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1035 Murdoch Ave.  
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Certified Public Accountants, A.C.

**DKMM SOLID WASTE DISTRICT  
KNOX COUNTY  
Agreed-Upon Procedures  
For the Years Ended December 31, 2015 and 2014**

[www.perrycpas.com](http://www.perrycpas.com)

*...“bringing more to the table”*

Tax– Accounting – Audit – Review – Compilation – Agreed Upon Procedure – Consultation – Bookkeeping – Payroll  
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Members: American Institute of Certified Public Accountants

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- Association of Certified Anti - Money Laundering Specialists •





# Dave Yost • Auditor of State

Board of Directors  
DKMM Solid Waste District  
117 E. High Street Suite 257  
Mt Vernon, Ohio 43050

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of DKMM Solid Waste District, Knox County, prepared by Perry & Associates, Certified Public Accountants, A.C., 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. DKMM Solid Waste 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

June 8, 2016

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**DKMM SOLID WASTE DISTRICT  
KNOX COUNTY**

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

May 13, 2016

DKMM Solid Waste District  
 Knox County  
 117 E. High Street Suite 257  
 Mt Vernon, Ohio 43050

We have performed the procedures enumerated below, with which the Board of Directors and the management of the **DKMM Solid Waste District**, Knox County, (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 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**

1. Knox County is custodian for the District's deposits and therefore the County's deposit and investment pool holds the District's assets. We compared the District's fund balances and reported on its December 31, 2015 Fund History Report to the balances reported in Knox County's accounting records. The amounts agreed.
2. We agreed the January 1, 2014 beginning fund balances recorded in the Statement of Cash Position Report to the December 31, 2013 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the Statement of Cash Position Report to the December 31, 2014 balances in the Statement of Cash Position Report. We found no exceptions.

**Tipping Fees and Other Confirmable Cash Receipts**

1. We confirmed the amounts paid from the Crawford County Landfill and Columbus Transfer Station to the District during 2015 and 2014. They confirmed payment of the following amounts to the District.

Company	2015 Payments	2014 Payments
Crawford County Landfill	\$166,699	\$179,409
Columbus Transfer Station	\$309,684	\$312,663



*... "bringing more to the table"*

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### **Tipping Fees and Other Confirmable Cash Receipts (Continued)**

- a. We compared the amount confirmed with the amount the District recorded in its receipt records. We found no exceptions.
  - 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.
2. We obtained the March 2015 and October 2014 total tonnage reports from the landfill in step 1.
    - a. We recalculated the dollar amount sent to the District based on the rates in force during the period and agreed to the amounts posted to the District's ledgers. We found no exceptions.

### **Debt**

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2013.
2. We inquired of management, and scanned the Monthly Income Report and Appropriation History Report for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 and 2014. We noted no new debt issuances, nor any debt payment activity during 2015 or 2014.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for all employees from 2015 and one payroll check for all employees from 2014 from the Payroll Check Register and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Register 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 was 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. For any new employees selected in step 1 we determined whether the following information in the employees' personnel files was consistent with the information used to compute gross and net pay related to this check:
  - a. Name
  - b. Authorized salary or pay rate
  - c. Department and fund to which the check should be charged
  - d. Retirement system participation and payroll withholding
  - e. Federal, State & Local income tax withholding authorization and withholding
  - f. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – f. above.

**Payroll Cash Disbursements (Continued)**

3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2015 to determine whether remittances were timely charge by the fiscal agent (Knox County), and if the amounts charged agreed to the amounts withheld, plus the employer's share, where applicable, during the final withholding period of 2015. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Due Date</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Due</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2016	January 2, 2016	\$1,018	\$1,018
State income taxes	January 15, 2016	January 5, 2016	\$155	\$155
Local income taxes	January 15, 2016	January 5, 2016	\$103	\$103
OPERS retirement	January 31, 2016	January 2, 2016	\$1,708	\$1,708

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

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the Appropriation History Report for the year ended December 31, 2015 and ten from the year ended 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 Appropriation History 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.
  - e. The disbursement was allowable under Ohio Rev. Code Section 3734.57(G), and the Districts policies and procedures. 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 Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Revenue History Report for the General fund for the years ended December 31, 2015 and 2014. The amounts did not agree. The Revenue History Report recorded budgeted (i.e. certified) resources for the General fund of \$1,583,681 and \$1,558,221 for 2015 and 2014, respectively. However, the final *Amended Official Certificate of Estimated Resources* reflected \$1,417,000 and \$1,423,000 for 2015 and 2014, respectively. The fiscal officer should periodically compare amounts recorded in the Revenue Status Report to amounts recorded in the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Directors may be using inaccurate information for budgeting and monitoring purposes.
2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether the General fund, the Directors appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services.” As is required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.28(B)(2), 5705.38 and 5705.40, to the amounts recorded in the Appropriation History Report for 2015 and 2014 for the General fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation History report.
4. Ohio Rev. Code Section 5705.28(B)(2)(c) prohibits appropriations from exceeding the estimated revenue available for expenditure (receipts plus beginning unencumbered cash). We compared total appropriations to total estimated revenue for the General fund for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded estimated revenue.
5. Ohio Rev. Code Sections 5705.28(B)(2) and 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 fund, as recorded in the Appropriation History Report. We noted no funds for which expenditures exceeded appropriations.
6. We scanned the Cash Summary by Fund Report for the years ended December 31, 2015 and 2014 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 negative cash fund balances.

### Other Compliance

1. 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 District 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, 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.

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

**Perry and Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio



# Dave Yost • Auditor of State

**DKMM SOLID WASTE DISTRICT**

**KNOX 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  
JUNE 21, 2016**