



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Geauga County Soil and Water Conservation District
Geauga County
14269 Claridon-Troy Road
Burton, Ohio 44021

We have performed the procedures enumerated below, with which the Board of Supervisors (the Board) and the management of the Geauga County Soil and Water Conservation District (the District) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2012 through 2016, 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. 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.

Depository Balances and Fund Balances

We applied the following procedures to each *Cash Basis Annual Financial Report* (the Reports) for the fiscal years ending December 31, 2012 through December 31, 2015:

1. We footed and cross-footed the amounts on pages 3A and 3B of the Reports, and compared the *Fund Cash Balances, December 31* to the *Fund Balances* on page 2. The amounts agreed.
2. We compared the *Disbursements* plus *Other Financing Uses* for the Special Fund on pages 3A and 3B of the Reports to the Disbursements reported on page 4. The amounts differed for the years ending December 31, 2015, 2014, 2013 and 2012 by \$214, \$82, \$46 and \$2,282, respectively.
3. We compared the *Receipts* plus *Other Financing Sources* for the Special Fund on pages 3A and 3B of the Reports to the Actual Receipts reported on page 5. The amounts agreed.
4. We recomputed the mathematical accuracy of the reconciliation on page 2. We found no exceptions.
5. We agreed the January 1 and December 31 fund cash balances reported in the District's Treasurer's Reports to the corresponding *Fund Cash Balances* on page 3B of the Reports. The amounts agreed.

Depository Balances and Fund Balances (Continued)

We also applied the following procedures to the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances* in the *Cash Basis Annual Financial Report* filed in the Hinkle System (the Report) at December 31, 2016:

6. We footed and cross-footed the amounts on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances*. We found no exceptions.
7. We compared the *Disbursements plus Other Financing Uses* for the Special Fund on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances* to the Budgetary Expenditures in the Special Fund Budgetary Activity footnote. The amounts differed by \$33.
8. We compared the *Receipts plus Other Financing Sources* for the Special Fund on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances* to the Actual Receipts in the Special Fund Budgetary Activity footnote. The amounts agreed.
9. We agreed the January 1 and December 31 fund cash balances reported in the District's Treasurer's Report (the *Report*) to the corresponding *Fund Cash Balances* on the *Combined Statement of Receipts, Disbursements and Changes in Fund Balances*. The amounts agreed.
10. We confirmed the December 31, 2016 bank account depository balance for the District Fund with the District's financial institutions. The balances agreed.
11. We compared the December 31, 2016 Special Fund depository balance from the *Report* to the amount reported in Geauga County's Statement of Cash Position report. We found no exceptions.
12. For the checks comprising the Outstanding Checks, we applied the following procedures:
 - a. We footed the supporting outstanding check list and compared it to the cash reconciliation. We found no exceptions.
 - b. We traced each check to the subsequent January bank statements. We found no exceptions.
 - c. We traced the amounts and dates of each check to the check register, to determine the check was recorded for the same amount and dated and recorded prior to December 31. We noted no exceptions.

Intergovernmental Receipts

We agreed the total of the receipts from the State Distribution Transaction Lists (DTL) and the total of the receipts from the County Auditor's DTLs to the total amounts recorded in the respective receipt classification in the Special Fund in the Profit and Loss Detail Report for the years ended December 31, 2012 through December 31, 2016. The amounts agreed.

All Other Cash Receipts

We haphazardly selected 10 other cash receipts from the year ended December 31, 2016 and five other cash receipts from each of the years ended 2012 through 2015 recorded in the duplicate cash receipts book and determined whether the:

