



Dave Yost • Auditor of State





# Dave Yost • Auditor of State

Board of Trustees  
Destination Geauga  
Gauga County  
14907 North State Road  
PO Box 846  
Middlefield, Ohio 44062

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Destination Geauga, a Convention & Visitor Bureau (the Bureau) on the receipts, disbursements and balances recorded in the Bureaus cash basis accounting records for the years ended June 30, 2017 and 2016 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Bureau. The Bureau is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended June 30, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Bureau. 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 recalculated the June 30, 2017 and June 30, 2016 bank reconciliations. We found no exceptions.
2. We agreed the July 1, 2016 beginning fund balances recorded in the Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances to the June 30, 2015 balances in the prior year Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances. We found no exceptions. We also agreed the July 1, 2017 beginning fund balances recorded in the Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances to the June 30, 2016 balances in the Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2017 and 2016 fund cash balances reported in the Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances. The amounts agreed.
4. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the June 30, 2017 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the June 30, 2017 bank reconciliation:
  - a. We traced each debit to the subsequent July bank statement We found no exceptions.
  - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to June 30. There were no exceptions.

### Cash Receipts

1. We summarized lodging taxes the Geauga County's Accounts Payable Invoice Report reported as payments to the Bureau during the years ended June 30, 2017 and 2016. The total reported disbursements were as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2017	\$66,583
June 30, 2016	\$56,933

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's General Ledger 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. Ohio Rev. Code Section 5739.09(A)(2)

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.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended June 30, 2017 and 2016 in addition to all disbursements exceeding \$1,000, 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.

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*. We were not engaged to, and did not examine or review the Bureau's lodging tax receipts and disbursements for the years ended June 30, 2017 and 2016, the objective of which would have been to opine on lodging tax receipts and disbursements or provide a conclusion. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is to provide assistance in the evaluation of the Bureau's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended June 30, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

**Dave Yost**  
Auditor of State  
Columbus, Ohio

September 19, 2017

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**DESTINATION GEAUGA**

**GEAUGA 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 5, 2017**