

**County Controller**

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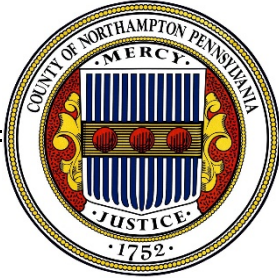
Agreed-Upon Procedures  
Report

**HOTEL ROOM  
RENTAL TAX**

**NON-SITE VISITS**

For the Period January 1, 2021 to  
December 31, 2022

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



**SCOTT PARSONS**

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**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 for the following hotels which reported less than \$8,000 annually in hotel tax for the period of January 1, 2021 to December 31, 2022.

Nazareth Motel #109	Classic Victorian B&B #115
Barnhouse Village #116	Filbert Bed & Breakfast #126
Camp Charles Campground #137	

It should be noted that our original Agreed upon Procedure Letter included Bethlehem Inn on this list, but we found they permanently closed prior to January 1, 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**

**Procedure:**

Contact each hotel and request information about tax revenue amounts collected each year in the two-year period under review. Compare responses from hotels to actual tax received by the County on monthly or quarterly remittance forms and determine whether actual tax revenue exceeds tax received by 5% or more.

**Findings:** We contacted each hotel and obtained information about tax revenue amounts collected each year in the two-year period under review. The summarized remittance information for each year was compared to the verification forms requested from the hotel operators and we found:

- The verification and exemption forms returned by the establishments listed below agreed with the remittance forms submitted to the County indicating that revenue and taxes appear to be reasonably stated:
  - The Nazareth Motel #109
  - Classic Victorian B&B #115
  - The Barn House Village #116
  - The Filbert Bed & Breakfast #126
  
- The amounts on the verification forms returned by License #137 Camp Charles Campground were slightly different than what was submitted to the County. In 2021, the Campground overpaid the County by \$6.24. In 2022, the Campground underpaid the County by \$10.40. This resulted in the Campground owing \$4.16 in unpaid hotel tax, which is immaterial.

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 these hotels for the period January 1, 2021 to December 31, 2022. 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.



Scott Parsons  
County of Northampton Controller  
Easton, Pennsylvania



Ghada Gerges  
Auditor II

August 12, 2023

INDEPENDENT INTERNAL AUDITOR'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES  
Hotel Room Rental Tax Remittances – NON-SITE VISITS  
January 1, 2021 – December 31, 2022  
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cc: S. Barron, Director of Fiscal Affairs  
A. Morris, Revenue Manager  
T. Smith, Director of Department of Community and Economic Development  
K. Collis, Community and Economic Development Specialist  
Hotel Managers/Operators