



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

DKMM Solid Waste District
Knox County
619 West Marion Road, Suite 107
Mount Gilead, Ohio 43338

We have performed the procedures enumerated below on the DKMM Solid Waste District's (the District) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 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, 2023 and 2022 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District.

The Board of Directors and the management of the District have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2023 and 2022, 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

1. Knox County is the custodian for the District's deposits, and therefore the County's deposit and investment pool holds the District's assets. We confirmed the District's fund balances reported on its December 31, 2023 Statement of Cash from Revenue and Expense Report to the balances reported in Knox County's accounting records. The amounts agreed.
2. We agreed the January 1, 2022 beginning fund balance recorded in the Financial Report to the December 31, 2021 balances in the prior year agreed-upon procedures. We found no exceptions. We also agreed the January 1, 2023 beginning fund balance recorded in the Financial Statements to the December 31, 2022 balances in the Financial Report. We found no exceptions.

Tipping Fees and Other Confirmable Cash Receipts

1. We confirmed the amounts paid from the Cherokee Run Landfill, Crawford County Landfill, Noble Road Landfill, and Wyandot Landfill to the District during 2023 and 2022. They confirmed payment of the following amounts to the District:

Company	2023 Payments	2022 Payments
Cherokee Run Landfill	\$106,636	\$100,227
Crawford County Landfill	\$431,378	\$429,911
Noble Road Landfill	\$64,586	\$54,955
Wyandot Landfill	\$88,556	\$66,336

- a. We compared the amount confirmed with the amount the District recorded in its receipt records. We found no exceptions.
 - b. We inspected the District Income Reports and the Knox County Receipt Audit Trail to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - c. We inspected the Knox County Receipt Audit Trail to determine whether the receipts were recorded in the proper year. We found no exceptions.
2. We obtained the November 2022 and May 2023 total tonnage reports from the landfills in procedure 1.
 - a. We recalculated the dollar amount sent to the District based on the rates in force during the period and agreed to the amounts posted to the Districts ledgers. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2021.
2. We inquired of management and inspected the District Income Report and Expense Report for evidence of debt issued during 2023 or 2022 or debt payment activity during 2023 or 2022. There were no new debt issuances, nor any debt payment activity during 2023 or 2022.

Payroll Cash Disbursements

1. We selected one payroll check for all employees from 2023 and one payroll check for all employees from 2022 from the Employees Detail Adjustment Report and:
 - a. We compared the hours and pay rate, or salary amount recorded in the Employee Deductions Report to supporting documentation (timecard, statutorily-approved rate or salary.) We found no exceptions.
 - b. We inspected the fund and account code to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files and/or minute record. We found no exceptions.
 - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2023 to confirm remittances were timely charged by the fiscal agent Knox County, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2023. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare	January 31, 2024	December 29, 2023	\$545	\$545
State income taxes	January 15, 2024	January 5, 2024	\$95	\$95
Local income tax	January 11, 2024	January 11, 2024	\$91	\$91
OPERS retirement	January 30, 2024	January 29, 2024	\$972	\$972

We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Expense Transaction Report for the year ended December 31, 2023 and 10 from the year ended 2022 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 Report and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
 - d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code § 5705.28(B)(2) and 5705.41(D). We found no exceptions.
 - e. The disbursement was allowable under Ohio Rev. Code § 3734.57(G) and the District's policies and procedures. We found no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code § 5705.28(B)(2) and §5705.41(B) prohibit expenditures (disbursements plus certified commitments including outstanding encumbrances) 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 years ended December 31, 2023 and 2022. Expenditures did not exceed appropriations.
2. We inspected the Year to Date Fund Report and the Statement of Cash Report for the years ended December 31, 2023 and 2022 for negative cash fund balance. Ohio Rev. Code § 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 observed no funds having negative cash fund balances.

Sunshine Law Compliance

1. We obtained and inspected the District'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 selected all public records requests from the engagement period and inspected each request to determine the following:
 - a. The District was compliant and responded to the request in accordance with their adopted policy as required by Ohio Rev. Code § 149.43(B)(1). We found no exceptions.
 - b. The District did not have any denied public records requests during the engagement period.
 - c. The District did not have any public records requests with redactions during the engagement period.
3. We inquired whether the District 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 inspected the District's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
6. We observed that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We selected the only application submitted to the Records Commission for one-time disposal of obsolete records, and management's review of the schedules of records retention and dispositions for the engagement period. We inspected the approval by the Records Commission for the one selected and the review of the schedules. This was required by Ohio Rev. Code §149.381. We found no exceptions.
8. We inquired with District management and determined that the District 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 District notified the general public 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 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

1. Ohio Rev. Code § 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. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2023 and 2022 in the Hinkle system. We found no exceptions.

We were engaged by the District 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 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.

We are required to be independent of the District 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

August 23, 2024

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OHIO AUDITOR OF STATE KEITH FABER



DELAWARE, KNOX, MARION, MORROW (DKMM) SOLID WASTE DISTRICT

KNOX 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 9/17/2024

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This report is a matter of public record and is available online at
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