



Dave Yost • Auditor of State



LAKE COUNTY VISITORS BUREAU  
LAKE COUNTY

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

Board of Trustees  
Lake County Visitors Bureau  
Lake County  
One Victoria Place, Suite 265A  
Painesville, Ohio 44077

We have performed the procedures enumerated below, to which the management of the Lake County Visitors Bureau, Lake County, Ohio, (the Bureau) agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from Lake County, and to help evaluate whether the Bureau disbursed these lodging taxes for allowable purposes described below for the years ended December 31, 2015 and 2014. The Bureau is responsible for disbursing lodging taxes for allowable purposes. 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*. The sufficiency of the procedures is solely the responsibility of the Bureau. 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.

### Cash

1. We tested the mathematical accuracy of the December 31, 2015 and December 31, 2014 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2014 beginning fund balances recorded in the Balance Sheet Report to the December 31, 2013 balances in documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2015 beginning fund balances recorded in the Balance Sheet Report to the December 31, 2014 balances in the Balance Sheet Report. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2015 and 2014 fund cash balances reported in the Balance Sheet Reports. The amounts agreed.
4. We observed the December 31, 2015 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, 2015 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2015 bank reconciliation:
  - a. We traced each debit to the subsequent January bank statements. 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. We noted no exceptions.

**Cash (Continued)**

6. We tested interbank account transfers occurring in December of 2015 and 2014 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

**Cash Receipts**

1. We summarized lodging taxes the Lake County's Checks Browse report reported as payments to the Bureau during the years ended December 31, 2015 and 2014. The total reported disbursements were as follows:

<u>Year Ended</u>	<u>Amount</u>
December 31, 2015	\$577,940
December 31, 2014	529,621

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's Transaction Detail by Account 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)(6) Tax Exemption
- c. Lake County Resolution 20130514C03
- 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.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2015 and 2014 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.

We were not engaged to, and did not examine the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2015 and 2014, the objective of which would have been to opine on lodging tax receipts and disbursements. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is intended solely for the information and use of the Bureau and is not intended to be, and should not be used by anyone other than the specified party.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D" and a long, sweeping tail on the "y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

June 10, 2016

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LAKE COUNTY VISITORS BUREAU

LAKE 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  
JUNE 28, 2016