

Hocking Hills Tourism Association
Agreed-Upon Procedures over Lodging Tax Receipts and Related Disbursements
For the Years Ended December 31, 2009 and 2008



Balestra, Harr & Scherer, CPAs, Inc.

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Hocking Hills Tourism Association
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Independent Accountants' Report on Applying Agreed-Upon Procedures

June 23, 2010

Members of the Board
Hocking Hills Tourism Association
13178 St. Rt. 664 South
Logan, Ohio 43138

We have performed the procedures enumerated below, to which the management of the Hocking Hills Tourism Association (the Association) agreed, solely to assist the Association in evaluating whether it recorded all lodging taxes it received from Hocking County, and to help evaluate whether the Association disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2009 and 2008. The Association is responsible for disbursing lodging taxes for allowable purposes. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements. The sufficiency of the procedures is solely the responsibility of the Association. 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.

Cash Receipts

1. We confirmed with Hocking County the lodging taxes paid to the Association during the years ending December 31, 2009 and 2008. The County confirmed the following amounts:

<u>Year Ended</u>	<u>Amount</u>
Hocking County	
December 31, 2009	\$474,767.19
December 31, 2008	\$420,875.20

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts in the Association's general ledger. We found no exceptions.

Cash Disbursements

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

Sources of Restriction:

- The 's Articles of Incorporation
- Code of Regulations and By-Laws
- Logan Area Chamber of Commerce Resolution dated 9-1-82
- Hocking County's Resolution 4-28-83, 12-30-87 and 1-13-94
- Contractual Agreement between the County and Association dated 1-12-84 for administration of funds and operation of the Association
- Ohio Revised Code Section 5739.09(A)(2)

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

Ohio Revised Code Section 5739.09(A)(2) restricts the Association 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 deems any disbursement of public funds (e.g. lodging taxes) for alcohol to be improper.

Hocking County Resolutions 4-28-83, 12-20-87 and 1-13-94 permits the Association to spend lodging taxes only as prescribed in the Ohio Revised Code.

The Contractual Agreement dated 1-12-84 permits the Association to spend lodging taxes only as prescribed in the Ohio Revised Code.

Logan Area Chamber of Commerce Resolution dated 9-1-82 permits the Association to spend lodging taxes only as prescribed in the Ohio Revised Code.

2. We selected all non-payroll-related disbursements exceeding \$1,000 for the years ended December 31, 2009 and 2008, and compared the purpose for these disbursements as documented on vendor invoices or other supporting documentation to the source 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 of the restrictions listed above.

We were not engaged to, and did not examine, the Association's lodging tax receipts and disbursements for the years ended December 31, 2009 and 2008, the objective of which would have been to opine on lodging tax receipts and disbursements. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

Hocking Hills Tourism Association
Independent Accountants' Report on Applying Agreed-Upon Procedures

This report is intended solely for the information and use of the Association's management and Board of Directors and is not intended to be, and should not be, used by anyone else.

A handwritten signature in cursive script that reads "Balestra, Harr & Scherer". The signature is written in black ink on a light-colored background.

Balestra, Harr, & Scherer CPAs, Inc.
June 23, 2010

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Mary Taylor, CPA
Auditor of State

HOCKING HILLS TOURISM ASSOCIATION

HOCKING COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 14, 2010**