



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees
Ottawa County Visitors Bureau
Ottawa County
770 S.E. Catawba Road
Port Clinton, Ohio 43452

We have performed the procedures enumerated below, to which the management of Ottawa County Visitors Bureau, Ottawa County, Ohio (the Bureau) agreed, solely to assist the Bureau in evaluating whether it recorded all lodging taxes it received from Ottawa 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 and Investments

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 General Ledger Report to the December 31, 2013 balances in the 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 General Ledger Report to the December 31, 2014 balances in the General Ledger 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 General Ledger Report. The amounts agreed.
4. We confirmed the December 31, 2015 bank account balances with the Bureau's financial institution. We found no exceptions. 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 and February bank statements. We found no exceptions.

- b. We traced the amounts and dates to the General Ledger Report, to determine the debits were dated prior to December 31. We noted no exceptions.
6. We selected all reconciling credits (such as deposits in transit) from the December 31, 2015 bank reconciliation:
 - a. We traced each credit to the subsequent January bank statement. We found no exceptions.
 - b. We agreed the credit amounts to the Deposit Detail Report. Each credit was recorded as a December receipt for the same amount recorded in the reconciliation.
7. We tested investments held at December 31, 2015 and December 31, 2014 to determine that they:
 - a. Were of a type authorized by the Bureau. We found no exceptions.

Cash Receipts

1. We summarized lodging taxes Ottawa County's Detail Expense Transactions Report reported as payments to the Bureau during the years ending December 31, 2015 and 2014. The total reported disbursements were as follows:

Year Ended	Amount
December 31, 2015	\$899,920
December 31, 2014	\$891,365

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)(6) Tax Exemption
- c. Ottawa County Resolution 12-04
- 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.

Resolution 12-04 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 to and visitation in Ottawa County by persons non-resident of the County, for pleasure, business, and other purposes.

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.



Dave Yost
Auditor of State

Columbus, Ohio

May 17, 2016

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OTTAWA COUNTY VISITORS BUREAU

OTTAWA 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 2, 2016**