

**WHITEWATER TOWNSHIP REGIONAL
SEWER & WATER DISTRICT
HAMILTON COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

OHIO AUDITOR OF STATE
KEITH FABER



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Board of Trustees
Whitewater Township Regional Sewer & Water District
P.O. Box 532
Miamitown, Ohio 45041

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of Whitewater Township Regional Sewer & Water District, Hamilton County, prepared by Bastin & Company, LLC, for the period January 1, 2018 through December 31, 2019. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Whitewater Township Regional Sewer & Water District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

July 14, 2020

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Bastin & Company, LLC

Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Whitewater Township Regional Sewer & Water District
Hamilton County
P.O. Box 532
Miami town, Ohio 45041

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Whitewater Township Regional Sewer & Water District (the District) and the Auditor of State, on the receipts, disbursements and balances recorded in the Districts cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. 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 and Investments

1. We recalculated the December 31, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2018 beginning balances recorded in the Checking, Savings, Star-Ohio and Star Plus Registers to the December 31, 2017 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Checking, Savings, Star-Ohio and Star Plus Registers to the December 31, 2018 balances in the Checking, Savings, Star-Ohio and Star Plus Registers. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 bank balances reported in the Checking, Savings, Star-Ohio and Star Plus Registers and the financial statements filed by the District in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2019 Star-Ohio and Star Plus account balances with the District's financial institution and observed the year-end checking account bank balance on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2019 bank reconciliation without exception.
5. We selected the two reconciling debits (outstanding checks) from the December 31, 2019 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the Checking Register, to determine the debits were dated prior to December 31. There were no exceptions.

6. We traced interbank account transfers occurring in December of 2019 and 2018 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.
7. We inspected investments held at December 31, 2019 and December 31, 2018 to determine that they were of a type authorized by Ohio Rev. Code Section 6119.16. We found no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected a special assessment receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2019 and one from 2018:
 - a. We compared the amount from the *Statements* to the amount recorded in the Checking Register. The amounts agreed.
 - b. We inspected the Checking Register to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Checking Register to determine whether it included two special assessment receipts for 2019 and 2018. The Checking Register included the proper number of special assessment receipts for each year.

Over-The-Counter Cash Receipts

We selected 10 over-the-counter cash receipts from the year ended December 31, 2019 for tap-in fees recorded in the tap-in receipt log and:

- a. Agreed the receipt amount to the amount recorded in the Checking Register. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.

Debt

1. From the prior agreed-upon procedures documentation, we observed the following loans were outstanding as of December 31, 2017. These amounts agreed to the District's January 1, 2018 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2017:
OWDA Construction Loan #3502	\$ 477,954
OWDA Construction Loan #4275	1,299,550
OPWC Loan Project #CB22G	150,000
OWDA Construction Loan #5260	280,898
OWDA Construction Loan #5904	2,047,167
OWDA Construction Loan #6437	262,127

2. We inquired of management, and inspected the Checking Register for evidence of debt issued during 2019 or 2018 or debt payment activity during 2019 or 2018. All debt agreed to the summary we used in procedure 3.

3. We obtained a summary of loan debt activity for 2019 and 2018 and agreed principal and interest payments from the related debt amortization schedules to debt service payments reported in the Checking Register. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2019 and one payroll check for five employees from 2018 from the Checking Register and:
 - a. We compared the hours and pay rate, or salary amount recorded in the Checking Register to supporting documentation (legislatively approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the Checking Register. We found no exceptions.
 - c. We inspected the Checking Register to confirm whether the account codes to which the check was posted were reasonable based on the employees' duties as documented in the minute record. We also confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2019 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2019. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security for employees not enrolled in pension system)	January 31, 2020	December 17, 2019	\$87.00	\$87.00
OPERS retirement	January 30, 2020	December 17, 2019	\$240.00	\$240.00

Non-Payroll Cash Disbursements

1. We selected ten disbursements from the Checking Register for the year ended December 31, 2019 and ten from the year ended 2018 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 Checking 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 Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2019 and 2018. Expenditures did not exceed appropriations.
2. We inspected the Checking, Savings, Star-Ohio and Star Plus Registers for the years ended December 31, 2019 and 2018 for a negative cash fund balance. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. There were no funds having negative cash fund balances.

Sunshine Law Compliance

1. We inquired with District management and determined that the District did not have a public records policy during the engagement period as required by Ohio Rev. Code § 149.43(B)(7)(c).
2. We inquired with District management and determined that the District did not have any completed public records requests during the engagement period.
3. We inquired with District management and determined that the District did not have any denied public records requests during the engagement period.
4. We inquired with District management and determined that the District did not have any public records requests with redactions during the engagement period.
5. We inquired with District management and determined that the District did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).
6. We inquired with District management and determined that the District did not have a public records policy during the engagement period therefore could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).
7. We inquired with District management and determined that the District did not have a policy manual during the engagement period therefore the public records policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).
8. We inquired with District management and determined that the District did not have a public records policy during the engagement period therefore it could not be displayed in all the branches of the District as required by Ohio Rev. Code § 149.43(E)(2).
9. We inquired with District management and determined that the District did not have any applications for record disposal submitted to the Records Commission during the engagement period.

10. We inquired with District management and determined that the District did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
11. We inspected the public notices for the public meetings held during the engagement period and determined the District notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
13. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

Ohio Rev. Code Section 117.38 requires these district's to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2019 and 2018 in the Hinkle system. There were no exceptions.

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*. 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 the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Whitewater Township Regional Sewer & Water District
Hamilton County
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This report is to provide assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Bastin & Company, LLC". The signature is written in black ink on a light-colored background.

Cincinnati, Ohio
June 12, 2020

OHIO AUDITOR OF STATE
KEITH FABER



WHITEWATER TOWNSHIP REGIONAL SEWER DISTRICT

HAMILTON 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
JULY 28, 2020**