,325. The confirmed amount paid from Life Force Management Inc. was reconciled to the Transaction Detail Report as follows:

Life Force Management amount confirmed December 2015	\$229,087
Refunds issued by Community EMS during the year 2015	(1,959)
Received from Collection Agent	1,131
Booking error corrected March 2015	(3,934)
Transaction Detail Report Amount December 31, 2015	\$224,325

For 2014, the confirmed amount paid from Life Force Management Inc. was \$196,042; however, the amount recorded in the Transaction Detail Report was \$192,892. The confirmed amount from Life Force Management Inc. was reconciled to the Detail Transaction Report as follows:

Life Force Management amount confirmed December 2014	\$196,042
Refunds issued by Community EMS during the year 2014	(3,333)
Tri-Care payment received 2013	(343)
Tri-Care payment received 2014	384
Tri-Care [payment received 2014	142
Transaction Detail Report Amount December 31, 2014	\$192,892

- a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
- b. We determined whether the receipts were recorded in the proper year. We found no exceptions, except for the exceptions noted in the above tables.

Debt

1. From the prior audit documentation, we noted the following commercial loan outstanding as of December 31, 2013. These amounts agreed to the District's January 1, 2014 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2013
Community Ambulance, Inc. Loan	\$ 8,471

2. We inquired of management, and scanned the Transaction Detail Report and the Expenditure Transaction Detail by Account Report for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of loan activity for 2015 and 2014 and agreed principal and interest payments from the related debt amortization schedules to the Debt Service fund payments reported in the Expenditure Transaction Detail by Account Report. 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 2015 and one payroll check for five employees from 2014 from the Payroll Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files and minute records. 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, 2015 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 2015. 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)	January 31, 2016	January 1, 2016	\$15,329.46	\$15,329.46
State income taxes	January 15, 2016	December 29, 2015	\$804.10	804.10
Local income tax	January 31, 2016	December 31, 2015	\$1,702.32	\$1,702.32
OPERS retirement	January 30, 2016	January 10, 2016	\$10,371.44	\$10,371.44

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Expenditure Transaction Detail by Account Report for the year ended December 31, 2015 and ten from the year ended December 31, 2014 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 Transaction Detail by Account Report 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 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 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 Profit and Loss-Budget vs, Actual Report for the General, Ambulance and EMS Fund and the Capital Equipment Funds for the years ended December 31, 2015 and 2014. The amounts agreed.
2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether the General, Ambulance and EMS and Capital Equipment Funds, 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.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Profit and Loss-Budget vs. Actual Report for 2015 and 2014 for the following funds: General, Ambulance and EMS and Capital Equipment funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Profit and Loss-Budget vs. Actual report.

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 General, Ambulance and EMS and Capital Equipment funds for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded certified resources.
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, 2015 and 2014 for the General, Ambulance and EMS and Capital Equipment funds as recorded in the Profit and Loss –Budget vs. Actual report. We noted no funds for which expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Monthly Transaction and Treasury Report for evidence of new restricted receipts requiring a new fund during December 31, 2015 and 2014. 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 2015 and 2014 Monthly Revenue Transaction and Treasury Report for evidence of interfund transfers exceeding \$5,000 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 Revenue Monthly Transaction and Treasury Report 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.
9. We scanned the Revenue Monthly Transaction and Treasury Report for the years ended December 31, 2015 and 2014 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 negative cash fund balance.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the Entity filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. No exceptions noted.

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, the Board of Trustees, 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.



Charles E. Harris & Associates

June 6, 2016



Dave Yost • Auditor of State

COMMUNITY EMERGENCY MEDICAL SERVICE

PORTAGE 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, 2016**