

***NORTHFIELD CENTER – SAGAMORE HILLS
FIRE DISTRICT***

SUMMIT COUNTY, OHIO

AGREED UPON PROCEDURES

For the Years Ended December 31, 2015 & 2014



Dave Yost • Auditor of State

Board of Trustees
Northfield Center – Sagamore Hills Fire District
60 West Aurora Road
Northfield Center, Ohio 44067

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Northfield Center – Sagamore Hills Fire District, Summit 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 Northfield Center – Sagamore Hills 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 14, 2016

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**NORTHFIELD CENTER – SAGAMORE HILLS FIRE DISTRICT
SUMMIT COUNTY
For the Years Ended December 31, 2015 and 2014**

TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Northfield Center – Sagamore Hills Fire District
Summit County
60 West Aurora Road
Northfield Center, Ohio 44067

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Northfield Center – Sagamore Hills 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, 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 Cash Journal 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 Cash Journal to the December 31, 2014 balances in the Cash Journal. 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 Cash Journal. The amounts agreed.
4. We observed the year-end bank balance on the financial institution's website. The balance agreed. 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 and February bank statements. 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.

Confirmable Cash Receipts

1. We confirmed the amounts paid from Sagamore Hills Township and Northfield Center Township to the District during 2015 with the Receipt Journal. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. 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 Medicount Inc., the service organization that performs the emergency medical billings and collections, to the District during 2014 and 2015. We found no exceptions.
 - a. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2013.
2. We inquired of management, and scanned the Revenue Ledger and the Expenditure Journal for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. We noted no debt activity for the years 2015 and 2014.

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 Transmittal Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Transmittal Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We determined whether the account code to which the check was posted was reasonable based on the employees' duties as documented in the 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	December 24, 2015	\$4,608.65	\$4,608.65
State income taxes	January 15, 2016	December 24, 2015	\$584.94	\$584.94
OPERS retirement	January 30, 2016	December 31, 2015	\$1,178.44	\$1,178.44

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Expenditure Journal 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 Expenditure Journal 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 one instance where a disbursement requiring certification was not certified and there was also 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. The District does not complete an amended certificate of estimated resources that is submitted to the county auditor. We compared the total estimated receipts from the 2015 and 2014 budget document approved by the Board of Trustees, to the amounts recorded in the Revenue Journal for the General Fund for the years ended December 31, 2015 and 2014. We noted the amounts were not posted to the Revenue Journal.
2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether, for the General Fund, 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 Appropriation Status for 2015 and 2014 for the General Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriation Status Report.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the total approved resources. We compared total appropriations to the total approved resources for the General Fund for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded total estimated 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 Fund, as recorded in the Appropriation Status Report. We noted no instances where expenditures exceeded appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the Revenue Journal 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 inquired of management and scanned the Revenue Journal 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.
8. We scanned the Cash Journal 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 the District's only fund did not have a 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 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, 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 Harris Associates

Charles E. Harris & Associates

June 24, 2016



Dave Yost • Auditor of State

NORTHFIELD CENTER SAGAMORE HILLS FIRE DISTRICT

SUMMIT 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 26, 2016**