



**SAND BEACH CONSERVANCY DISTRICT
OTTAWA COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEARS ENDING DECEMBER 31, 2009 AND 2010



Dave Yost • Auditor of State

**SAND BEACH CONSERVANCY DISTRICT
OTTAWA COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Sand Beach Conservancy District
Ottawa County
6292 N. Fifth Street
Oak Harbor, Ohio 43449

We have performed the procedures enumerated below, with which the Board of Directors and the management of the Sand Beach Conservancy District, Ottawa County, Ohio (the District) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2010 and 2009, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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*. 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

1. We tested the mathematical accuracy of the December 31, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the Cash Journal to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2010 and 2009 fund cash balances reported in the Cash Journal. The amounts agreed.
4. We confirmed the December 31, 2010 bank account balance with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2010 bank reconciliation without exception.
5. We selected all outstanding checks from the December 31, 2010 bank reconciliation:
 - a. We traced each check to the debit appearing in the subsequent January bank statement. We found no exceptions.

- b. We traced the amounts and date written to the check register, to determine the checks were dated prior to December 31. We noted no exceptions.

Special Assessments

We selected a special assessment receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2010 and one from 2009

- a. We traced the amount from the Statement to the amount recorded in the Receipt Ledger. The amounts agreed.
- b. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.

Debt

We inquired of management, and scanned the Receipt Ledger and Payment Ledger for evidence of bonded or note debt issued during 2010 or 2009 or outstanding as of December 31, 2010 or 2009. We noted no new debt issuances nor any debt payment activity during 2010 or 2009.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for the District's only employee from 2010 and one payroll check for the employee from 2009 from the Payment Ledger and determined whether the following information in the minute record was consistent with the information used to compute gross and net pay related to this check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Retirement system participation and payroll withholding.
 - d. Federal, State and Local income tax withholding authorization and withholding.
 - e. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – e. above.

2. We tested the checks we selected in step 1, as follows:
 - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
 - c. We determined whether the account code(s) to which the check was posted was reasonable based on the employee's duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
3. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010. We noted the following:

Withholding	Date Due	Date Paid	Amount Withheld	Amount Paid
Federal income taxes	January 31, 2011	12/1/2010	\$84.30	\$84.30
State income taxes	January 31, 2011	12/1/2010	\$2.95	\$2.95
OPERS retirement (withholding plus employer share)	January 31, 2011	12/18/2010	\$150.00	\$150.00

Non-Payroll Cash Disbursements

1. For the Payment Ledger, we refooted checks recorded as disbursements for maintenance from the General fund (the only fund) in 2010. We found no exceptions.
2. We agreed total disbursements (non-payroll and payroll) from the Payment Ledger for the years ended December 31, 2010 and 2009 to the total disbursements recorded in the Cash Journal. We found no exceptions.
3. We haphazardly selected ten disbursements from the Cash Journal for the year ended December 31, 2010 and ten from the year ended December 31, 2009 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 Cash Journal and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The Fiscal Officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Sections 5705.28(B)(2), 5705.41(D) and 6101.44. We found no exceptions.

Compliance – Budgetary

1. We compared the total from the Estimated Resources approved by the Board, required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Revenue Ledger for the General fund (the only fund) for the years ended December 31, 2010 and 2009. The amounts agreed.
2. We scanned the appropriation measures adopted for 2010 and 2009 to determine whether, for the General fund, the Directors appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Section 6101.44, to the amounts recorded in the Payment Ledger for 2010 and 2009 for the General fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Payment Ledger.
4. Ohio Rev. Code Section 6101.44 prohibits appropriations from exceeding the unencumbered balance plus the amounts to be received during the year. We compared total appropriations to total estimated revenue for the General fund for the years ended December 31, 2010 and 2009. We noted appropriations did not exceed estimated revenue in the General fund.
5. Ohio Rev. Code Section 6101.44 prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2010 and 2009 for the General fund, as

recorded in the Payment Ledger. We noted expenditures did not exceed appropriations in the General fund.

Compliance – Contracts and Expenditures

We inquired of management and scanned the Payment Ledger report for the years ended December 31, 2010 and 2009 for procurements requiring competitive bidding for improvements for items which a conservancy district was established by contract, in excess of \$25,000, as required by Ohio Rev. Code Section 6101.16.

We identified no purchases subject to the aforementioned bidding requirements.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and those charged with governance and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

April 5, 2011



Dave Yost • Auditor of State

SAND BEACH CONSERVANCY DISTRICT

OTTAWA 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
MAY 5, 2011**