



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Ottawa County Visitors Bureau
Ottawa County
770 South East Catawba Road
Port Clinton, Ohio 43452

We have performed the procedures enumerated below on Ottawa County Visitors Bureau, Ottawa County, Ohio's (the Bureau) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended September 30, 2021 and 2020 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 September 30, 2021 and 2020 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Bureau.

The Board of Trustees and the management of the Bureau have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Bureau's receipts, disbursements and balances recorded in its cash-basis accounting records for the years ended September 30, 2021 and 2020, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash and Investments

1. We recalculated the September 30, 2021 and September 30, 2020 bank reconciliations. We found no exceptions.
2. We agreed the October 1, 2019 beginning fund balances recorded in the General Ledger Report to documentation in the prior year agreed-upon procedures working papers. We found no exceptions. We also agreed the October 1, 2020 beginning fund balances recorded in the General Ledger Report to the September 30, 2020 balances in the General Ledger Report. We found no exceptions.
3. We agreed the 2021 and 2020 bank reconciliation as of September 30, 2021 and 2020 to the total fund cash balances reported in the Balance Sheet Report. 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 September 30, 2021 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the September 30, 2021 bank reconciliation:
 - a. We traced each debit to the subsequent October bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the Reconciliation Detail Report and determined the debits were dated prior to September 30. We found no exceptions.
6. We inspected investments held at September 30, 2021 and September 30, 2020 to determine that they were of a type authorized by the Bureau. We found no exceptions.

Cash Receipts

1. We summarized lodging taxes the Ottawa County's Detail Expense Transaction Report reported as payments to the Bureau during the years ending September 30, 2021 and September 30, 2020. The total reported disbursements were as follows:

Year Ended	Amount
September 30, 2021	\$924,727
September 30, 2020	\$903,357

2. We compared the amounts from *Cash Receipts Step 1* to amounts recorded as lodging tax receipts on the Bureau's General Ledger Report. 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)(3) Tax Exemption
- c. The agreement dated February 14, 2017, between the Bureau and Ottawa County
- d. Ohio Rev. Code § 5739.092

The Bureau's tax exemption prohibits it from disbursements supporting a candidate's election.

Ohio Rev. Code § 5739.092 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 concludes that disbursement of public funds (e.g. lodging taxes) for alcohol are generally improper. However, Auditor of State Bulletin 2014-003 explains when sales of alcohol at public events are permissible.

The agreement dated February 14, 2017 permits the Bureau to spend lodging taxes only to assist the Bureau in the encouragement and promotion, through advertisement and other educational and informational means, of travel and visitation in the entire County by non-resident persons of the County, for pleasure, business, and other purposes.

2. We selected ten disbursements of lodging taxes from the General Ledger Report for the year ended September 30, 2021 and ten disbursements from the year ended September 30, 2020 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 four instances totaling \$64 during 2020 in which the Bureau paid state sales tax. The Bureau's 501(c)(3) designation exempts it from state sales tax. The Bureau should review invoices prior to payment to ensure state sales tax is not paid. No other instances were noted where the purpose described on the invoice or other supporting documentation described a violation with the restrictions listed above.

We were engaged by the Bureau to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement of the Bureau's lodging tax receipts and disbursements for the years ended September 30, 2021 and September 30, 2020, 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.

We are required to be independent of the Bureau and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.



Keith Faber
Auditor of State
Columbus, Ohio

April 28, 2022

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OHIO AUDITOR OF STATE KEITH FABER



OTTAWA COUNTY VISITORS BUREAU

OTTAWA 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 5/19/2022

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This report is a matter of public record and is available online at
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