

***SUNDAY CREEK VALLEY WATER DISTRICT***

**ATHENS COUNTY, OHIO**

**AGREED-UPON PROCEDURES**

**For the Years Ended December 31, 2020 and 2019**





OHIO AUDITOR OF STATE  
KEITH FABER



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Board of Trustees  
Sunday Creek Valley Water District  
15945 Second Street  
Millfield, Ohio 45761

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures of Sunday Creek Valley Water District, Athens County*, prepared by Charles E. Harris & Associates, Inc., for the period January 1, 2019 through December 31, 2020. 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. Sunday Creek Valley 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 07, 2021

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***SUNDAY CREEK VALLEY WATER DISTRICT***  
**ATHENS COUNTY, OHIO**  
**Agreed-Upon Procedures**  
**For the Years Ended December 31, 2020 and 2019**

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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Sunday Creek Water District  
Athens County  
15945 Second Street  
Millfield, Ohio 45761

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Sunday Creek Valley Water District, Athens County (the District) and the Auditor of State, on the receipts, disbursements and balances recorded in the District's cash basis accounting records for the years ended December 31, 2020 and 2019 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, 2020 and 2019 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, 2020 and December 31, 2019 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2019 beginning balance recorded in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2020 beginning fund balances recorded in the General Ledger to the December 31, 2019 balances in the General Ledger. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2020 and 2019. Cash balances reported in the General Ledger and the financial statements filed by the District in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2020 bank account balances with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2020 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2020 bank reconciliation:
  - a. We traced the debit to the subsequent January bank statement. We found no exceptions.
  - b. We traced the amount and date to the check register, and determined the debits were dated prior to December 31. There were no exceptions.
6. We inspected investments held at December 31, 2020 and December 31, 2019 to determine that they were of a type authorized by Ohio Rev. Code Section 6119.16. We found no exceptions.

**Charges for Services**

1. We selected 10 water collection cash receipts from the year ended December 31, 2020 and 10 water collection cash receipts from the year ended December 31, 2019 recorded in the General Ledger and:
  - a. Agreed the receipt amount per the Daily Receipt List to the amount recorded to the customer's account in the Billing Register. The amounts agreed.
  - b. Amount charged for the related billing period:
    - i. Agreed with the debit to accounts receivable in the Billing Register for the billing period. We found no exceptions.
    - ii. Complied with rates in force during the audit period multiplied by the consumption amount recorded for the billing period, plus any applicable late penalties, plus unpaid prior billings. We found no exceptions.
  - c. Receipt was posted to the proper fund, and was recorded in the year received. We found no exceptions.
2. We inspected the Aged Balances Report.
  - a. This report listed \$98,333 and \$78,718 of accounts receivable as of December 31, 2020 and 2019, respectively.
  - b. Of the total receivables reported in procedure 2a, \$17,180 and \$12,119 were recorded as more than 90 days delinquent as of December 31, 2020 and 2019, respectively.
3. We inspected the Billing Register.
  - a. This report listed a total of \$8,580 and \$8,124 non-cash receipts adjustments for the years ended December 31, 2020 and 2019, respectively.
  - b. We selected five non-cash adjustments from 2020 and five non-cash adjustments from 2019, and noted that office administration approves the adjustments.

**Debt**

1. From the prior agreed-upon procedures documentation, we observed the following loans were outstanding as of December 31, 2018. These amounts agreed to the District's January 1, 2019 balances on the summary we used in procedure 3.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2018:</b>
OWDA 3577	\$ 580,707
OWDA 3332	\$ 84,381
OWDA 3196	\$ 118,635
OWDA 4841	\$ 432,247
OPWC CR09F	\$ 40,843

2. We inquired of management, and inspected the General Ledger Report for evidence of debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of loan debt activity for 2020 and 2019 and agreed principal and interest payments from the related debt amortization schedules to debt service fund payments reported in the General Ledger. We also compared the date the debt service payments were due to the date the district made the payments. We found no exceptions.



4. For new debt issued during 2020 and 2019, we inspected the debt legislation, which stated the District must use the proceeds to construct the water systems. We inspected the General Ledger and observed the District used the loans to pay for the construction and technical services for the water systems in 2020. \$418,546.42 is the unspent balance as of December 31, 2020.

**Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2020 and one payroll check for five employees from 2019 from the General Ledger Report and:
  - a. We compared the hours and pay rate, or salary recorded in the General Ledger Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary).
    - i. We inspected the Payroll Earnings Statement for the Retirement system, Federal, State & Local income tax withholding authorization.
    - ii. We agreed these items to the information used to compute gross and net pay related to this check. We found no exceptions.
  - b. We inspected the fund and account code to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the Payroll Earnings Statement. We found no exceptions.
  - c. We 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, 2020 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 2020. We observed the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2021	January 6, 2021	\$ 1,339.10	\$ 1,339.10
State income taxes	January 15, 2021	January 6, 2021	\$ 380.99	\$ 380.99
School District Income Tax	January 30, 2021	January 6, 2021	\$ 6.84	\$ 6.84
OPERS retirement	January 30, 2021	January 6, 2021	\$ 3,674.61	\$ 3,674.61

**Non-Payroll Cash Disbursements**

1. We selected 10 disbursements from the General Ledger Report for the year ended December 31, 2020 and 10 from the year ended December 31, 2019 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 General Ledger 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.
  - d. 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) prohibit 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. Expenditures did not exceed appropriations.
2. We inspected the General Ledger 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 District'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 District's management and determined that the District did not have any completed public records requests, redactions or denials during the engagement period.
3. We inquired whether the District had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
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 District'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 that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as a required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with the District's management and determined that the District did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inquired with the District's 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).
9. 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.

10. 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:
- Prepared – a file is created following the date of the meeting
  - Filed – placed with similar documents in an organized manner
  - Maintained - retained, at a minimum, for the engagement period
  - Open to public inspection – available for public viewing or request.
- We found no exceptions.

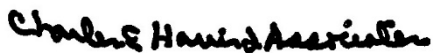
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
- Executive sessions were only held at regular or special meetings.
  - The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
  - 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. The Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. Financial information for December 31, 2020 and 2019 was filed on March 12, 2021 which was not within the allotted timeframe.

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.

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, 2020 and 2019, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



**Charles E. Harris & Associates, Inc.**  
June 11, 2021

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# OHIO AUDITOR OF STATE KEITH FABER



**SUNDAY CREEK VALLEY WATER DISTRICT**

**ATHENS 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 7/20/2021**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)