



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Allen Water District
Allen County
3230 North Cole Street
Lima, Ohio 45801

We have performed the procedures enumerated below on the Allen Water District's (the District) receipts, disbursements and balances recorded in the cash basis accounting records for the year ended December 31, 2020 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 year ended December 31, 2020 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District.

The Board of Trustees and the management of the District have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the year ended December 31, 2020, 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

1. Allen County is the custodian for the District's deposits, and therefore the County's deposit and investment pool holds the District's assets. We compared the District's fund balances reported on its December 31, 2020 Fund Balance Report to the balances reported in Allen County's accounting records. The amounts agreed.
2. We agreed the January 1, 2020 beginning fund balances for each fund recorded in the Fund Balance Report to the December 31, 2019 balances in the prior year audited statements. We found no exceptions.

Confirmable Cash Receipts

1. We confirmed the individual amounts paid from the City of Lima and the Allen County Sanitary Engineering to the District during 2020. We found no exceptions.
 - a. We inspected the YTD Detail Revenue Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We inspected the YTD Detail Revenue Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Charges for Services

1. We obtained the December 31, 2020 glTransactionSelect report submitted by the City of Lima, the entity responsible for collecting the fees on behalf of the District. We agreed the total gross fees for the year ended December 31, 2020 to the District's YTD Detail Revenue Report. The amounts agreed.

Debt

1. From the prior audit documentation, we observed the following loans were outstanding as of December 31, 2019. These amounts agreed to the District's January 1, 2020 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2019:
OWDA Loan 2139	\$51,064
OWDA Loan 2961	\$5,990
OWDA Loan 2975	\$81,569
OWDA Loan 3129	\$32,680
OWDA Loan 3130	\$30,178
OWDA Loan 3131	\$157,619
OWDA Loan 3132	\$124,979
OWDA Loan 3209	\$68,275
OWDA Loan 3210	\$65,934
OWDA Loan 3230	\$254,199
OWDA Loan 3297	\$30,545
OWDA Loan 3874	\$111,088
OWDA Loan 3910	\$87,945
OWDA Loan 4056	\$342,981
OWDA Loan 4279	\$54,135
OWDA Loan 4566	\$300,661
OWDA Loan 6589	\$438,008
OWDA Loan 8383	\$70,348
Ohio Water and Sewer Rotary Loan	\$270,013
LGIF Loan	\$237,844

2. We inquired of management, and inspected the YTD Detail Revenue Report and the Detail Expenditure Report for evidence of debt issued during 2020 or debt payment activity during 2020. All debt agreed to the summary we used in procedure 3. There were no new debt issuances, during 2020.
3. We obtained a summary of loans debt activity for 2020 and agreed principal and interest payments from the related debt amortization schedules to AWD Project Debt Service fund payments reported in the Detail Expenditure Report. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the YTD Detail Expenditure Report for the year ended December 31, 2020 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 YTD Detail Expenditure 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 § 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code §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 §§ 5705.38 and 5705.40) plus any carryover appropriations for the year ended December 31, 2020 for the Allen Water District (AWD) Project Debt Service, Allen Water District (AWD) Operating Fund, and Allen Water District (AWD) External Capital Reserve funds. Expenditures did not exceed appropriations.
2. We inspected the Fund Balance Report for the year ended December 31, 2020 for negative cash fund balance. Ohio Rev. Code § 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 District management and determined that the District did not have any completed, denied or redacted public records requests 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 observed that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.

Sunshine Law Compliance (Continued)

7. 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.
8. 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).
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:
 - 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 § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

1. Ohio Rev. Code § 117.38 requires these districts 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 year ended December 31, 2020 in the Hinkle system. We found no exceptions.

We were engaged by the District 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 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.

We are required to be independent of the District 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.



Keith Faber
Auditor of State
Columbus, Ohio

October 13, 2022

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OHIO AUDITOR OF STATE KEITH FABER



ALLEN WATER DISTRICT

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 11/10/2022

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This report is a matter of public record and is available online at
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