



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Blanchard River Enhancement Project
Hancock County
300 South Main Street
Findlay, Ohio 45840

We have performed the procedures enumerated below, which were agreed to by the Joint Board of County Commissioners, and the management of Blanchard River Enhancement Project, Hancock County, Ohio (the Project) on the receipts, disbursements and balances recorded in the Project's cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Project. The Project is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2016 and 2015 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Project. 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 and Investments

Hancock County is custodian for the Project's deposits and investments, and therefore the County's deposit and investment pool holds the Project's assets. We agreed the January 1, 2015 beginning fund balances recorded in the Account Summary Trial Balance to the December 31, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2016 beginning fund balances recorded in the Account Summary Trial Balance to the December 31, 2015 balances in the Account Summary Trial Balance. We found no exceptions.

Special Assessments and Other Confirmable Cash Receipts

1. We haphazardly selected a special assessment receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for each County involved in the project for 2016 and one from each County for 2015:
 - a. We traced the gross receipts from each *Statement* to the amount recorded in the Year-to-Date Budget Report - Revenue. The amounts agreed.
 - b. We inspected the Year-to-Date Budget Report - Revenue to confirm the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Year-to-Date Budget Report - Revenue to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.

2. We inspected the Year-to-Date Budget Report - Revenue to determine whether it included two special assessment receipts for each county participating in the project in 2016 and 2015. The Year-to-Date Budget Report – Revenue included the proper number of tax receipts for each year.
3. We confirmed Hancock County issued \$950,000 in notes in 2015 to fund a flood mitigation project. The Project received the proceeds of the notes to carry out the project. Repayment of the notes is the responsibility of Hancock County. We found no exceptions.
 - a. We inspected the Year-to-Date Budget Report - Revenue to determine whether this receipt was allocated to the proper fund. We found no exceptions.
 - b. We inspected the Year-to-Date Budget Report – Revenue to determine whether the receipt was recorded in the proper year. We found no exceptions.

Non-Payroll Cash Disbursements

We haphazardly selected ten disbursements from the Year-to-Date Budget Report – Expenditures for the year ended December 31, 2016 and all disbursements from the year ended December 31, 2015 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 Year-to-Date Budget Report – Expenditures 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.

Compliance – Budgetary

1. We compared the total amounts from the Amended Official Certificate of Estimated Sources required by Ohio Rev. Code, Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Year-to-Date Budget Report for the Special Revenue Fund for the years ended December 31, 2016 and 2015. The amounts agreed.
2. We observed the appropriation measures adopted for 2016 and 2015 to determine whether, for the Special Revenue fund, the Commissioners 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.

Other Compliance

Ohio Rev. Code Section 117.38 requires these Projects to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, in addition to filing extensions granted for extenuating circumstances, allow for refiling complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the Project's deadline where the initial filing was filed on time but incomplete. We confirmed the Project filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2016 and 2015 in the Hinkle system. There were no exceptions.

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

This report is to provide assistance in the evaluation of the Project's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, 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 style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

December 21, 2017

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BLANCHARD RIVER ENHANCEMENT PROJECT

HANCOCK 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
JANUARY 9, 2018**