

**LOUDONVILLE-MOHICAN CONVENTION AND
VISITORS BUREAU**

ASHLAND COUNTY, OHIO

AGREED UPON PROCEDURES

For the Years Ended December 31, 2018 and 2017



OHIO AUDITOR OF STATE KEITH FABER



Board of Trustees
Loudonville-Mohican Convention and Visitors Bureau
544 North Union Street
Loudonville, Ohio 44842

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Loudonville-Mohican Convention and Visitors Bureau, Ashland County, prepared by Charles E. Harris & Associates, Inc., for the period January 1, 2017 through December 31, 2018. 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 Loudonville-Mohican Convention and Visitors Bureau is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

April 5, 2019

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**LOUDONVILLE-MOHICAN CONVENTION AND VISITORS BUREAU
ASHLAND COUNTY
For the Years Ended December 31, 2018 and 2017**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Loudonville-Mohican Convention and Visitors Bureau
Ashland County
544 North Union Street
Loudonville, Ohio 44842

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Loudonville-Mohican Convention & Visitor Bureau (the Bureau) and the Auditor of State, on the receipts, disbursements and balances recorded in the Bureau's cash basis accounting records for the years ended December 31, 2018 and 2017 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, 2018 and 2017 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, 2018 and December 31, 2017 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2017 beginning fund balances recorded on the Balance Sheet to the December 31, 2016 balances as documented in the prior year Agreed-Upon Procedures working papers. We found the January 1, 2017 balance to be \$105 higher than the December 31, 2016 balance as a check written in 2015 was voided in 2018. We also agreed the January 1, 2018 beginning fund balances recorded on the Balance Sheet to the December 31, 2017 balances on the Balance Sheet. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2018 and 2017 fund cash balances reported on the Balance Sheet. The amounts agreed for December 31, 2018. However, for December 31, 2017, the bank reconciliations showed a balance \$105 lower than the Balance Sheet due to the check written in 2015 that was voided in 2018.
4. We confirmed the December 31, 2018 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, 2018 bank reconciliation without exception.

5. We selected five reconciling debits (such as outstanding checks) haphazardly from the December 31, 2018 bank reconciliation:
 - a. We traced two of the reconciling debits to the subsequent January bank statement. We found no exceptions. The other three reconciling debits were still outstanding as of the date of the report.
 - 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.
6. We traced interbank account transfers occurring in December of 2017 to the accounting records and bank statements to determine if they were properly recorded. We found no exceptions. No such transfers occurred in 2018.

Cash Receipts

1. We confirmed with Ashland County the lodging taxes it paid to the Bureau during the years ending December 31, 2018 and 2017. Ashland County confirmed the following amounts:

Year Ended	Amount
December 31, 2018	\$119,161
December 31, 2017	\$112,141

2. We compared the amounts from step 1 to amounts recorded as lodging tax receipts on the Bureau's Profit and Loss Detail Report. The amounts agreed in 2018. We found one exception in 2017, as an additional \$910 in Miscellaneous Income was included as lodging tax receipts in the Bureau's Profit and Loss Detail Report during 2017.

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 By-Laws
- b. The Bureau's 501(c)(6) Tax Exemption
- c. Agreement with Ashland County
- 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.


The Bureau's By-Laws permit the Bureau to spend lodging taxes to promote, encourage tourism, overnight stays and their associated economic benefits in southern Ashland County.

The Agreement with Ashland County permits the Bureau to spend lodging taxes only for the proper purpose of fostering and promoting tourism, visitors, and conventions within Ashland County, Ohio.

2. We haphazardly selected forty disbursements of lodging taxes from the years ended December 31, 2018 and 2017, in addition to all disbursements exceeding \$2,000, 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, 2018 and 2017, 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, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.
February 22, 2019

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OHIO AUDITOR OF STATE KEITH FABER



LOUDONVILLE- MOHICAN CONVENTION AND VISITORS BUREAU

ASHLAND 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
APRIL 18, 2019**