

**TRI-VALLEY FIRE DISTRICT  
LOGAN COUNTY  
Agreed-Upon Procedures  
For the Years Ended December 31, 2013 and 2012**

***Perry & Associates***  
Certified Public Accountants, A.C.





# Dave Yost • Auditor of State

Board of Trustees  
Tri-Valley Fire District  
P.O. Box 162  
Zanesfield, Ohio 43360

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Tri-Valley Fire District, Logan County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2012 through December 31, 2013. 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 Tri-Valley 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

June 23, 2014

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**TRI-VALLEY FIRE DISTRICT  
LOGAN COUNTY**

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

June 3, 2014

Tri-Valley Fire District  
Logan County  
P.O. Box 162  
Zanesfield, Ohio 43360

To the Board of Trustees:

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the **Tri-Valley Fire District**, Logan County, Ohio (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, 2013 and 2012, 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. We tested the mathematical accuracy of the December 31, 2013 and December 31, 2012 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2012 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2011 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2013 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances to the December 31, 2012 balances in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2013 and 2012 fund cash balances reported in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances.
4. We confirmed the December 31, 2013 bank account balances with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2013 bank reconciliation without exception.

**Cash (Continued)**

5. We selected all reconciling debits (such as outstanding checks) haphazardly from the December 31, 2013 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 selected all reconciling credits (such as deposits in transit) haphazardly from the December 31, 2013 bank reconciliation:
  - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
  - b. We agreed the credit amounts to the Receipts Register. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.

**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 2013 and one from 2012:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipts 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 Receipts Journal to determine whether it included two real estate tax receipts for 2013 and 2012. We noted the Receipts Journal included the proper number of tax receipts for each year.
3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2013 and all from 2012. We also selected all receipts from the County Auditor's Vendor Expense Report from 2013 and all from 2012.
  - a. We compared the amount from the above reports to the amount recorded in the Receipts 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 Billable EMS Runs Report. We found the District provides ambulance services and bills patients subsequent to providing the service. The District maintains a Billable EMS Runs Report documenting the charges and subsequent payments, however, the report does not list outstanding balances, adjustments, or write-offs for uncollectable accounts. The District does not have an adequate accounts receivable system. Without complete accounts receivable information, the District lacks reliable information on overdue or otherwise unpaid amounts, copayment information, documentation on noncash adjustments and approval of noncash adjustments, and information upon which to judge whether the District should write off or follow up on uncollectible amounts. We recommend the District acquire an adequate accounts receivable and billing system in order to properly track and follow up on services and billings.

**Charges for Services (Continued)**

2. We haphazardly selected five run sheets, and agreed the patient name and service date to the related amounts billed from the year ended December 31, 2013; and five from the year ended December 31, 2012. Per the table below we noted no exceptions.

**2013**

|    | <b>Amount Billed per the Billing / Run Report, 2013</b> |
|----|---|
| 1. | \$400   |
| 2. | \$400   |
| 3. | \$400   |
| 4. | \$600   |
| 5. | \$400   |

**2012**

|    | <b>Amount Billed per the Billing / Run Report, 2012</b> |
|----|---|
| 1. | \$275   |
| 2. | \$400   |
| 3. | \$400   |
| 4. | \$400   |
| 5. | \$275   |

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

3. We haphazardly selected five receipts recorded in the cash receipts records from the year ended December 31, 2013 and five from the year ended December 31, 2012. We compared the receipt to the amount 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.

**2013**

|    | <b>Amount Recorded in Cash Receipts Records, 2013</b> | <b>Amount Deposited per Bank Statement</b> | <b>Date Recorded in Cash Receipts Records</b> | <b>Date Deposited per Bank Statement</b> |
|----|---|--|---|--|
| 1. | \$600   | \$ 1,405                                   | 3/14/13                                       | 3/14/13                                  |
| 2. | \$400   | \$ 8,3340                                  | 4/18/13                                       | 4/17/13                                  |
| 3. | \$600   | \$ 1,045                                   | 5/23/13                                       | 5/23/13                                  |
| 4. | \$275   | \$ 475                                     | 5/29/13                                       | 5/29/13                                  |
| 5. | \$400   | \$ 2,814                                   | 7/10/13                                       | 7/10/13                                  |

