

EAST WAYNE FIRE DISTRICT

WAYNE COUNTY

Agreed Upon Procedures

For the Years Ended December 31, 2019 and 2018





88 East Broad Street
Columbus, Ohio 43215
IPARreport@ohioauditor.gov
(800) 282-0370

Board of Trustees
East Wayne Fire District
146 N. Church St.
Dalton, Ohio 44618

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the East Wayne Fire District, Wayne County, prepared by Charles E. Harris & Associates, Inc., for the period January 1, 2018 through December 31, 2019. 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 East Wayne Fire District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

May 27, 2020

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East Wayne Fire District
Wayne County
For the Years Ended December 31, 2019 and 2018

Table of Contents

Title	Page
Independent Accountant’s Report on Applying Agreed-Upon Procedures	1

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

East Wayne Fire District
Wayne County
146 N. Church St.
Dalton, Ohio 44618

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of East Wayne Fire District (the District) and the Auditor of State, on the receipts, disbursements and balances recorded in the District's 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 agreed the January 1, 2018 beginning fund balances recorded in the Fund Status Report to the December 31, 2017 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Fund Status Report to the December 31, 2018 balances in the Fund Status Report. We found no exceptions.
3. 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.
4. We observed the year-end bank balance on the financial institution's website. The balance agreed. We also agreed the observed balances to the amounts appearing in the December 31, 2019 bank reconciliation without exception.
5. 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.

Intergovernmental Receipts

1. We selected a total of five receipts from the State Distribution Transaction Lists (DTL) from 2019 and five from 2018.
 - a. We compared the amount from the above report to the amount recorded in the Receipt Export. The amounts agreed.
 - b. We inspected the Receipt Export to determine that these receipts were allocated to the proper funds as required by Ohio Revised Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Receipt Export to determine whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

1. We confirmed the amounts paid from Ohio Billing, the service organization that performs the emergency medical/fire billings, to the District during 2018 and 2019 and compared the amounts with the Receipt Export Report. We found no exceptions.
 - a. We inspected the Receipt Export Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We inspected the Receipt Export Report to determine 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, 2017.
2. We inquired of management, and inspected the Receipt Export and Payment Export for evidence of debt issued during 2019 or 2018 or debt payment activity during 2019 or 2018. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of lease debt activity for 2019 and 2018 and agreed principal and interest payments from the related debt amortization schedule to General fund payments reported in the Payment Export. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.
4. We did not agree the amount of the new lease to the Receipt Export Report since the District is not required to record proceeds from the inception of the lease. This is not an exception.

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 codes to which the check was posted were reasonable based on the employees' duties as documented in the employees' personnel files. 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:

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, 2020	January 13, 2020	\$3,417.17	\$3,417.17
State income taxes	January 15, 2020	December 31, 2019	\$273.97	\$273.97
Village of Dalton income tax	January 15, 2020	January 15, 2020	\$284.63	\$284.63
OPERS retirement	January 30, 2020	December 31, 2019	\$111.13	\$111.13
OPERS retirement	January 30, 2020	February 2, 2020	\$172.80	\$172.80

As shown above, the District paid a portion of its OPERS retirement payment three days after the payment due date.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Payment Export Report for the year ended December 31, 2019 and 10 from the year ended December 31, 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 Export 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 one instance where the certification date was after the vendor invoice date, 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 inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

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 appropriations (Ohio Revised Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2019 and 2018 for the General, Fire and Rescue, Ambulance and EMS Services, and FEMA Retention and Recruitment Grant funds as recorded in the Appropriation Status Report. The Fire and Rescue, Ambulance and EMS Services fund had expenditures for 2018 that exceeded appropriations by \$8,152 contrary to Ohio Rev. Code Section 5705.41(B), which was caused by the Board approving the final appropriation resolution after year-end. The Fiscal Officer should not certify the availability of funds and should deny payment requests exceeding appropriations. The Fiscal Officer may request the Trustees to approve increased expenditure levels by increasing appropriations and amending estimated resources, if necessary, and if resources are available.
2. We inspected the 2019 and 2018 Revenue Status Reports and Appropriation Status Reports for evidence of interfund transfers exceeding \$10,000 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 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 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 selected five public records requests from the engagement period and inspected each request to determine the District was compliant and responded to the request in accordance with their adopted policy. We found no exceptions.
3. We inquired with District management and determined that the District did not have any denied public records requests during the engagement period.
4. We selected all public records requests with redactions from the engagement period and inspected to determine the District was redacting records and making the redactions visible, and provided an explanation which included the legal authority to the requester. We found no exceptions.
5. We inquired whether the District has a records retention policy and if that policy is readily available to the public. We found no exceptions.
6. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager. We found no exceptions.
7. We inspected the District's policy manual and determined the public records policy was included. We found no exceptions.

8. We inquired whether the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District. We found no exceptions.
9. 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.
10. We inquired with District management and determined that the District did not have any elected officials subject to the Public Records Training requirements during the engagement period.
11. 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. We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
13. We inspected the minutes from the engagement period and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. 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).
 - c. 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. The 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.

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.

East Wayne Fire District
Wayne County
Independent Accountants' Report on
Applying Agreed-Upon Procedures
Page 6

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 "Charles E. Harris" followed by "Associates" in a smaller, less legible script.

Charles E. Harris and Associates, Inc.
April 23, 2020

OHIO AUDITOR OF STATE KEITH FABER



EAST WAYNE FIRE DISTRICT

WAYNE 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 9, 2020**