



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Blanchard River Enhancement Project
Hancock County
300 South Main Street
Findlay, Ohio 45840

We have performed the procedures enumerated below, with which the Joint Board of County Commissioners and the management of the Blanchard River Enhancement Project, Hancock County, Ohio (the Project), 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, 2010 and 2009, 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

We agreed the January 1, 2009 beginning fund balances recorded in the Account Summary Trial Balance to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.

Special Assessments and Other Confirmable Cash Receipts

1. We selected a special assessment receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for each County involved in the Project for 2010 and one from each County for 2009.
 - a. We traced the amount from each Counties *Statement* to the amount recorded in the Year-to-Date Budget Report - Revenue. The amount agreed.
 - b. We determined whether the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found one receipt of \$634 for an assessment from Allen County recorded in the Project's fund that should have been recorded in Hancock County's Ditch Maintenance fund. We brought this to management's attention. They corrected the Project's and County's fund balances for this item. However, because we did not test all receipts, our report provides no assurance regarding whether or not other similar errors occurred.
 - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.

2. We confirmed the amount paid from Turf Concepts, LLC to the Project during 2010 with Turf Concepts, LLC.
 - a. We determined whether this receipt was allocated to the proper fund. We found no exception.
 - b. We determined whether the receipt was recorded in the proper year. We found no exception.

Debt

1. The prior audit report disclosed no debt outstanding as of December 31, 2008.
2. We inquired of management, and scanned the Year-to-Date Budget Report – Revenue and Expenses for evidence of debt issued during 2010 or 2009 or debt payment activity during 2010 or 2009. We noted no new debt issuances or any debt payment activity during 2010 or 2009.

Non-Payroll Cash Disbursements

We selected all disbursements from the Year-to-Date Budget Report - Expenditures for the year ended December 31, 2010 and all from the year ended December 31, 2009 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 Year-to-Date Budget Report - Expenditures and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
- d. 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 total amounts from the Amended Official Certificate of Estimated Sources required by Ohio Rev. Code, Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Year-to-Date Budget Report for the Capital Project Fund for the years ended December 31, 2010 and 2009. The amounts agreed.
2. We scanned the appropriation measures adopted for 2010 and 2009 to determine whether, for the Capital Projects fund, the Commissioners 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 5705.38(C). We found no exceptions.

Compliance – Contracts and Expenditures

We inquired of management and scanned the Year-to-Date Budget Report – Expenditures for the years ended December 31, 2010 and 2009 for procurements requiring competitive bidding for improvements for items which the project was established by contract, in excess of \$25,000, as required by Ohio Rev. Code, Section 1515.08(H).

We identified no purchases subject to the aforementioned bidding requirements.

Officials' Response:

The Hancock County Auditor's Office is aware of the clerical error and will be communicating with the Soil and Water Administration for future anticipated payments for this project.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Project'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, those charged with governance and others within the Project, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

August 25, 2011

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BLANCHARD RIVER ENHANCEMENT PROJECT

HANCOCK 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 8, 2011**