1. Receipt amount agreed to the amount recorded in the Profit and Loss Detail Report. The amounts agreed.
2. Amount charged complied with rates in force during the period. We found no exceptions.
3. Receipt was posted to the proper fund and was recorded in the proper year. We found no exceptions.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2016 and one payroll check for two employees for each of the years ended December 31, 2012 through 2015 from the Special Fund Treasurer's Report and:
 - a. We compared the hours and pay rate, or salary recorded in the Special Fund Treasurer's Report to time sheet and the Employee Status Change Notice.
 - b. We inspected the Special Fund Treasurer's Report to determine whether salaries and benefits were paid only from the *Special Fund*, as required by the SWCD Administrative Handbook Chapter 5. We found no exceptions.
 - c. We inspected the Special Fund Treasurer's Report to determine whether the check was classified as *salaries* and was posted to the proper year. We found no exceptions.
2. For the five employees selected in step 1 from 2016, we inspected the following information in the employees' personnel files to determine it was consistent with the information used to compute gross and net pay related to the check:
 - a. Name
 - b. Authorized salary or pay rate
 - c. Retirement system participation and payroll withholding
 - d. Federal, State & Local income tax withholding authorization and withholding
 - e. Any other deduction authorizations (deferred compensation, etc.)

We found no exceptions related to steps a. – e. above

Non-Payroll Cash Disbursements

We haphazardly selected five disbursements from the *Special Fund* and five disbursements from the *District Fund* and other funds from the Treasurer's Report for the year ended December 31, 2016 and two from the *Special Fund* and three from the *District Fund* and other funds for each of the years ended 2012 through 2015 and determined whether:

1. The disbursements were for a proper public purpose. We found no exceptions.
2. For *District Fund* and other funds disbursements, we determined whether:
 - a. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the similar data recorded in the District Fund Treasurer's Report and to the names and amounts on the supporting invoices. We found no exceptions.
 - b. The payment was posted to a fund consistent with the purpose for which the fund's cash can be used. We found no exceptions.
3. For *Special Fund* disbursements, we determined whether:
 - a. The payee name and amount recorded on the invoice submitted to the County Auditor agreed to the payee name and amount recorded in the Special Fund Treasurer's Report and County Expense Ledger Detail Listing. We found no exceptions.
 - b. The names and amounts on the voucher agreed to supporting invoices. We found no exceptions.
 - c. The invoice was signed by the fiscal officer and approved by a majority of the Board of Supervisors. We found no exceptions.

2016 Special Fund Budgetary Compliance

1. We inspected the District's Special Fund Budget Request submitted to the County Commissioners. The request included the Special Fund's *Needs*, *Income* and *Balances* anticipated for carry over from the current year, as required by the SWCD Administrative Handbook, Chapter 5. We also compared the budget amounts to the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report. The amounts agreed.
2. We compared the total estimated receipts reported on the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report to the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), and to the amounts recorded in the Budget Performance Report for the Special Fund. The amounts agreed.
3. We inspected the appropriation measures to determine whether the Supervisors appropriated separate amounts within the Special Fund 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.
4. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Budget Performance Report for the Special Fund, and to the appropriations reported on the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report. The amounts agreed.
5. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.28(B)(2)(C) prohibit appropriations from exceeding estimated resources. We compared total appropriations to total estimated resources for the Special Fund for the year ended December 31, 2016. Appropriations did not exceed estimated resources for the Special Fund.

2016 Special Fund Budgetary Compliance (Continued)

5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus year-end certified commitments (i.e. encumbrances)) from exceeding appropriations. We compared total disbursements plus outstanding year-end encumbrances to total appropriations for the year ended December 31, 2016 for the "Special" Fund, as recorded in the Cash Basis Annual Financial Report. Expenditures did not exceed appropriations for the Special Fund.

7. We inspected the Cash Basis Annual Financial Report for the year ended December 31, 2016 for negative cash fund balances. Ohio Rev. Code Section 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. No funds had negative cash fund balances.

2016 Compliance – Contracts & Expenditures

There were no purchases exceeding \$50,000.

2016 Other Compliance

Ohio Rev. Code Section 117.38 requires Districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. We reviewed the HINKLE system and noted the District filed their financial information within the allotted timeframe for the year ended December 31, 2016.

This agreed-upon procedures engagement followed 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*. We were not engaged to, and did not conduct an examination or review, 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.

This report is for the use of the District to assist in evaluating its receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2012 through December 31, 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose



Dave Yost
Auditor of State
Columbus, Ohio

August 29, 2017

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GEAUGA COUNTY SOIL AND WATER CONSERVATION DISTRICT

GEAUGA 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
SEPTEMBER 19, 2017**