



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

AGREED UPON PROCEDURES

FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees
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, to which the management of the Lima/Allen County Convention and Visitors Bureau, Allen County (the Bureau) agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from the City of Lima, the City of Delphos, Allen County, and the American, Bath, and Perry Townships, and to help evaluate whether the Bureau disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2012 and 2011. The Bureau 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 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 Bureau. 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 summarized lodging taxes the City of Lima's AACTIVITY report; the City of Delphos' Display Invoices by Vendor report; Allen County's Vendor Invoice List; and the American, Bath, and Perry Township's Payment Register Vendor – By Name reports reported as payments to the Bureau during the years ending December 31, 200X+1 and 200X. The total reported disbursements were as follows:

<u>Year Ended</u>	<u>Amount</u>
December 31, 2012	\$749,261
December 31, 2011	\$684,938

2. We compared the amounts from step 1. to amounts recorded as lodging tax receipts on the Bureau's deposit reports. 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 City of Lima, City of Delphos, Allen County, and the American, Bath, and Perry Townships
- d. Ohio Rev. Code Section 5739.09(A)(2)
- e. The agreement between the Bureau and Allen County regarding the Veterans Memorial Civic and Convention Center operations and debt.

Cash Disbursements (Continued)

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

Ohio Rev. Code Section 5739.09(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 deems any disbursement of public funds (e.g. lodging taxes) for alcohol to be improper.

The agreement with Allen County requires the Bureau to remit 36.5 percent of the monthly lodging taxes to the Veterans Memorial Civic and Convention Center for operations and 10 percent of the annual lodging taxes to Allen County for debt payments for the Veterans Memorial Civic and Convention Center.

The agreements with the American, Bath, and Perry Townships require the Bureau to spend lodging tax 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.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2012 and 2011 in addition to all disbursements exceeding \$7,500, 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.

We were not engaged to, and did not examine the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2012 and 2011, 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.

This report is intended solely for the information and use of the Bureau and is not intended to be, and should not be used by anyone else.



Dave Yost
Auditor of State

March 20, 2013



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LIMA ALLEN COUNTY CONVENTION AND VISITORS BUREAU

ALLEN 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 9, 2013