



OHIO AUDITOR OF STATE
KEITH FABER



OHIO AUDITOR OF STATE KEITH FABER



One First National Plaza
130 West Second Street, Suite 2040
Dayton, Ohio 45402-1502
(937) 285-6677 or (800) 443-9274
WestRegion@ohioauditor.gov

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Port Authority of Allen County
Allen County
144 S. Main Street, 2nd Floor
Lima, Ohio 45801

We have performed the procedures enumerated below on the Port Authority of Allen County (the PAAC) receipts, disbursements and balances recorded in the cash-basis accounting records for the years ended December 31, 2020 and 2019, and certain compliance requirements related to these transactions and balances, included in the information provided to us by the management of the Port Authority. The Port Authority is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2020 and 2019 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Port Authority.

The Members of the Board and the management of the PAAC have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the PAAC's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2020 and 2019, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash and Investments

1. We recalculated the December 31, 2020 and December 31, 2019 Reconciliation Summary and Reconciliation Detail. We found no exceptions.
2. We agreed the January 1, 2019 beginning fund balances recorded in the financial statements to the December 31, 2018 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2020 beginning fund balances recorded in the financial statements to the December 31, 2019 balances in the financial statements. We found no exceptions.
3. We attempted to agree the totals per the bank reconciliations to the total of the December 31, 2020 and 2019 fund cash balances reported in the General Ledger and the financial statements filed by the Port Authority in the Hinkle System.

Cash and Investments (Continued)

The December 31, 2020 Reconciliation Summary prepared for the CNB Checking 6213, CNB Savings 1620, and CNB Savings 8490, agreed to the checking and savings balances presented on the financial statements filed in the Hinkle System. The December 31, 2019 Reconciliation Summary prepared for the CNB Checking 6213, and CNB Savings 1690 when netted together agreed to the checking balance; and the Reconciliation Summary prepared for the CNB Savings 8490, agreed to the savings balance presented on the financial statements filed in the Hinkle System. The financial statements filed in the Hinkle System in 2020 and 2019 also presented balances for certificates of deposit in the amount of \$565,000 and \$815,000, respectively, however these balances were not included in separate reconciliations. Since reconciliations were not prepared for each type of account and there was not one reconciliation that included all accounts that were reconciled to the General Ledger we were not able to agree the total reconciled balances to the General Ledger.

4. We confirmed the December 31, 2020 bank account balances with the Authority's financial institution. The balances agreed for the CNB Checking 6213, CNB Savings 1620, CNB Savings 8490, and the two certificates of deposit held at Citizens National Bank. The confirmed balance for the certificate of deposit held at Premier Bank was \$8,216 greater than the balance reported by the PAAC. We also agreed the confirmed balances for the CNB Checking 6213, CNB Savings 1620, and the CNB Savings 8490, to the amounts appearing in the December 31, 2020 Reconciliation Summary prepared for each account. The confirmed balances for the certificates of deposit did not have a Reconciliation Summary and there was not a combined summary for all accounts.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2020 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 check register and determined the debits were dated prior to December 31. There were no exceptions.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2020 and 10 other receipts from the year ended 2019 and:

- a. Agreed the receipt amount in the Transaction Detail By Account Report to supporting documentation. The amounts agreed.
- b. Inspected the Transaction Detail By Account Report to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions

Debt

1. From The prior audit documentation disclosed no debt outstanding as of December 31, 2018.
2. We inquired of management, and inspected Transaction Detail By Account Report for evidence of debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. There were no new debt issuances, nor any debt payment activity during 2020 or 2019.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Transaction Detail By Account Report for the year ended December 31, 2020 and 10 from the year ended 2019 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.

Non-Payroll Cash Disbursements (Continued)

- 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 Transaction Detail By Account Report 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.

Compliance – Budgetary

1. Ohio Rev. Code Section 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, 2020 and 2019 for the General fund. We observed that General Fund expenditures for 2020 exceeded total appropriations by \$40,222, contrary to Ohio Rev. Code Section 5705.41(B).
2. We inspected the Cash Summary by Fund Report for the years ended December 31, 2020 and 2019 for 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 obtained and inspected the PAAC's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We inquired with the PAAC management and determined that the PAAC did not have any completed public records requests during the engagement period.
3. We inquired with the PAAC management and determined that the PAAC 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).

Ohio Rev. Code § 149.43(B)(2) requires "a public office to have available a copy of its current records retention schedule at a location readily available to the public." The PAAC did not have a records retention schedule.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inspected the PAAC's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We inquired with PAAC management and determined that the PAAC did not have "brick and mortar location" to display the public records policy during the engagement period therefore Ohio Rev. Code § 149.43(E)(2) would not be applicable. However, per the PAAC it is available upon request from the public.

Sunshine Law Compliance (Continued)

7. We inquired with PAAC management and determined that the PAAC did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inquired with PAAC management and determined that the PAAC 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).
9. We inspected the public notices for the public meetings held during the engagement period and determined the PAAC 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.
11. 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.
11. 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

1. Ohio Rev. Code Section 117.38 requires port authorities 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 Authority 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, 2020 and 2019 in the Hinkle system. There were no exceptions.

We were engaged by the PAAC to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the PAAC'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.

Port Authority of Allen County
Allen County
Independent Accountants' Report on
Applying Agreed-Upon Procedures
Page 5

We are required to be independent of the Port Authority and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

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

Keith Faber
Auditor of State
Columbus, Ohio

November 4, 2021

OHIO AUDITOR OF STATE KEITH FABER



PORT AUTHORITY OF ALLEN COUNTY

ALLEN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 12/7/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov