



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Hancock County Convention and Visitors Bureau  
Hancock County  
123 East Main Cross Street  
Findlay, Ohio 45840

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Hancock County Convention and Visitor Bureau (the Bureau), on the receipts, disbursements and balances recorded in the Bureau's cash basis accounting records for the years ended December 31, 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 December 31, 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 December 31, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We attempted to agree the January 1, 2016 beginning fund balance recorded in the 2016 Check Register to the December 31, 2015 balance documented in the prior year Agreed-Upon Procedures working papers. We could not perform the procedure since procedures over cash and investments were not performed in the prior Agreed-Upon Procedures engagement. However, we did agree the January 1, 2016 beginning balance recorded in 2016 Check Register to the 2015 ending balance recorded in the 2015 Check Register with no exception. We also agreed the January 1, 2017 beginning fund balance recorded in the Check Register to the December 31, 2016 balance in the Check Register. 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 Reconciliation Detail. The amounts agreed.
4. We observed the 2017 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 December 31, 2017 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2017 bank reconciliation:
  - a. We traced each debit to the subsequent January 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 December 31. There were no exceptions.

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### Cash Receipts

1. We confirmed with Hancock County the lodging taxes it paid to the Bureau during the years ending December 31, 2017 and 2016. The County confirmed the following amounts:

Year Ended	Amount
December 31, 2017	\$649,963
December 31, 2016	\$617,465

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. The 1988 and 2009 agreement and the 2011 and 2015 amendments between the Findlay-Hancock County Chamber of Commerce and Hancock County per resolution #688-15, #688-11, #140-09, and #1988-336 and 337
- d. 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.

The 1988 and 2009 Bureau's agreement and 2011 and 2015 amendments between The Findlay-Hancock County Chamber of Commerce and Hancock County permits the Bureau to spend lodging taxes only for the benefit of Hancock County and the City of Findlay, its citizens, and the business community thereof, by promoting and publicizing Hancock County and the City of Findlay, in order to bring the patronage of business and tourism and cultural, educational, religious, professional, and sports organizations into the County.

The Bureau's Co-Op Advertising Program sets procedures for organizations applying for advertising funds and annual caps and limitations on co-op matched advertising per event.

The Bureau's Tourism Development Program funds those events and attractions that demonstrate potential for creating overnight accommodations. The Program requires an equivalent match of local funds dedicated to the project.

2. We selected all disbursements of lodging taxes for the month of March for the years ended December 31, 2017 and 2016 paid to the Findlay-Hancock County Alliance and determined reasonableness of other months in addition to all disbursements exceeding \$5,000, 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 December 31, 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 December 31, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



**Dave Yost**  
Auditor of State

Columbus, Ohio

May 3, 2018

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**HANCOCK COUNTY CONVENTION VISITORS BUREAU**

**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  
MAY 22, 2018**