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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Barberton-Norton Mosquito Abatement District
Summit County
131 Snyder Avenue
Barberton, Ohio 44203

We have performed the procedures enumerated below, with which the Board of Directors and the management of Barberton-Norton Mosquito Abatement District (the District) 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 balance recorded in the Detail Trial Balance Report to the December 31, 2011 balance in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2013 beginning fund balance recorded in the Detail Trial Balance Report to the December 31, 2012 balance in the Detail Trial Balance Report. 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 balance reported in the Detail Trial Balance Report. The amounts agreed.
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 four reconciling debits (such as outstanding checks) haphazardly from the December 31, 2013 bank reconciliation:
 - a. We traced two of the four debits to the subsequent January bank statement. We found no exceptions. It was determined the remaining two outstanding checks were adjusted back into the District's fund in April of 2014. These two checks were outstanding for over a year before the fiscal officer made the adjustment.
 - 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 tested interbank account transfers occurring in December of 2013 and 2012 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

Special Assessments

1. We selected special assessment receipts from all Special Assessment Settlements (the Settlement) for 2013 and 2012:
 - a. We traced the gross receipts from the Settlement to the amount recorded in the General Ledger Report. We also traced the advances noted on the Settlement to the General Ledger Report. The amounts agreed.
 - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the General Ledger Report to determine whether it included the proper number of special assessment receipts for 2013 and 2012. We noted the General Ledger Report included the proper number of special assessment receipts for each year.

Over-The-Counter Cash Receipts

We haphazardly selected 9 over-the-counter cash receipts from the year ended December 31, 2012 recorded in the duplicate cash receipts book and determined whether the:

- a. Receipt amount agreed to the amount recorded in the General Ledger Report. The amounts agreed.
- b. Amount charged complied with rates in force during the period. We found no exceptions.
- c. Receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2011.
2. We inquired of management, and scanned the General Ledger Report 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.

Debt – (Continued)

3. We obtained a summary of lease debt activity for 2013 and 2012 and agreed principal and interest payments from the related debt amortization schedules to general fund payments reported in the General Ledger Report. We also compared the date the general fund payments were due to the date the District made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the general fund per the General Ledger Report. The amounts agreed.
5. For new debt issued during 2012, we inspected the debt legislation, noting the District must use the proceeds to construct a chemical spill-proof room. We scanned the General Ledger Report and noted the District purchased several items to construct the chemical spill-proof room in 2012 and 2013. The items include building permits, building drawings, spill containment pallets, and an eye wash station.

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 Employee Earnings Record and:
 - a. We compared the salary recorded in the Employee Earnings Record to supporting documentation (legislatively approved salary). We found no exceptions.
 - b. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the minute record. 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 and minute record 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(s) and fund(s) 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, 2013 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 2013. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2014	December 27, 2013	\$618.00	\$618.00
State income taxes	January 15, 2014	December 27, 2013	\$134.29	\$134.29
Local income tax	January 20, 2014	December 27, 2013	\$90.00	\$90.00
OPERS retirement	January 30, 2014	January 24, 2014	\$1,080.00	\$1,080.00

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the General Ledger Report 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 General Ledger 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 Sections 6115.141 and 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the Revised Budget, required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Detail Trial Balance Report for the years ended December 31, 2013 and 2012. The amounts agreed.
2. We scanned the appropriation measures adopted for 2013 and 2012 to determine whether the Board 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 Detail Trial Balance Report for 2013 and 2012. The amounts on the appropriation resolution agreed to the amounts recorded in the Detail Trial Balance Report.

Compliance – Budgetary – (Continued)

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 years ended December 31, 2013 and 2012. Appropriations did not exceed estimated revenue.
5. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(B) prohibit expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2013 and 2012, as recorded in the Detail Trial Balance Report. Expenditures did not exceed appropriations.
6. We inquired of management and scanned the Detail Trial Balance 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.
7. We scanned the Detail Trial Balance Report for the years ended December 31, 2013 and 2012 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 a negative cash fund balance.

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, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

Columbus, Ohio

July 25, 2014

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BARBERTON-NORTON MOSQUITO ABATEMENT 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
AUGUST 12, 2014**