



**RENO BEACH HOWARD FARMS
CONSERVANCY DISTRICT**

LUCAS COUNTY

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2009



Mary Taylor, CPA
Auditor of State

RENO BEACH HOWARD FARMS CONSERVANCY DISTRICT
LUCAS COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Reno Beach/Howard Farms Conservancy District
Lucas County
643 Donovan Road
Curtice, Ohio 43412-9433

We have performed the procedures enumerated below, with which the Board of Directors and the management of Reno Beach/Howard Farms Conservancy District, Lucas County (the District) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2009 and 2008, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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*. 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

1. We tested the mathematical accuracy of the December 31, 2009 and December 31, 2008 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2008 beginning fund balance for the general checking account recorded in the Check and Deposit Register plus the January 1, 2008 beginning fund balance for Star Ohio reported in the Star Ohio Register Report for 1/5/08 – 12/31/08 to the December 31, 2007 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2009 and 2008 fund cash balances reported for the general checking account recorded in the Check and Deposit Register, and the December 31, 2009 and 2008 fund cash balance for Star Ohio reported in the Star Ohio Register Reports. The amounts agreed.
4. We confirmed the December 31, 2009 bank account balances with the District's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2009 bank reconciliation without exception.

5. We selected one (the only outstanding check) from the December 31, 2009 bank reconciliation:
 - a. We traced the check to the debit appearing in the following April bank statement. We found no exceptions.
 - b. We traced the amount and date written to the check register, to determine the check was dated prior to December 31. We noted no exception.

Special Assessments, Intergovernmental and Other Confirmable Cash Receipts

1. We selected one special assessment receipt from the *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2009 and one from 2008:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Check and Deposit Register. The amounts agreed.
 - b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.

Debt

We inquired of management, and scanned the Check and Deposit Register for evidence of bonded or note debt issued during 2009 or 2008 or outstanding as of December 31, 2009 or 2008. We noted no new debt issuances, nor any debt payment activity during 2009 or 2008.

Payroll Cash Disbursements

We haphazardly selected one payroll check for the employee from 2009 and one payroll check for the employee from 2008 from the Check and Deposit Register and determined whether the following information in the minute record was consistent with the information used to compute gross and net pay related to this check:

- a. Name
- b. Authorized salary or pay rate
- c. Department(s) and fund(s) to which the check should be charged.
- d. Retirement system participation and payroll withholding.

We found no exceptions related to steps a. – d. above.

2. We tested the checks we selected in step 1, as follows:
 - a. We compared salary amount used in computing gross pay to supporting documentation. We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the Check and Deposit Register. We found no exceptions.
 - c. We determined whether the account code to which the check was posted was reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
3. We scanned the last remittance of retirement withholdings for the year ended December 31, 2009 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2009. We noted the following:

Withholding	Date Due	Date Paid	Amount Withheld	Amount Paid
OPERS retirement (withholding plus employer share)	January 30, 2010	1/11/2010	\$120.00	\$120.00

Non-Payroll Cash Disbursements

1. For the Check and Deposit Register, we refooted checks recorded as General Fund (one fund only) disbursements for *supplies and materials*, and checks recorded as *utilities* for 2009. We found no exceptions.
2. We agreed total disbursements (non-payroll and payroll) from the Cash Flow Report for the years ended December 31, 2009 and 2008 to the total disbursements recorded in the Check and Deposit Register. We found no exceptions.
3. We haphazardly selected ten disbursements from the Check and Deposit Register for the year ended December 31, 2009 and ten from the year ended December 31, 2008 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 Check and Deposit Register 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 Sections 5705.28(B)(2), 5705.41(D) and 6101.44. We found no exceptions.

Compliance – Budgetary

1. We compared the Resolution certifying the annual Maintenance Assessment to the Lucas County Auditors Office as provided in Section 6101.53 and of the Ohio Revised Code for 2009 and 2008 to the Permanent Appropriations Report that serves as an operating budget, as required by Ohio Rev. Code Sections 5705.28(B)(2), including unencumbered balances, the Maintenance Assessment, and estimated interest receipts. The amounts agreed.
2. We scanned the appropriation measures adopted for 2009 and 2008 to determine whether the Directors appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Sections 5705.28(B)(2) and. We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Section 6101.44 from the permanent appropriations resolutions, to the amounts recorded in the Appropriations Balance Sheet for 2009 and 2008. The amounts on the appropriation resolutions agreed to the amounts recorded in the Appropriations Balance Sheet report.
4. Ohio Rev. Code Section 6101.44 prohibits appropriations from exceeding the unencumbered balance plus the amounts to be received during the year. We compared total appropriations to total estimated revenue for the years ended December 31, 2009 and 2008. We noted appropriations did not exceed estimated revenue.

5. Ohio Rev. Code Section 6101.44 prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2009 and 2008 as recorded in the Appropriation Balance Sheet. We noted expenditures did not exceed appropriations.
6. Ohio Rev. Code Section 6101.44 requires establishing separate funds to segregate externally-restricted resources. We scanned the Cash Flow Report for evidence of new restricted receipts requiring a new fund during December 31, 2009 and 2008. We also inquired of management regarding whether the District received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Sections 5705.09 and 6101.44 would require the District to establish a new fund.

Compliance – Contracts and Expenditures

1. We inquired of management and scanned the Check and Deposit Register report for the years ended December 31, 2009 and 2008 for procurements requiring competitive bidding for improvements for items which a conservancy district was established by contract, in excess of \$25,000, as required by Ohio Rev. Code Section 6101.16.

We identified a repair and restructuring of lake front dike project exceeding \$25,000, subject to Ohio Rev. Code Section 6101.16. For this project, we noted the Board advertised the project in a local newspaper, and selected the only bidder.

2. For the dike repair project described in step 1 above, we read the contract and noted that it required the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code Sections 4115.04 and 4115.05. The contract included the Ohio Department of Commerce's schedule of prevailing rates, and also required the contractor to incorporate the prevailing wage requirements into its subcontracts.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. 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 management, and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

August 19, 2010



Mary Taylor, CPA
Auditor of State

RENO BEACH HOWARD FARMS CONSERVANCY DISTRICT

LUCAS 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
SEPTEMBER 21, 2010**