



OHIO AUDITOR OF STATE
KEITH FABER





INDEPENDENT ACCOUNTANT'S 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 on the North Central Ohio Solid Waste District's (the District) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2022 and 2021 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, 2022 and 2021 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District.

The Board of Directors and the management of the District have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing 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, 2022 and 2021, 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

1. Allen County is the custodian for the District's deposits, and therefore the County's deposit and investment pool holds the District's assets. We compared the District's fund balances reported on its December 31, 2022 Allen County Financial Report to the balances reported in Allen County's accounting records. The amounts agreed.
2. We agreed the January 1, 2021 beginning fund balances for each fund recorded in the Year to Date Fund Balance Report to the December 31, 2020 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, 2022 beginning fund balances for each fund recorded in the Year to Date Fund Balance Report to the December 31, 2021 balances in the Year to Date Fund Balance Report. We found no exceptions.

Tipping Fees and Other Confirmable Cash Receipts

1. We confirmed the amounts paid from Republic Services – Wyandot, Republic Services – Cherokee Run, Rumpke Waste & Recycling, and Waste Management – Lima to the District during 2022 and 2021. They confirmed payment of the following amounts to the District:

Company	2022 Payments	2021 Payments
Republic Services – Wyandot	\$131,635.36	\$91,981.80
Republic Services – Cherokee Run	\$238,309.68	\$259,292.40
Rumpke Waste & Recycling	\$464,149.32	\$419,355.60
Waste Management – Lima	\$63,249.88	\$66,130.72

- 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 September 2021 and April 2022 total tonnage reports from the landfills 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 found no exceptions.
3. We confirmed \$117,258 and \$133,157 from the Village of Forest – Hardin County for refuse collections to the District during 2022 and 2021 with the UAN Payment Listing Reports. We found no exceptions.

We also confirmed \$531,266 and \$572,669 from the City of Kenton – Hardin County for refuse collections to the District during 2022 and 2021 with the Detail Expense Transactions by Fund reports. We found no exceptions.

We confirmed 200,000 from the Ohio Environmental Protection Agency to the District during 2021 with the 202, in the amount of \$50,000, and 2019, in the amount of \$100,000, Community and Litter Grant agreements and Allen County wire pay-ins. We found no exceptions.

We confirmed 65,817.68, \$119,154.84, \$232,074.66, and \$31,624.94 from Republic Services – Wyandot, Republic Services – Cherokee Run, Rumpke Waste & Recycling, and Waste Management – Lima, MFR Infrastructure fees, respectively, to the District during 2022 with the respective accounting record confirmations. We found no exceptions.

We confirmed \$42,916.79, \$119,106.89, \$194,967.82, and \$30,573.24 from Republic Services – Wyandot, Republic Services – Cherokee Run, Rumpke Waste & Recycling, and Waste Management – Lima, MFR Infrastructure fees, respectively, to the District during 2021 with the respective accounting record confirmations. We found no exceptions.

- a. We inspected the YTD Detail Revenue Report to determine whether these receipts were allocated to the proper funds. We found no exceptions.
 - b. We inspected the YTD Detail Revenue Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Other Receipts

We selected 10 other receipts from the year ended December 31, 2022 and 10 other receipts from the year ended 2021 and:

- a. Agreed the receipt amount recorded in the Year to Date Detail Revenue Report to supporting documentation. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the engagement period. We found no exceptions.
- c. Inspected the Year to Date 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. From the prior agreed-upon procedures documentation, we observed the following loan was outstanding as of December 31, 2020.
 - a. These amounts agreed to the District's January 1, 2021 balances on the summary we used in procedure 3 except that the summary included note proceeds in the amount of \$84,449 as part of the beginning balance.
 - b. We inspected the debt's final offering documents for the outstanding debt, and we confirmed the District does not have any debt covenants.

Issue	Principal outstanding as of December 31, 2020:
Ohio Water Development Authority Loan	\$2,512,341

- 2. We inquired of management and inspected the YTD Detail Revenue Report and YTD Detail Expenditure Report for evidence of debt issued during 2022 or 2021 or debt payment activity during 2022 or 2021. All debt agreed to the summary we used in procedure 3 except for the 2021 note proceeds in the amount of \$84,449 were included in the beginning balance instead of being reported as proceeds.
- 3. We obtained a summary of loan debt activity for 2022 and 2021 and agreed principal and interest payments from the related debt amortization schedule to the Solid Waste New Building Fund payments reported in the YTD Detail Expenditure Report. We also compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.
- 4. We agreed the amount of debt proceeds received for 2021 from the debt documents to amounts recorded in the Solid Waste New Building Fund per the YTD Detail Revenue Report. The amounts agreed. The District properly recorded the proceeds in a capital project fund.
- 5. For new debt issued during 2021, 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 proceeds for contract services for constructing a new recycling facility in August of 2021. We found no exceptions.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2022 and one payroll check for five employees from 2021 from the Allen County Earn & Ded Detailed Proof Report and:
 - a. We compared the hours and pay rate, or salary amount recorded in the Allen County Earn & Ded Detailed Proof Report to supporting documentation (timecard, legislatively or statutorily-approved rate or salary.) We found no exceptions.
 - b. We inspected the fund and account codes to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files. We found no exceptions.
 - c. We confirmed the payment was posted to the proper year. We found no exceptions.

2. We selected the new employee from 2021 and:
 - a. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization.
 - b. We agreed the items in a above to the Allen County Earnings Register Report. We found no exceptions.

3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2022 to confirm remittances were timely charged by the fiscal agent Allen County, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2022. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2023	January 10, 2023	\$1,322.30	\$1,322.30
State income taxes	January 15, 2023	January 10, 2023	\$281.26	\$281.26
Local income tax	January 17, 2023	January 5, 2023	\$64.04	\$64.04
OPERS retirement	January 30, 2023	January 15, 2023	\$6,426.10	\$6,426.10

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the YTD Detail Expenditure Report for the year ended December 31, 2022 and 10 from the year ended 2021 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.

Non-Payroll Cash Disbursements (Continued)

- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code § 5705.28(B)(2) and §5705.41(D). We found no exceptions.
- e. The disbursement was allowable under Ohio Rev. Code § 3734.57(G) and the District's policies and procedures. We found no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code § 5705.28(B)(2) and §5705.41(B) prohibit expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2022 and 2021 for the and General, Shelby County Recycling and Solid Waste New Building funds in 2022 and the General, Shelby County Recycling and OHEPA Community & Litter Grant funds in 2021. Expenditures did not exceed appropriations.
2. We inspected the Year to Date Balance Report for the years ended December 31, 2022 and 2021 for negative cash fund balances. Ohio Rev. Code § 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.
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 requested 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 written evidence. **Ohio Rev. Code §149.43(E)(2)** states, in part, the public office shall distribute the public records policy to the employee who is the records custodian or records manager or employee who otherwise has custody of the records and shall require that employee to acknowledge receipt of the copy of the public records policy.
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.

Sunshine Law Compliance (Continued)

7. We inquired with District management and determined that the District did not have any applications for record disposal submitted to the Records Commission during the engagement period.
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 § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

1. Ohio Rev. Code § 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, 2022 and 2021 in the Hinkle system. We found no exceptions.

We were engaged by the District 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, 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.

We are required to be independent of the District 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

June 26, 2023

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 7/11/2023

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