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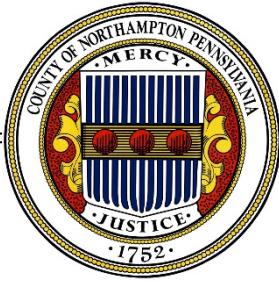
Agreed-Upon Procedures  
Report

**HOTEL ROOM  
RENTAL TAX**

**HOTEL BETHLEHEM**

For the period January 1, 2017  
through December 31, 2018

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



**RICHARD J. SZULBORSKI**

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

Members of the Northampton County Council  
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 #101, The Hotel Bethlehem, for the period January 1, 2017 to December 31, 2018. County management is responsible for ensuring that hotel 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 those 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.

**Procedures and Findings**

- 1. Procedure:** Determine if taxable revenues, exempt revenues, and taxes due as reported are accurate.
  - Where the population of exemptions claimed by a hotel is 200 or more in the period being reviewed, a sample of exemptions not to exceed 50 per hotel will be tested.
  - Underpayment or overpayment of hotel tax by operators of \$5 or less determined during audits will be considered immaterial and will not be collected from nor paid to hotel operators.

**Findings:** We compared the 24 monthly remittance forms submitted during the period to the hotel's records and found:

- Room revenue on the operator's financial reports matched the gross revenue amounts reported on the tax remittance forms for all 24 months.
- Hotel tax collected on the remittance forms matched the amounts in the operator's general ledger account in all of the 24 months reviewed.
- Hotel tax calculated and disbursed that was recorded in the operator's financial records agreed to the tax remitted by the hotel in all 24 months.

- 2. Procedure:** Determine whether the operator is using the latest version of the remittance form and that the form was fully completed in a proper and accurate manner.

**Findings:** We inspected and recalculated all 24 remittance forms submitted during the period and found:

- Calculations of tax due for all 24 months of remittance forms filed for 2017 and 2018 were correct. The operator used the current version of the remittance form.
- The hotel paid and submitted remittances by the 20th of the month for all 24 months.

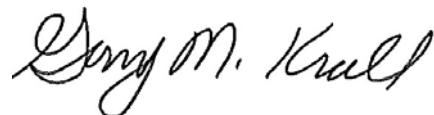
Based on the findings above, we determined that The Hotel Bethlehem does not owe Northampton County any additional hotel room taxes. We also concluded that the hotel did not make any overpayments of hotel room taxes.

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 #101 The Hotel Bethlehem for the period January 1, 2017 to December 31, 2018. 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.

This report is intended solely for the information and use of the management of the County of Northampton, Pennsylvania and is not intended to be and should not be used by anyone other than these specified parties.



Richard J. Szulborski  
County of Northampton Controller  
Easton, Pennsylvania



Gary M. Krall, CMA  
Lead Auditor

December 20, 2019

cc: S. Barron, Director of Fiscal Affairs  
N. Poplawski, Revenue Manager  
T. Smith, Director of Department of Community and Economic Development  
K. Collis, Community and Economic Development Specialist  
L. Mulligan, Controller- Hotel Bethlehem