



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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

Destination Geauga  
Gauga County  
14907 North State Road  
P.O. Box 846  
Middlefield, Ohio 44062

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Destination Geauga, Gauga County, Ohio (the Bureau), on the receipts, disbursements and balances recorded in the Bureau's cash basis accounting records for the years ended June 30, 2019 and 2018 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 June 30, 2019 and 2018 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 June 30, 2019 and June 30, 2018 bank reconciliations. We found no exceptions.
2. We agreed the July 1, 2017 beginning fund balances recorded in the Balance Sheet to the June 30, 2017 balances in the documentation in the prior year Agreed-Upon Procedures. We found no exceptions. We also agreed the July 1, 2018 beginning fund balances recorded in the Balance Sheet to the June 30, 2018 balances in the Balance sheet. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the June 30, 2019 and 2018 fund cash balances reported in the Balance Sheet. The amounts agreed.
4. We confirmed the June 30, 2019 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 June 30, 2019 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the June 30, 2019 bank reconciliation:
  - a. We traced each debit to the subsequent July 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 June 30. There were no exceptions.

### Cash Receipts

1. We confirmed with Geauga County the lodging taxes it paid to the Bureau during the years ending June 30, 2019 and 2018. Geauga County confirmed the following amounts:

Year Ended	Amount
June 30, 2019	\$63,814
June 30, 2018	\$61,368

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's Detail Revenue 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. 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 selected a sample (agreed upon) of forty disbursements of lodging taxes from the years ended June 30, 2019 and 2018 in addition to all disbursements exceeding \$1,000, 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 June 30, 2019 and 2018, 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.

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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 June 30, 2019 and 2018, 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 "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

September 5, 2019

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# OHIO AUDITOR OF STATE KEITH FABER



**DESTINATION GEAUGA**

**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 24, 2019**