**Charges for Services (Continued)**

3. Continued

| <b>2012</b> |   |  |   |  |
|-------------|---|--|---|--|
|             | <b>Amount<br/>Recorded in<br/>Cash Receipts<br/>Records, 2012</b> | <b>Amount<br/>Deposited<br/>per Bank<br/>Statement</b> | <b>Date<br/>Recorded in<br/>Cash Receipts<br/>Records</b> | <b>Date<br/>Deposited<br/>per Bank<br/>Statement</b> |
| <b>1.</b>   | \$275   | \$ 325   | 1/16/12   | 1/17/12  |
| <b>2.</b>   | \$275   | \$ 9,160   | 4/24/12   | 4/26/12  |
| <b>3.</b>   | \$400   | \$ 10,692  | 8/20/12   | 8/22/12  |
| <b>4.</b>   | \$200   | \$ 250   | 11/1/12   | 11/1/12  |
| <b>5.</b>   | \$275   | \$ 475   | 11/21/12  | 11/21/12   |

**Debt**

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2011.
2. We inquired of management, and scanned the Receipts Journal and Appropriation Ledger for evidence of debt issued during 2013 or 2012 or debt payment activity during 2013 or 2012. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note debt activity for 2013 and 2012 and agreed principal and interest payments from the related debt amortization schedules to the general fund payments reported in the Appropriation Ledgers. We also compared the date the debt service payments were due to the date the District made the payments. We found exceptions in 2013 and 2012. The District failed to allocate the Huntington Bank and Kansas State Bank payments between principal and interest according to the amortization schedules. Total debt payments tied to the amortization schedules.
4. We noted from the debt documents the amount of the promissory note proceeds were not posted to the Receipt Journal during 2013 and 2012. In order to properly reflect the benefit received from the promissory notes, proceeds of \$186,822 should have been recorded in the District's records for 2013 and \$330,199 for 2012.
5. For new debt issued during 2013 and 2012, we inspected the debt legislation, noting the District must use the proceeds to purchase a pumper truck and an ambulance, respectively. We scanned the Appropriation Ledger and noted the Fiscal Officer did not record the pumper truck and ambulance purchase expenditures. In order to properly reflect the benefit received from the proceeds of the loan, expenditures in the amount of \$186,822 should have been recorded in the District's accounting records during 2013 and \$330,199 during 2012.

**Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2013 and one payroll check for five employees from 2012 from the Payroll 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 recomputed gross and net pay and agreed it to the amount recorded in the Payroll Register. We found no exceptions.
  - c. 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.

**Payroll Cash Disbursements (Continued)**

2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2013 to determine whether the 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 2013. We noted the following:

| <b>Withholding<br/>(plus employer share,<br/>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, 2014 | December 17, 2013 | \$ 4,637.41       | \$ 4,637.41        |
| State income taxes  | January 31, 2014 | January 15, 2014  | \$ 65.99          | \$ 65.99           |
| OPERS retirement  | January 30, 2014 | December 5, 2013  | \$ 1,224.00       | \$ 1,224.00        |

**Non-Payroll Cash Disbursements**

1. From the Appropriation Ledger, we re-footed checks recorded as General Fund disbursements for *Tools and Equipment*, for 2013. We found no exceptions.
2. We haphazardly selected ten disbursements from the Appropriation Ledger for the year ended December 31, 2013 and ten from the year ended 2012 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 Ledger 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 Financial Summary Report for the General and Ambulance funds. The amounts agreed.
2. We scanned the appropriation measures adopted for 2013 and 2012 to determine whether, for the General and Ambulance 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 Financial Summary Report for 2013 and 2012 for the following funds: General and Ambulance funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Financial Summary Report.

**Compliance – Budgetary (Continued)**

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 and Ambulance funds for the years ended December 31, 2013 and 2012. 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, 2013 and 2012 for the General and Ambulance funds, as recorded in the Financial Summary 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 Receipts Journal for evidence of new restricted receipts requiring a new fund during December 31, 2013 and 2012. 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 2013 and 2012 Financial Summary Reports for evidence of interfund transfers 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 Financial Summary Reports 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 Financial Summary Reports for the years ended December 31, 2013 and 2012 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.

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.



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



# Dave Yost • Auditor of State

**TRI-VALLEY FIRE DISTRICT**

**LOGAN 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 03, 2014**