



Dave Yost • Auditor of State



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Ottawa-Sandusky-Seneca Joint Solid Waste Management District
Sandusky County
1875 East State Street
Fremont, Ohio 43420-2534

We have performed the procedures enumerated below, with which the Board of Directors (the Board) and the management of Ottawa-Sandusky-Seneca Joint Solid Waste Management District, Sandusky 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, 2015 and 2014, 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 representations 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. Sandusky County is custodian for the District's deposits and therefore the County's deposit and investment pool holds the District's assets. We compared the District's fund balances reported on its December 31, 2015 Annual Report to the balances reported in Sandusky County's accounting records. The amounts agreed.
2. We agreed the January 1, 2014 beginning fund balances recorded in the Detail General Ledger Report to the December 31, 2013 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the Detail General Ledger Report to the December 31, 2014 balances in the Detail General Ledger Report. We found no exceptions.

Tipping Fees

1. We confirmed the amounts paid from the Sunny Farms Landfill, Ottawa County Landfill, and Wyandot County Landfill to the District during 2015 and 2014. They confirmed payment of the following amounts to the District:

Company	2015 Payments	2014 Payments
Sunny Farms	\$986,248.62	\$1,110,503.79
Ottawa County	141,921.54	148,267.98
Wyandot County	20,835.34	18,405.85

- a. We compared the amount confirmed with the amount the District recorded in its receipt records. We found no exceptions.
 - b. We determined whether these receipts were allocated to the proper fund. We found no exceptions.
 - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
2. We obtained the March 2014 and September 2015 total tonnage reports from the landfills in step 1.
 - a. We recalculated the dollar amount sent to the District based on the rates in force during the period and agreed to the amounts posted to the Districts ledgers. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2013.
2. We inquired of management, and scanned the Revenue G/L Distribution Report and the Accounts Payable by G/L Distribution Report for evidence of debt issued during 2015 or 2014 or debt payment activity during 2015 or 2014. We noted no new debt issuances, nor any debt payment activity during 2015 or 2014.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2015 and one payroll check for five employees from 2014 from the Earnings History Report and:
 - a. We compared the hours and pay rate, or salary amount recorded in the Earnings History Report to supporting documentation (timecard, legislatively-approved rate or salary). We found no exceptions.
 - b. We determined whether the fund and account codes to which the check was posted were reasonable based on the employees' duties as documented in the minute record. We also determined whether the payment was posted to the proper year. We found no exceptions.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2015 to determine whether remittances were timely charged by the fiscal agent (Sandusky County), and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2015. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes and Medicare (and social security, for employees not enrolled in pension system)	January 31, 2016	January 26, 2016	\$8,623.32	\$8,623.32
State income taxes	January 15, 2016	January 13, 2016	1,511.80	1,511.80
Local income tax	January 31, 2016	December 24, 2015	130.73	130.73
Local Income Tax	January 31, 2016	December 24, 2015	73.38	73.38
Local Income Tax	January 31, 2016	December 24, 2015	56.13	56.13
Local Income Tax	January 31, 2016	December 24, 2015	155.98	155.98
OPERS retirement	January 31, 2016	December 28, 2015	5,502.94	5,502.94

3. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Payroll History Report:
- a. Accumulated leave records
 - b. The employee's pay rate in effect as of the termination date
 - c. The District's payout policy.

The amount paid was consistent with the information recorded in a. and b. above.

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Accounts Payable by G/L Distribution Report for the year ended December 31, 2015 and ten from the year ended December 31, 2014 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 Accounts Payable by G/L Distribution Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

- d. 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) and 5705.41(D). We found two instances where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not test all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred. We recommend the fiscal officer certify disbursements in accordance with the Revised Code.
- e. The disbursement was allowable under Ohio Rev. Code Section 3734.57(G), and the Districts policies and procedures. We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Budget by Fund Category Report for the General and EPA Market Development Grant funds for the years ended December 31, 2015 and 2014. The amounts on the *Certificate* agreed to the amount recorded in the accounting system, except for the EPA Market Development Grant Fund. The Budget by Fund Category Report recorded budgeted (i.e. certified) resources for the EPA Market Development Grant fund of \$112,500 for 2015. However, the final *Amended Official Certificate of Estimated Resources* reflected \$225,000. The Director should periodically compare amounts recorded in the Budget by Fund Category Report to amounts recorded on the *Amended Official Certificate of Estimated Resources* to assure they agree. If the amounts do not agree, the Director may be using inaccurate information for budgeting and monitoring purposes.
2. We scanned the appropriation measures adopted for 2015 and 2014 to determine whether, for the General and EPA Market Development Grant funds, the Director 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 Sections 5705.28(B)(2) 5705.38 and 5705.40, to the amounts recorded in the Budget by Fund Category Report for 2015 and 2014 for the General and the EPA Market Development Grant funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Budget by Fund Category Report.
4. Ohio Rev. Code Section 5705.28(B)(2)(c) prohibits appropriations from exceeding the estimated revenue available for expenditure (receipts plus beginning unencumbered cash). We compared total appropriations to total estimated revenue for the General and the EPA Market Development Grant funds for the years ended December 31, 2015 and 2014. We noted no funds for which appropriations exceeded estimated revenue.
5. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2015 and 2014 for the General and the EPA Market Development Grant funds, as recorded in the Budget by Fund Category Report. We noted that expenditures did not exceed appropriations.

6. We scanned the Detailed General Ledger for the years ended December 31, 2015 and 2014 for negative cash fund balances. Ohio Rev. Code Section 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 fund having a negative cash fund balance.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the District filed their financial information within the allotted timeframe for the years ended December 31, 2015 and 2014. No exceptions were noted.

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, those charged with governance, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

Columbus, Ohio

July 22, 2016

This page intentionally left blank.



Dave Yost • Auditor of State

**OTTAWA SANDUSKY SENECA JOINT SOLID WASTE DISTRICT
SANDUSKY 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
AUGUST 11, 2016**