



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Napoleon Henry County Chamber of Commerce Visitors Bureau
Henry County
611 North Perry Street
Napoleon, Ohio 43545-1701

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of the Napoleon Henry County Chamber of Commerce Visitors Bureau, Henry County, Ohio (the Bureau), on the receipts, disbursements and balances recorded in the Bureau's cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Bureau. The Bureau is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Bureau. 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

1. We recalculated the December 31, 2017 and December 31, 2016 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2016 beginning fund balance recorded in the Checking Register to the December 31, 2015 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found a difference due to check number 2144 for \$3,448 being voided and added back to the beginning balance. We also agreed the January 1, 2017 beginning fund balances recorded in the Checking Register to the December 31, 2016 balances in the Checking Register. We found a difference due to check number 2219 for \$250 being voided and added back to the beginning balance.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2017 and 2016 fund cash balances reported in the Checking Register. The amount agreed for 2017. The amount for 2016 was off by the voided check number 2219 for \$250 noted above. The Bureau should remove voided checks from inclusion in the bank reconciliation when removed from the check register.
4. We confirmed the December 31, 2017 bank account balance with the Bureau's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2017 bank reconciliation without exception.

5. We selected all three reconciling debits (such as outstanding checks) from the December 31, 2017 bank reconciliation:
 - a. Each was still outstanding as of the July 2018 bank reconciliation. The Bureau should investigate these checks and determine if they should be re-issued, voided, or placed in an unclaimed money account.
 - b. We traced the amounts and dates to the check register, to determine the debits were dated prior to December 31. There were no exceptions.

Cash Receipts

1. We summarized lodging taxes the City of Napoleon's Detail Expense Transactions ledger reported as payments to the Bureau during the years ending December 31, 2017 and 2016. The total reported disbursements were as follows:

Year Ended	Amount
December 31, 2017	\$42,914
December 31, 2016	\$44,169

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's Profit and Loss Statement. We found a difference of \$8,361 in 2017 due to a timing difference of the December 2016 payment being posted in 2017 and a net difference of \$264 in 2016, due to timing difference of the December 2016 and 2015 payments posted in the following year, no exceptions taken.

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. City of Napoleon Resolution 104-96

The Bureau's tax exemption prohibits it from disbursements supporting a candidate's election.

Auditor of State Bulletin 2003-005 deems any disbursement of public funds (e.g. lodging taxes) for alcohol to be improper.

Ordinance 104-96 permits the Bureau to spend lodging taxes only for the promotion and publicizing of the City, in order to bring the patronage and business of tourists and cultural, educational, religious, professional, and sports organizations into the City, for the benefit of the citizens of the City and of the business community.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2017 and 2016 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.

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*. We were not engaged to, and did not examine or review the Bureau's lodging tax receipts and disbursements for the years ended December 31, 2017 and 2016, the objective of which would have been to opine on lodging tax receipts and disbursements or provide a conclusion. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is to provide assistance in the evaluation of the Bureau's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

Columbus, Ohio

August 21, 2018

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NAPOLEON / HENRY COUNTY CHAMBER OF COMMERCE AND VISITORS BUREAU

HENRY 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 4, 2018**