



OHIO AUDITOR OF STATE
KEITH FABER



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March 25, 2019

ABC Water and Storm Water District
Mahoning County
8299 Market Street
Boardman, Ohio 44512

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the ABC Water and Storm Water District, Mahoning County, (the District) for the years ended December 31, 2017 and 2016.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2017 and 2016.

The District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

We obtained written representation from the governing Board that the District had no cash, assets, liabilities, revenues or expenses during the year ended December 31, 2016.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

- The District did not file an annual report with the Auditor of State within 60 days of the fiscal year end for 2017 and 2016. The statements that were filed for 2016 were not correct in that they showed activity for 2016 when there was no activity. An Alternate Hinkle System Financial Statement/ Disclosure was subsequently filed on January 30, 2019. Ohio Revised Code Section 117.38 states that cash-basis entities must file annual reports with the Auditor of State within 60 days of the fiscal year end. We noted that for 2017, the District did not file their financial statements with the Auditor of State via the Hinkle System until March 5, 2018, 2018. They were due March 1, 2018. The District should ensure it files its reports timely.
- The District's accounting system did not allow for integration of budget information. Budgeted amounts of receipts and disbursements integrated into the District's accounting system would allow for meaningful comparisons between the budgeted and actual figures. If budgetary integration is not feasible, the District should document its manual monitoring of budgetary status on the reports.

- The District did not comply with Ohio Rev. Code § 5705.36. There was no estimate of available revenue presented to the Board.
- The District did not comply with Ohio Rev. Code § 5705.38. An annual appropriations measure was not passed.
- The District did not comply with Ohio Rev. Code § 5705.41(B). Expenditures were made without appropriations.

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, OH

March 25, 2019

OHIO AUDITOR OF STATE KEITH FABER



ABC WATER AND STORM WATER DISTRICT

MAHONING 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 9, 2019**