



OHIO AUDITOR OF STATE  
**KEITH FABER**







**INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES**

Lima-Allen County Convention and Visitors Bureau  
Allen County  
144 South Main Street, Suite 101  
Lima, Ohio 45801

We have performed the procedures enumerated below on the Lima-Allen County Convention and Visitor Bureau’s (the Bureau) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2022 and 2021 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Bureau. The Bureau is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2022 and 2021 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Bureau.

The Board of Trustees and the management of the Bureau have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Bureau’s receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2022 and 2021, 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. We recalculated the December 31, 2022 and December 31, 2021 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2021 beginning fund balances recorded in the General Ledger to the December 31, 2020 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, 2022 beginning fund balances recorded in the General Ledger to the December 31, 2021 balances in the General Ledger. We found no exceptions.
3. We agreed the 2022 and 2021 bank reconciliations as of December 31, 2022 and 2021 to the total fund cash balances reported in the General Ledger. The amounts agreed.

**Cash (Continued)**

4. We confirmed the December 31, 2022 bank account balances with the Bureau's financial institutions. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2022 bank reconciliation. We found \$57.68 of interest earned on December 31, 2022 from Citizens National Bank was not recorded in the General Ledger until 2023, therefore the bank confirmation was \$57.68 greater than the amount reported on the bank reconciliation.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2022 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statements. 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. We found no exceptions.
6. We traced interbank account transfers occurring in December of 2022 and 2021 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions.

**Cash Receipts**

1. We summarized lodging taxes the City of Lima's Vendor Invoice Detail Select Report, City of Delphos's emailed spreadsheet, Allen County's YTD Detail Expenditure Report, American Township's Vendor / Payee Payment Register, Bath Township's Vendor / Payee Payment Register, and Perry Township's Vendor / Payee Payment Register reported as payments to the Bureau during the years ending December 31, 2022 and 2021. The total reported disbursements were as follows:

Year Ended	Amount
December 31, 2022	\$739,501.99
December 31, 2021	\$602,455.76

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's General Ledger. We found no exceptions.

**Cash Disbursements**

1. We inquired of management regarding sources describing allowable purposes or restrictions related to the Bureau's disbursements of lodging taxes. We listed these sources and summarized significant related restrictions below:

**Source of Restrictions**

- a. The Bureau's Articles of Incorporation
- b. The Bureau's 501(c)(6) Tax Exemption
- c. Agreements with the City of Lima, City of Delphos, Allen County, American Township, Bath Township, and Perry Township.
- d. Ohio Rev. Code § 5739.092(A)(2)
- e. The agreement between the Bureau and Allen County regarding spending of the 1.75% lodging tax collections

The Bureau's tax exemption prohibits it from disbursements supporting a candidate's election.

**Cash Disbursements (Continued)**

Ohio Rev. Code § 5739.092(A)(2) restricts the Bureau to spending lodging tax “specifically for promotion, advertising, and marketing of the region in which the county is located”.

Auditor of State Bulletin 2003-005 concludes that disbursement of public funds (e.g. lodging taxes) for alcohol are generally improper. However, Auditor of State Bulletin 2014-003 explains when sales of alcohol at public events are permissible.

On April 30, 2020, a new agreement with the Board of Commissioners of Allen County was approved effective May 1, 2020. This new agreement requires the Bureau to stop all financial support to the Veterans Memorial Civic and Convention Center and instead shall submit a detailed budget of proposed revenues and expenses regarding the 1.75% tax to the Commissioners for their review and formal approval before December Tenth of the current year. In addition, on a semi-annual basis, during the months of February and August of each calendar year, the Bureau shall provide updates to the Commissioners, reviewing and describing activities, revenue, and expenses during the last reporting period.

The agreements with the American, Bath, and Perry Townships require the Bureau to spend lodging taxes for promoting the hospitality industry, area wide accommodations, meeting facilities, the Civic and Convention Center, restaurants, places of interest, attractions, as well as other community assets.

The Agreement with the City of Lima states the Bureau is to spend the receipts for its operational needs, which provide economic value to the City and County by bringing conventions and visitors into the City.

The Agreement with the City of Delphos states that 50% of the taxes collected be paid to the Bureau within the County to be used for the Bureau's operations.

We selected 10 disbursements of lodging taxes from the Check Register Report for the year ended December 31, 2022 and 10 disbursements from 2021 and compared the purpose for these disbursements as documented on vendor invoices or other supporting documentation to the sources of restrictions listed in *Cash Disbursements Step 1* above. We found no instances where the purpose described on the invoice or other supporting documentation described a violation the restrictions listed above.

**Loans**

1. From the prior agreed-upon procedures documentation, we observed the following loan was outstanding as of December 31, 2020. This amount agreed to the Bureau's January 1, 2021 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2020:
Emergency Federal Financial Assistance – Disaster Prevention and Relief (Economic Injury Disaster Loan Emergency) AL #59.072	\$149,900

2. We inquired of management, and inspected the General Ledger for evidence of loans received during 2022 or 2021 or debt payment activity during 2022 or 2021. All debt agreed to the summary we used in procedure 3.

**Loans (Continued)**

3. We obtained a summary of loans debt activity for 2022 and 2021. We agreed the related principal and interest payments for the Emergency Federal Financial Assistance – Disaster Prevention and Relief (Economic Injury Disaster Loan Emergency) AL #59.072 to the related debt amortization schedule(s), and observed the loan payments were paid by the due date. The loan proceeds received in 2020 for the Emergency Federal Financial Assistance – Disaster Prevention and Relief (Economic Injury Disaster Loan Emergency) AL #59.072 were not used and returned on July 19, 2022. The Bureau did not have any other loan activity.
4. We agreed the amount of the forgivable loan proceeds for the Paycheck Protection Program, SBA Targeted EIDL Advance, and SBA Supplemental Targeted Advance from the grantor documentation to amounts recorded in the General fund per the General Ledger. The amounts agreed. The Bureau properly recorded the proceeds.
5. For the new forgivable loans received during 2022 and 2021, we inspected the grantor documentation, which stated the Bureau must use the proceeds to help pay payroll expenses. We inspected the General Ledger and Paychex Payroll Journal and noted the Bureau paid all payroll expenses from January 29, 2021 through July 15, 2021. We found no exceptions.

We were engaged by the Bureau 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 of the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2022 and 2021, the objective of which would have been to opine on lodging tax receipts and disbursements or provide a conclusion. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

We are required to be independent of the Bureau 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

June 28, 2023

# OHIO AUDITOR OF STATE KEITH FABER



**LIMA-ALLEN COUNTY CONVENTION AND VISITORS BUREAU**

**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 7/13/2023**

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