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CONTROLLER OF NORTHAMPTON COUNTY

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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 #148 Sands Casino and Hotel for the period January 1, 2016 to December 31, 2017. 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 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.

Findings: We reviewed all 24 remittance forms submitted during the period and found:

- The hotel's supporting documentation for calculation of taxable revenue and tax collected agreed to their financial statements and was properly and accurately reported on the County remittance forms except for one month.
- In one month the hotel reported higher taxable revenue than their financial records indicated resulting in an overpayment of tax by \$64.32.
- The hotel did not report any exemptions in 2016 or 2017.

- 2. Procedure:** Determine if 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 reviewed all 24 remittance forms submitted during the period and found:

- The latest version of the remittance form was being used.
- All of the remittance forms were fully and properly completed, and all calculations of tax due were accurate.

INDEPENDENT INTERNAL AUDITOR'S REPORT
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Hotel Room Rental Tax Remittances – License #148 – Sands Casino and Hotel
January 1, 2016 – December 31, 2017
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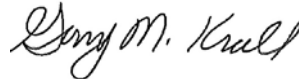
Based on the findings above, we determined that the Sands Casino and Hotel is owed a credit by the County for \$64.32 for overpayment of hotel room taxes. See Exhibit 1 for the credit due to the hotel.

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 #148 Sands Casino and Hotel for the period January 1, 2016 to December 31, 2017. 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 Controller



Gary M. Krall, CMA
Lead Auditor

November 15, 2018

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

