



OHIO AUDITOR OF STATE
KEITH FABER



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88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Put-in-Bay Township Port Authority
Ottawa County
1494 Langram Road, P.O. Box 278
Put-in-Bay, Ohio 43456-0278

We have performed the procedures enumerated below on Put-in-Bay Township Port Authority, Ottawa County, Ohio's (the Port Authority) receipts, disbursements and balances recorded in the cash-basis accounting records for the year ended December 31, 2021 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Port Authority. The Port Authority is responsible for the receipts, disbursements and balances recorded in the cash-basis accounting records for the year ended December 31, 2021 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Port Authority.

The Board of Trustees and the management of the Port Authority have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Port Authority's receipts, disbursements and balances recorded in its cash-basis accounting records for the year ended December 31, 2021, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash and Investments

1. We recalculated the December 31, 2021 bank reconciliation. We found no exceptions.
2. We agreed the January 1, 2021 beginning fund balance recorded in the General Ledger Report to documentation in the prior year agreed-upon procedures working papers. We found no exceptions.
3. We agreed the 2021 bank reconciliation as of December 31, 2021 to the fund cash balance reported in the General Ledger Report and the financial statement filed by the Port Authority in the Hinkle System. The amounts did not agree. At December 31, 2021 the reconciled bank balance was \$5,375 less than the General Ledger Report fund balance and \$2,274 less than the Hinkle System fund balance.

4. We confirmed the December 31, 2021 bank account balances with the Port Authority's financial institution. We found no exceptions. In addition we confirmed the December 31, 2021 bank account balance for the Port Authority through the Ohio Pooled Collateral System. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2021 bank reconciliation without exception.
5. We selected five reconciling debits (such as outstanding checks) from the December 31, 2021 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found reconciling adjustments totaling \$3,669 that are being carried from month-to-month in the accounting system. Accordingly, these reconciling adjustments could not be traced to subsequent redemption. Because we did not inspect all reconciling debits, our report provides no assurance whether or not additional similar errors occurred.
 - b. Where applicable, we traced the amounts and dates to the General Ledger Report and determined the debits were dated prior to December 31. We found no exceptions.
6. We selected five reconciling credits (such as deposits in transit) from the December 31, 2021 bank reconciliation:
 - a. We traced each credit to the subsequent March bank statement. We found one reconciling adjustment in the amount of \$1,976 that is being carried month-to-month in the accounting system. We also found one outstanding deposit in the amount of \$97 that was actually a merchant fee disbursement. Accordingly, these reconciling adjustments could not be traced to subsequent redemption. Because we did not inspect all reconciling credits, our report provides no assurance whether or not additional similar errors occurred.
 - b. Where applicable, we traced the amounts and dates to the General Ledger Report and determined the credits were dated prior to December 31. We found no exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, and State Distribution Transaction Lists (DTL) from 2021.
 - a. We compared the amount from the above named reports to the amount recorded in the General Ledger Report. The amounts agreed except for the first half property tax settlement. This receipt was recorded at net instead of gross resulting in receipts and disbursements being understated by \$826.
 - b. We inspected the General Ledger Report to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We inspected the General Ledger Report to determine whether it included two real estate tax receipts for 2021. The General Ledger Report included the proper number of receipts. We found no exceptions.
3. We confirmed the total amount paid from the Federal Aviation Administration (the Administration) to the Port Authority during 2021 with the Administration. We found no exceptions. We also inspected the General Ledger Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Rent Receipts

We selected ten rent cash receipts from the year ended December 31, 2021 and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger Report. The amounts agreed.
- b. Agreed the rate charged complied with rates in force during the period, where applicable. We found no exception.
- c. Inspected the General Ledger Receipt to confirm the receipt recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2020.
2. We inquired of management, and inspected the General Ledger Report and Check Detail Report for evidence of debt issued during 2021 or debt payment activity during 2021. There were no new debt issuances, nor any debt payment activity during 2021.

Non-Payroll Cash Disbursements

We selected ten disbursements from the General Ledger Report for the year ended December 31, 2021 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 General Ledger Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The Fiscal Officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code § 5705.41(D). None of the disbursements were certified, as the Port Authority did not use certifications. Ohio Rev. Code § 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Compliance - Budgetary

1. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the year ended December 31, 2021. Expenditures exceeded total appropriations by \$187,397, contrary to Ohio Rev. Code § 5705.41(B).
2. We inspected interfund transfers from the 2021 General Ledger Report for compliance with Ohio Rev. Code § 5705.14 - .16. We found no evidence of transfers these sections prohibit, or for which Ohio Rev. Code § 5705.16 would require approval by the Tax Commissioner.
3. We inspected the General Ledger Report for the year ended December 31, 2021 for a negative cash fund balance. Ohio Rev. Code § 5705.10(l) 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 of a negative cash fund balance.

Sunshine Law Compliance

1. We obtained and inspected the Port Authority's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We inquired with Port Authority management and determined that the Port Authority did not have any public records requests (completed, denied, or redacted) during the engagement period.
3. We inquired whether the Port Authority had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
5. We inquired with Port Authority management and determined that the Port Authority did not have a policy manual during the engagement period therefore the Public Records Policy could not be included as required by Ohio Rev. Code § 149.43(E)(2).
6. We observed that the Port Authority's poster describing its Public Records Policy was displayed conspicuously in all branches of the Port Authority as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inquired with Port Authority management and determined that the Port Authority did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inquired with Port Authority management and determined that the Port Authority did not have any elected officials subject to the public records training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the Port Authority notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared - a file is created following the date of the meeting.
 - b. Filed - placed with similar documents in an organized manner.
 - c. Maintained - retained, at a minimum, for the engagement period.
 - d. Open to public inspection - available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions (when applicable) were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code §121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

Ohio Rev. Code §117.38 requires port authorities 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. The Auditor of State established policies regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Port Authority filed its complete financial statement, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the year ended December 31, 2021 in the Hinkle System. We found no exceptions.

We were engaged by the Port Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Port Authority'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.

We are required to be independent of the Port Authority and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.



Keith Faber
Auditor of State
Columbus, Ohio

September 12, 2022

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OHIO AUDITOR OF STATE KEITH FABER



PUT-IN-BAY TOWNSHIP PORT AUTHORITY

OTTAWA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 10/25/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov