



OHIO AUDITOR OF STATE
KEITH FABER





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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Huron Joint Recreation District
Erie County
417 Main Street
Huron, Ohio 44839-1652

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees (the Board) and the management of Huron Joint Recreation District, Erie County, Ohio (the District), on the receipts, disbursements and balances recorded in the District'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 District. The District 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 District. 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. The City of Huron (the City) is custodian for the District's deposits and therefore the City's deposit and investment pool holds the District's assets. We compared the District's fund balance reported on its December 31, 2018 and December 31, 2017 Statement of Cash Positions Report to the balance reported in the City's accounting records. The amounts agreed.
2. We agreed the January 1, 2017 beginning fund balance recorded in the Statement of Cash Positions Report to the December 31, 2016 balance in the Statement of Cash Positions Report. We found no exceptions. We also agreed the January 1, 2018 beginning fund balance recorded in the Statement of Cash Positions Report to the December 31, 2017 balance in the Statement of Cash Positions Report. We found no exceptions.

Other Confirmable Cash Receipts

We confirmed the amounts paid from the City of Huron (the City), Huron Township (the Township), and Huron City School District (the School District) to the District during the years ended December 31, 2018 and 2017 with the City, Township, and School District. We found no exceptions. We also inspected the Revenue Audit Trail Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The District's documentation disclosed no debt outstanding as of December 31, 2016.
2. We inquired of management, and inspected the Revenue Audit Trail Report and Expense Transaction Ledger Report for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. There were no new debt issuances, nor any debt payment activity during 2018 or 2017.

Non-Payroll Cash Disbursements

We selected all disbursements from the Expense Transaction Ledger Report for the year ended December 31, 2018 and all from the year ended December 31, 2017 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Expense Transaction Ledger Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The Finance Director certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. We compared the total estimated receipts from the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the Trial Balance Detailed Report for the years ended December 31, 2018 and 2017. The amounts agreed.
2. We inspected the appropriation measures adopted for 2018 and 2017 to determine whether the Board appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.28(B)(2), 5705.38, and 5705.40, to the amounts recorded in the Trial Balance Detailed Report for 2018 and 2017. The amounts on the appropriation measures agreed to the amounts recorded in the Trial Balance Detailed Report.
4. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(5) prohibit appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the years ended December 31, 2018 and 2017. There were no instances in which appropriations exceeded certified resources.
5. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(B) prohibit expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2018 and 2017, as recorded in the Expense Report with Committed Balance Report. We noted no instances in which expenditures exceeded appropriations.

6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the Revenue Audit Trail Report for evidence of new restricted receipts requiring a new fund during the years ended December 31, 2018 and 2017. We also inquired of management regarding whether the District received new restricted receipts. We observed no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the District to establish a new fund
7. For the fund existing in prior years, we inspected the fund activity to determine whether the fund is still being used for the statutorily approved purpose and that all required funds were established. The required fund was established and no funds for which the statutorily-approved purpose was no longer valid were included on the accounting records.
8. We inspected the 2018 and 2017 Revenue Report with Transfers In and Out Report and Expenses Report with Committed Balance Report for evidence of interfund transfers which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner (effective after June 30, 2017) or Court of Common Pleas (effective through June 30, 2017).
9. We inspected the Statement of Cash Positions Report for the years ended December 31, 2018 and 2017 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. We noted no instances in which the District's fund had a negative cash fund balance.

Other Compliance

Ohio Rev. Code Section 117.38 requires these districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the HINKLE System. Financial information for the year ended December 31, 2018 was filed on June 3, 2019, which was not within the allotted timeframe. Financial information for the year ended December 31, 2017 was filed on February 25, 2019, which was also not within the allotted timeframe.

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*. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the *American Institute of Certified Public Accountants*. 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 to provide assistance in the evaluation of the District's receipts, disbursements and balances recorded in its 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.

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

August 1, 2019

OHIO AUDITOR OF STATE KEITH FABER



HURON JOINT RECREATION DISTRICT

ERIE 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
AUGUST 15, 2019**