



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Vermilion River Ambulance District
Huron County
2511 Wells Road
Collins, Ohio 44826

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees (the Board) and the management of Vermilion River Ambulance District, Huron County, Ohio (the District), on the receipts, disbursements and balances recorded in the District's cash-basis accounting records for the years ended December 31, 2018 and 2017 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, 2018 and 2017 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 and Investments

1. We recalculated the December 31, 2018 and December 31, 2017 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2017 beginning fund balance recorded in the Cash Journal to documentation in the prior year agreed-upon procedures working papers. We found no exceptions. We also agreed the January 1, 2018 beginning fund balance recorded in the Cash Journal to the December 31, 2017 balance in the Cash Journal. We found no exceptions.
3. We agreed the total per the bank reconciliations to the December 31, 2018 and December 31, 2017 fund cash balance reported in the Cash Journal. The amounts agreed.
4. We confirmed the December 31, 2018 bank account balance with the District's financial institution. We found no exceptions. We also agreed the confirmed balance to the amount appearing in the December 31, 2018 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2018 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 Cash Journal, to determine the debits were dated prior to December 31. There were no exceptions.

6. We inspected investments held at December 31, 2018 and December 31, 2017 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 Cash Receipts

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the *Statement*) for 2018 and one from 2017:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Receipt Journal. The amounts did not agree for 2018 and 2017. The Fiscal Officer incorrectly included the non-business, owner occupancy, and homestead credits in the property tax receipt and corresponding administrative fee disbursement. This resulted in the receipt and disbursement being overstated in the amounts of \$10,355 and \$8,681 for the years ended December 31, 2018 and 2017, respectively. Property tax settlement receipts and administrative fee disbursements should be posted separately from the non-business, owner occupancy, and homestead credits.
 - b. We inspected the Receipt Journal to confirm whether the receipt was recorded proper year. The receipt was recorded in the proper year.
2. We inspected the Receipt Journal to determine whether it included two real estate tax receipts for 2018 and 2017. The Receipt Journal included the proper number of tax receipts for each year.
3. We selected a sample (agreed upon) of five receipts from the State Distribution Transaction Lists (DTL) from 2018 and five from 2017.
 - a. We compared the amount from the above report to the amount recorded in the Receipt Journal. The amounts agreed.
 - b. We inspected the Receipt Journal to determine whether the receipts were 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, 2016.
2. We inquired of management, and inspected the Cash Journal for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. There were no new debt issuances, nor any debt payment activity during 2018 or 2017.

Non-Payroll Cash Disbursements

1. From the Appropriation Ledger, we re-footed checks recorded as *contracts* disbursements for 2018. We found no exceptions.

2. We selected a sample (agreed upon) of ten disbursements from the Appropriation Ledger for the year ended December 31, 2018 and ten from the year ended December 31, 2017 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 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 were unable to compare the total estimated receipts from the *Amended Official Certificate of Estimated Resources* (the *Certificate*), required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Receipt Journal for the years ended December 31, 2018 and 2017. The Fiscal Officer did not record estimated receipts into the Receipt Journal. The Fiscal Officer should record estimated receipts in the Receipt Journal based on amounts shown on the *Certificate*. If budgeted amounts are not recorded, the Trustees do not have adequate information for budgeting and monitoring purposes.
2. We inspected the appropriation measures adopted for 2018 and 2017 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 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 Ledger for 2018 and 2017. The amounts on the appropriation measures agreed to the amounts recorded in the Appropriation Ledger.
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 years ended December 31, 2018 and 2017. We noted appropriations did not exceed 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, 2018 and 2017 as recorded in the Appropriation Ledger. We noted expenditures did not exceed appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the Cash Journal for evidence of new restricted receipts requiring a new fund during the years ended December 31, 2018 and 2017. We also inquired of management regarding whether the District received new restricted receipts. We observed no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the District to establish a new fund.

7. For the fund existing in prior years, we inspected the fund activity to determine whether the fund is still being used for the statutorily approved purpose and that all of the required funds were established. The required fund was established and no funds for which the statutorily approved purpose was no longer valid were included on the accounting records.
8. We inquired of management and inspected the Appropriation Ledger to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. The District did not establish these reserves.
9. We inspected the Cash Journal for the years ended December 31, 2018 and 2017 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 instances of a negative cash fund balance.

Other Compliance

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. Financial information for the years ended December 31, 2018 and 2017 was filed on April 2, 2019 and March 6, 2018, respectively, neither of which was within the allotted timeframe.

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 its cash-basis accounting records for the years ended December 31, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

August 14, 2019

OHIO AUDITOR OF STATE KEITH FABER



VERMILION RIVER AMBULANCE DISTRICT

HURON 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 29, 2019**