

***PUT IN BAY TOWNSHIP PORT AUTHORITY***

***OTTAWA COUNTY, OHIO***

**AGREED UPON PROCEDURES**

**For the Year Ended December 31, 2015**







# Dave Yost • Auditor of State

Board of Trustees  
Put-in-Bay Township Port Authority  
1494 Langram Road  
Put-in-Bay, Ohio 43456

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Put-in-Bay Township Port Authority, Ottawa County, prepared by Charles E. Harris & Associates, Inc., for the period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Put-in-Bay Township Port Authority is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

May 19, 2016

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**PUT IN BAY TOWNSHIP PORT AUTHORITY  
OTTAWA COUNTY  
Agreed Upon Procedures  
For the Year Ended December 31, 2015**

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***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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

Put-in-Bay Township Port Authority  
Ottawa County  
1494 Langram Road  
Put-in-Bay, Ohio 43456

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Put-in-Bay Township Port Authority (the Authority) and the Auditor of State agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the year ended December 31, 2015, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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 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 and Investments**

1. We tested the mathematical accuracy of the December 31, 2015 bank reconciliation. We found no exceptions.
2. We agreed the January 1, 2015 beginning fund balances recorded in the General Ledger to the December 31, 2014 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliation to the total of the December 31, 2015 fund cash balances reported in the General Ledger. The amounts agreed.
4. We confirmed the December 31, 2015 bank account balances with the Authority'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 bank statement. 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.

**Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2015:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the General Ledger. The amounts agreed.
  - b. We determined whether the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the General Ledger to determine whether it included two real estate tax receipts 2015. We noted the General Ledger included the proper number of tax receipts.
3. We selected five receipts from the State Distribution Transaction Lists (DTL) from 2015.
  - a. We compared the amount from the above reports to the amount recorded in the General Ledger. The amounts agreed.
  - b. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - c. We determined whether the receipts were recorded in the proper year. We found no exceptions.
4. We confirmed the amounts paid from the Federal Aviation Administration to the Authority during 2015 with the FAA. We found no exceptions.
  - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

**Debt**

1. From the prior audit documentation, we noted the following notes outstanding as of December 31, 2014. These amounts agreed to the Authority's January 1, 2015 balances on the summary we used in step 3.

<b>Issue</b>	<b>Principal outstanding as of December 31, 2014:</b>
Ottawa County Note	\$55,000
Put-in-Bay Township Note	\$52,525

2. We inquired of management, and scanned the General Ledger for evidence of debt issued during 2015 or debt payment activity during 2015. All debt noted agreed to the summary we used in step 3.
3. We obtained a summary of note debt activity for 2015 and agreed principal and interest payments from the related debt amortization schedules to general fund payments reported in the Check Register. We also compared the date the debt service payments were due to the date the Authority made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We haphazardly selected five payroll checks for the only employee from 2015 from the Employee Earnings Report and:
  - a. We compared the hours and pay rate, or salary recorded in the Employee Earnings Report to supporting documentation (timecard or legislatively approved rate or salary). We found no exceptions.
  - b. We determined whether the fund and account code to which the check was posted were reasonable based on the employees' duties as documented in the minute records. We also determined whether the payment was posted to the proper year. We found no exceptions.
  
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2015 to determine whether remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2015. We noted the following:

<b>Withholding (plus employer share, where applicable)</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Due</b>	<b>Amount Paid</b>
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2016	December 24, 2015	\$216.45	\$216.45
State income taxes	January 15, 2016	December 24, 2015	\$46.42	\$46.42
OPERS retirement	January 30, 2016	January 28, 2016	\$518.40	\$518.40

**Non-Payroll Cash Disbursements**

1. We haphazardly selected ten disbursements from the General Ledger for the year ended December 31, 2015 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 General Ledger 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.



### Compliance – Budgetary

1. We attempted to compare the total estimated receipts from the Operating Budget, required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the General Ledger for the General Fund for the year ended December 31, 2015. Estimated receipts were not recorded in the General Ledger for 2015. The failure to record estimated receipts in the General Ledger system inhibits the Authority's ability to monitor budget versus actual receipts. This could result in overspending by the Authority.
2. We scanned the appropriation measures adopted for 2015 to determine whether, for the General Fund, the Trustees appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We attempted to compare total appropriations required by Ohio Rev. Code Sections 5705.28(B)(2), 5705.38 and 5705.40, to the amounts recorded in the General Ledger for 2015 for the General Fund. However, appropriations were not recorded in the General Ledger. The Authority should record appropriations in the General Ledger to identify disbursements in excess of appropriations.
4. Ohio Rev. Code Sections 5705.28(B)(2)(c) prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General Fund for the year ended December 31, 2015. We noted no funds for which appropriations exceeded certified resources.
5. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the year ended December 31, 2015 for the General Fund as recorded in the Operating Budget. We noted that appropriations were \$353,781 however actual expenditures were \$465,616.
6. We scanned the General Ledger for the year ended December 31, 2015 for negative cash fund balance. Ohio Rev. Code Section 5705.10 (l) 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 noted no funds having a negative cash fund balance.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the Authority's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, the Board of Trustees, the Auditor of State, and others within the Authority, and is not intended to be, and should not be used by anyone other than these specified parties.



**CHARLES E. HARRIS & ASSOCIATES, INC.**

April 7, 2016

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# Dave Yost • Auditor of State

**PUT-IN-BAY TOWNSHIP PORT AUTHORITY**

**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  
MAY 31, 2016**