



County Controller

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Agreed-Upon Procedures
Report

**HOTEL ROOM
RENTAL TAX**

**WOODSTONE COUNTRY
CLUB & LODGE #144**

For the Period January 1, 2020
to December 31, 2021

**Office of the Controller
County of Northampton
Pennsylvania**



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CONTROLLER OF NORTHAMPTON COUNTY

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Solicitor

**INDEPENDENT INTERNAL AUDITOR'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Northampton County Commissioners
Lamont G. McClure, Jr., County Executive
County of Northampton, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the County of Northampton's Administration solely to assist you with evaluating the Hotel Room Rental Tax Remittances from License #144 Woodstone Country Club and Lodge for the period January 1, 2020 to December 31, 2021. County management is responsible for ensuring that Operators within Northampton County are collecting this tax from their guests and that Operators remit the tax they collect to the County. The sufficiency of these procedures is solely the responsibility of the parties specified in this report, who have acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

Procedures and Findings

1. Procedure:

- Obtain two years of tax remittances from the County's Revenue Division. Inspect to determine whether the operator used the latest version of the remittance form and that the form was fully completed in a proper and accurate manner.
- As necessary, provide hotel management with a copy of the current Hotel Tax Rules and Regulations.

Findings: We inspected all remittance forms submitted during the audit period and found that the Operator used the latest version of the County's remittance report and they were completed in an accurate manner.

- 2. Procedure:** Interview hotel management to gain an understanding of the Operator's accounting process.

Findings: We obtained an understanding of the Operator's accounting process sufficient to evaluate the accuracy of remittances to the County.

- 3. Procedure:** Inspect the Operator's financial reports to verify the accuracy of Remittance Reports and compliance with Rules and Regulations.

Findings: We recalculated all remittance forms submitted during the period, inspected exemption documentation, and found:

- The Operator submitted the greater of the tax collected vs tax due for all 24 months.
- All calculations were accurate; reports were submitted on time in 21 of 24 months. For one month, the late remittance was caused by mail being routed through the Philadelphia post office. The County assessed a late fee for one of the late remittances.
- The hotel was closed due to Covid-19 Pandemic in the months of April and May of 2020.
- For seven out of 24 months, taxable revenue per the Operator's financial records was greater than taxable revenue reported to the County.

- 4. Procedure:** Investigate the validity of claimed permanent and non-permanent exemptions by testing a sample not to exceed 50.

Findings: The Operator did not claim any exceptions in 2020 or 2021

- 5. Procedure:** Calculate any additional tax owed or refund due to the Operator. (Underpayment or overpayment of hotel tax by operators of \$5 or less determined during the audits are considered immaterial and will not be collected from nor paid to hotel Operators.)

Findings: We determined that License #144 Woodstone Country Club and Lodge owes Northampton County \$98.98 in hotel room taxes. See Exhibit 1 for a detailed breakdown of the additional tax due from the hotel.

We conducted this agreed-upon procedures engagement in accordance with generally accepted 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 Hotel Room Rental Tax Remittances from License #144 Woodstone Country Club and Lodge for the period January 1, 2020 to December 31, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. We are required to be independent of the responsible party and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to the agreed-upon procedures engagement.

INDEPENDENT INTERNAL AUDITOR'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
Hotel Room Rental Tax Remittances – License #144 Woodstone Country Club and Lodge
January 1, 2020 – December 31, 2021
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Richard J. Szulborski
County of Northampton Controller
Easton, Pennsylvania



Altynay Kanatbekoff
Auditor II

June 2, 2022

cc: S. Barron, Director of Fiscal Affairs
W. Nicklas, Revenue Manager
T. Smith, Director of Department of Community and Economic Development
K. Collis, Community and Economic Development Specialist
B. Sosa, Controller

COUNTY OF NORTHAMPTON
 Hotel Room Rental Tax Remittances
 License #144 Woodstone Country Club and Lodge
 January 1, 2020 – December 31, 2021

Exhibit 1

	<u>Tax Remitted</u>	<u>Tax Calculated</u>	<u>Over/(Under) Payment</u>	<u>Interest</u>	<u>Amount Due to County</u>
October 2021	1,441.81	1,532.62	(90.81)	(8.17)	(98.98)
Subtotal 2021	\$1,441.81	\$1,532.62	(\$90.81)	(\$8.17)	(\$98.98)
Grand Total	\$1,441.81	\$1,532.62	(\$90.81)	(\$8.17)	(\$98.98)
Total Due					<u>(\$98.98)</u>

Please send a check payable to the County of Northampton in the amount of \$98.98 and a copy of this statement to:

County of Northampton
 Revenue Division, Attn. Wayne Nicklas
 669 Washington St.
 Easton, PA 18042

If you have any questions, call Wayne Nicklas at 610-829-6138.

Hotel License #144	Woodstone Country Club & Lodge 3777 Dogwood Rd Danielsville, PA 18038
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Contact:	Brooke Sosa, Controller
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