



**FIRST CONSOLIDATED FIRE DISTRICT  
MARION COUNTY**

**AGREED UPON PROCEDURES**

**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**



# OHIO AUDITOR OF STATE KEITH FABER



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

First Consolidated Fire District  
Marion County  
115 N. High Street  
Caledonia, Ohio 43314

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and management of the First Consolidated Fire District, Marion County, Ohio, (the District), on the receipts, disbursements and balances recorded in the Districts cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. 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. We recalculated the December 31, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
2. We compared the January 1, 2018 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2017 balances in the prior year audited statements. The General Fund beginning balance noted in the Fund Ledger Report was \$20,665 less than the ending balance in the prior year audited statements and the Special Revenue Fund beginning balance noted in the Fund Ledger Report was \$20,665 more than the ending balance in the prior year audited statements due to a prior period audit adjustment not posted to the District's accounting system. Refer to step 7 for additional discussion.
3. We also agreed the January 1, 2019 beginning fund balances recorded in the Fund Ledger Report to the December 31, 2018 balances in the Fund Ledger Report. We found no exceptions.
4. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 fund cash balances reported in the Fund Status Report and the financial statements filed by the District in the Hinkle System. The amounts agreed.
5. We confirmed the December 31, 2019 bank account balances with the District's financial institution and the Ohio Pooled Collateral System (OPCS). We also agreed the confirmed balances to the amounts appearing in the December 31, 2019 bank reconciliation without exception.

### **Cash (Continued)**

6. We selected five reconciling debits (such as outstanding checks) from the December 31, 2019 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. There were no exceptions.
7. For the audit period ending December 31, 2013, a fund balance adjustment in the amount of \$24,910 was made to the audited financial statements due from the Ambulance and Emergency Medical Services Fund and payable to the General Fund. However, the fund balance adjustment was never fully posted to the District's accounting system. At December, 31, 2019, the net remaining fund balance adjustment impact was \$20,665. The District corrected the fund balances within the accounting system prior to the date of this agreed-upon procedure.
8. We traced interbank account transfers occurring in December of 2019 and 2018 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.
9. We inspected investments held at December 31, 2019 and December 31, 2018 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. There were no exceptions.

### **Property Taxes and Intergovernmental Receipts**

1. We selected a total of five receipt from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Lists (DTL) and the County Auditor DTLs from 2019 and a total of five from 2018:
  - a. We compared the amount from the above named reports to the amount recorded in the Receipt Detail Report. The amounts agreed.
  - b. We inspected the Receipt Detail Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We inspected the Receipt Detail Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Receipt Detail Report to determine whether it included two real estate tax receipts for 2019 and 2018. The Receipt Detail Report included the proper number of tax receipts for each year. The Receipt Detail Report included the proper number of tax receipts for each year.

### **Debt**

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2017.
2. We inquired of management, and inspected the Receipt Detail Report and Payment Register Detail Report for evidence of debt issued during 2019 or 2018 or debt payment activity during 2019 or 2018. There were no new debt issuances, nor any debt payment activity during 2019 or 2018.

**Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2019 and one payroll check for five employees from 2018 from the Wage Detail Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Wage Detail Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We inspected the Wage Detail Report to determine the fund and account code(s) to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files and/or minute record or as required by statute. We also confirmed the payment was posted to the proper year. We found no exceptions.
  
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2019 to confirm 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 2019. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2020	December 27, 2019	\$3,981	\$3,981
State income taxes	January 15, 2020	December 27, 2019	\$1,189	\$1,189
OPERS retirement	January 30, 2020	December 29, 2019	\$414	\$414
OP&F retirement	January 31, 2020	December 29, 2019	\$14,750	\$14,750

**Non-Payroll Cash Disbursements**

1. We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2019 and 10 from the year ended 2018 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 Payment Register Detail 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. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2019 and 2018 for the General and Ambulance & Emergency Medical Service funds. There were no funds for which expenditures exceeded appropriations.

### **Compliance – Budgetary (Continued)**

2. We inspected the 2019 and 2018 Revenue Status Reports and Appropriation Status Reports for evidence of interfund transfers exceeding \$100 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.
3. We inspected the Cash Summary by Fund Report for the years ended December 31, 2019 and 2018 for negative cash fund balances. Ohio Rev. Code Section 5705.10 (I) provides that money as in 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. There were no funds having negative cash fund balances.

### **Sunshine Law Compliance**

1. We obtained and inspected the District's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code § 149.43(E)(2) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We requested evidence of public records requests from the District Fiscal Officer to determine if the District was compliant and responded to the request in accordance with their adopted policy, provided and explanation which included the legal authority for denied requests, and was properly redacting records and making the redactions visible with provided legal authority explanation as required by Ohio Rev. Codes §§ 149.43(B)(1) and 149.43(B)(3). Based on discussion with the Fiscal Officer, there were no Public Records Request during 2019 and 2018.
3. We inquired whether the District has a records retention policy, and observed that it is readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We requested written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). The District could not provide evidence the Public Records Policy was provided to the records custodian/manager through written acknowledgement of receipt.
5. We inspected the District's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with District management and determined that the District did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inspected the public notices for the public meetings held during the engagement period and determined the District notified the general public and news media of when and where meetings during the engagement period are to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.

### Sunshine Law Compliance (Continued)

9. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
- Prepared – a file is created following the date of the meeting
  - Filed – placed with similar documents in an organized manner
  - Maintained - retained, at a minimum, for the engagement period
  - Open to public inspection – available for public viewing or request.

We found no exceptions.

10. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
- Executive sessions were only held at regular or special meetings.
  - The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
  - Formal governing board actions were adopted in open meetings.

We found no exceptions.

### Other Compliance

1. Ohio Rev. Code Section 117.38 requires Districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy, within the allotted timeframe for the years ended December 31, 2019 and 2018 in the Hinkle system. There were no exceptions.
2. For all credit card accounts we obtained:
- copies of existing internal control policies,
  - a list(s) of authorized users, and
  - a list of all credit card account transactions.
- a. We selected 1 credit card transaction from each credit card account for testing. For selected transactions we inspected documentation to determine that:
- Use was by an authorized user within the guidelines established in the policy, and
  - Each transaction was supported with original invoices and for a proper public purpose.

We found no exceptions.

- b. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
- No unpaid beginning balance was carried forward to the current billing cycle,
  - Ending statement balance was paid in full, and
  - Statement contained no interest or late fees.

We found no exceptions.

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*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State

Columbus, Ohio

June 19, 2020



# OHIO AUDITOR OF STATE KEITH FABER



**FIRST CONSOLIDATED FIRE DISTRICT**

**MARION COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 9/1/2020**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)