



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

North Central Ohio Solid Waste District
Allen County
815 Shawnee Road, Suite D
Lima, Ohio 45805

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of the North Central Ohio Solid Waste District, Allen County (the District), on the receipts, disbursements and balances recorded in the Districts cash basis accounting records for the years ended December 31, 2020 and 2019 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2020 and 2019 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. 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. Allen County is the custodian for the District's deposits, and therefore the County's deposit and investment pool holds the Districts assets. We compared the District's fund balances reported on its December 31, 2020 Annual Financial Report to the balances reported in Allen County's accounting records. The amounts agreed.
2. We agreed the January 1, 2019 beginning fund balances recorded in the Year to Date Fund Balance Report to the December 31, 2018 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2020 beginning fund balances recorded in the Year to Date Fund Balance Report to the December 31, 2019 balances in the Year to Date Fund Balance Report. We found no exceptions.

Tipping Fees Cash Receipts

1. We confirmed the amounts paid from the Republic Services – Wyandot, Republic Services – Cherokee Run, Rumpke Waste & Recycling, and Waste Management – Lima to the District during 2020 and Republic Services – Wyandot, Republic Services – Cherokee Run, Rumpke Waste & Recycling, Waste Management – Lima and Wright Consolidated, Inc. – Allen County Refuse during 2019. They confirmed payment of the following amounts to the District:

Tipping Fees and Other Confirmable Cash Receipts (Continued)

Company	2020 Payments	2019 Payments
Republic Services – Wyandot	\$101,172.84	\$138,086.96
Republic Services – Cherokee Run	249,034.56	271,316.36
Rumpke Waste & Recycling	377,718.96	220,386.04
Waste Management – Lima	72,149.08	82,780.44
Wright Consolidated, Inc. – Allen County Refuse		67,296.00

- a. We compared the amount confirmed with the amount the District recorded in its receipt records. We found no exceptions.
 - b. We inspected the YTD Detail Revenue Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - c. We inspected the YTD Detail Revenue Report to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We obtained the May 2019 and October 2020 total tonnage reports from the landfill in procedure 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 observed no exceptions.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2020 and 10 other receipts from the year ended 2019 and:

- a. Agreed the receipt amount recorded in the YTD Detail Revenue Report to supporting documentation. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the audit period. We found no exceptions.
- c. Inspected the YTD Detail Revenue Report to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2018.
2. We inquired of management, and inspected the YTD Detail Revenue Report and YTD Detail Expenditure Report for evidence of debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of loans debt activity for 2020. The loan summary indicated that no payments of principal or interest were due during 2020.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the Solid Waste New Building fund per the YTD Detail Revenue Report. The amounts agreed except that the District did not record fees of \$33,289, consisting of \$24,017 in capitalized interest and \$9,272 in loan fees.

Debt (Continued)

The failure to record capitalized interest and loan fees understates the actual debt proceeds and related debt obligation of the District. The District should implement a control(s) and/or procedure(s) such as reviewing debt agreements and/or consulting with the debt issuer to ensure completeness of recorded debt proceeds.

5. For new debt issued during 2020, we inspected the debt legislation, which stated the District must use the proceeds to construct a new recycling facility. We inspected the YTD Detail Expenditure Report and observed the District spent debt proceeds for contract services for constructing a new recycling facility. As of December 31, 2020, the District had an unspent balance of \$169,948.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the YTD Detail Expenditure Report for the year ended December 31, 2020 and 10 from the year ended 2019 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 YTD Detail Expenditure 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).
 - 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. Ohio Rev. Code Section(s) 5705.28(B)(2) and 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the year ended December 31, 2020 for the General, Shelby County Recycling, and Solid Waste New Building funds and for the year ended December 31, 2019 for the General, Shelby County Recycling, and Market Development Grant funds. We observed that expenditures did not exceed appropriations.
2. We inspected the Year to Date Fund Balance Report for the years ended December 31, 2020 and 2019 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 observed no funds having negative cash fund balances.

Sunshine Law Compliance

1. We obtained and inspected the District's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.

Sunshine Law Compliance (Continued)

2. We inquired with District management and determined that the District did not have any completed public records requests during the engagement period.
3. We inquired whether the District had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inspected the District's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We selected the one application submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. We inspected the approval by the Records Commission for the one application submitted and the review of the schedules. This was required by Ohio Rev. Code § 343.01. (Note: the records retention schedule is not the same policy as the public records policy.) We found no exceptions.
8. We inquired with District management and determined that the District did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the District notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires these districts 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, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the District 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, 2020 and 2019 in the Hinkle system. There were no exceptions.
2. For all credit card accounts we obtained:
 - copies of existing internal control policies,
 - a list(s) of authorized users, and
 - a list of all credit card account transactions.
 - a. We inspected the established policy obtained above and determined it is:
 - i. in compliance with the HB 312 statutory requirements, and
 - ii. implemented by the entity.We found no exceptions.
 - b. We selected 1 credit card transaction from each credit card account for testing. For selected transactions we inspected documentation to determine that:
 - i. Use was by an authorized user within the guidelines established in the policy, and
 - ii. Each transaction was supported with original invoices and for a proper public purpose.We found no exceptions.
 - c. We selected 3 credit card statements from each credit card account for testing. For selected statements we inspected documentation to determine that:
 - i. No unpaid beginning balance was carried forward to the current billing cycle,
 - ii. Ending statement balance was paid in full, and
 - iii. Statement contained no interest or late fees.We found 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 District'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.

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This report is to provide assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2020 and 2019, 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 "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

April 14, 2021

OHIO AUDITOR OF STATE KEITH FABER



NORTH CENTRAL OHIO SOLID WASTE DISTRICT

ALLEN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 5/11/2021

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This report is a matter of public record and is available online at
www.ohioauditor.gov