



**OTTAWA COUNTY SOIL AND WATER CONSERVATION DISTRICT
OTTAWA COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDED DECEMBER 31, 2023-2022

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Ottawa County Soil and Water Conservation District
Ottawa County
240 West Lake Street, Suite B
Oak Harbor, Ohio 43449

We have performed the procedures enumerated below on Ottawa County Soil and Water Conservation District, Ottawa County, Ohio's (the District) receipts, disbursements and balances recorded in the cash-basis accounting records for the years ended December 31, 2023 and 2022, 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, 2023 and 2022 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District.

The Board of Supervisors 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 its cash-basis accounting records for the years ended December 31, 2023 and 2022, 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, 2023 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2022 beginning fund balances for each fund recorded in the District's General Ledger Report to the December 31, 2021 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, 2023 beginning fund balances for each fund recorded in the District's General Ledger Report to the December 31, 2022 balances in the District's General Ledger Report. We found no exceptions.

3. We agreed the 2023 and 2022 bank reconciliation as of December 31, 2023 and December 31, 2022 to the total fund cash balances reported in the General Ledger Report and the financial statements filed by the District in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2023 bank account depository balances for the *District Fund*, *CWMA Fund*, and *H2Ohio Fund* with the District's financial institutions and through the Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2023 bank reconciliation without exception.
5. We compared the December 31, 2023 *Special Fund* depository balance and *GLRI Grant Fund* depository balance from the *Cash Basis Annual Financial Report* to the amount reported in the Ottawa County Combined MTD/YTD Fund Report. We found no exceptions.
6. We selected all reconciling debits (such as outstanding checks) from the December 31, 2023 bank reconciliation:
 - a. We footed the supporting outstanding check list and compared it to the cash reconciliation. We found no exceptions.
 - b. We traced each check to the subsequent January bank statement. In addition, we traced the remaining check to a voided disbursement and check reissuance subsequent to January 1, 2024. We found no exceptions.
 - c. We traced the amounts and dates to the Reconciliation Detail Report and determined the debits were dated prior to December 31. We found no exceptions.
7. We inspected investments held at December 31, 2023 and December 31, 2022 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144, or 135.145. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code §§ 135.13 or 135.14. We found no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of five receipts from the State Distribution Transaction Lists (DTL) from 2023 and a total of five from 2022:
 - a. We compared the amounts from the above-named report to the amount recorded in the General Ledger Report and Ottawa County Detailed Revenue Report. The amounts agreed.
 - b. We inspected the General Ledger Report and Ottawa County Detailed Revenue Report to determine these receipts were allocated to the proper funds. We found no exceptions.
 - c. We inspected the General Ledger Report and Ottawa County Detailed Revenue Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We selected five other confirmable receipts from the year ended December 31, 2023 and all other confirmable receipts from the year ended December 31 2022 in the General Ledger Report from funds other than the *Special Fund* such as the *District Fund* and *Other Funds*.
 - a. We agreed to supporting documentation (grant agreements, invoices, and check stubs) the amounts paid from the municipalities and districts to the District. We found no exceptions.
 - b. We inspected the General Ledger Report to determine whether these receipts were allocated to the proper funds. We found no exceptions.

Other Receipts

We selected ten other receipts from the year ended December 31, 2023 and:

- a. Agreed the receipt amount recorded in the General Ledger Report to supporting documentation. The amounts agreed.
- b. Confirmed the amount charged complied with rates in force during the period, if applicable. We found no exceptions.
- c. Inspected the General Ledger Report to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2023 and one payroll check for five employees from 2022 from the Payroll Worksheet and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Worksheet to supporting documentation (timecard, legislatively-approved rate). We found no exceptions.
 - b. We inspected the Payroll Worksheet and Ottawa County Detailed Expense Transactions Report to determine whether salaries and benefits were paid only from the *Special Fund*, as required by the SWCD Administrative Handbook Chapter 5. We found no exceptions.
 - c. We inspected the Payroll Worksheet and Ottawa County Detailed Expense Transactions Report to determine whether the check was classified as *salaries* and was posted to the proper year. We found no exceptions.
2. We selected all new employees from 2023 and:
 - a. We inspected the employees' personnel files for the retirement system and federal, state, and local income tax withholding authorization.
 - b. We agreed the items in a. above to the Deduction Proof Report. We found no exceptions.

Non-Payroll Cash Disbursements

We selected five disbursements from the *Special Fund* and five disbursements from the *District Fund* and *Other Funds* from the General Ledger Report and Ottawa County Detailed Expense Transactions Report for the year ended December 31, 2023 and five from the *Special Fund* and five from the *District Fund* and *Other Funds* for the year ended December 31, 2022 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. For *District Fund* and *Other Funds* disbursements, we determined whether:
 - i. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the similar data recorded in the General Ledger Report to the names and amounts on the supporting invoices. We found no exceptions.
 - ii. The payment was posted to a fund consistent with the purpose for which the fund's cash can be used. We found no exceptions.
- c. For *Special Fund* disbursements, we determined whether:
 - i. The payee name and amount recorded on the voucher submitted to the County Auditor agreed to the payee name and amount recorded in the Ottawa County Detailed Expense Transactions Report. We found no exceptions.
 - ii. The names and amounts on the voucher agreed to supporting invoices. We found no exceptions.
 - iii. The voucher was signed by the Fiscal Manager and approved by a majority of the Board of Supervisors. We found no exceptions.

Special Fund Budgetary Compliance

1. We inspected the District's *Special Fund* Budget Request submitted to the County Commissioners for the years ended December 31, 2023 and 2022. The request included the *Special Fund's Needs, Income and Balances* anticipated for carry over from the current year, as required by the SWCD Administrative Handbook, Chapter 5. We also compared the budget amounts to the Special Fund Budgetary Activity footnote of the *Cash Basis Annual Financial Report*. The amounts agreed.
2. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus year-end certified commitments including outstanding encumbrances) 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, 2023 and 2022 for the *Special Fund*. Expenditures did not exceed appropriations for the *Special Fund*.
3. We compared interfund transfers-in to transfers-out to ensure they agreed and inspected the transfer activity to determine they were approved by the Board of Supervisors. We found no exceptions.
4. We inspected the *Cash Basis Annual Financial Report* for the years ended December 31, 2023 and 2022 for negative cash fund balances. 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. We noted no funds having a negative cash fund balance.

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 public records requests (completed, denied, or redacted) 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 its 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.
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

Ohio Rev. Code § 117.38 requires 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 its 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, 2023 and 2022 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.

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

April 29, 2024

OHIO AUDITOR OF STATE KEITH FABER



OTTAWA COUNTY SOIL AND WATER CONSERVATION DISTRICT

OTTAWA 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 5/14/2024

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