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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Hocking Conservancy District
Athens County
560 West Union Street
Athens, Ohio 45701

We have performed the procedures enumerated below on the Hocking Conservancy District's, Athens County, Ohio (the District) receipts, disbursements and balances recorded in the cash-basis accounting records for the years ended December 31, 2024 and 2023, and certain compliance requirements related to these transactions and balances, included in the information provided to us by the management of the District. The District is responsible for receipts, disbursements, and balances recorded in the cash basis accounting records for the year ended December 31, 2024 and 2023 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, 2024 and 2023, 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, 2024 and December 31, 2023 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2023 beginning fund balances for each opinion unit recorded in the Cashbook/General Ledger to the December 31, 2022 balances in the prior year audited statements. We found no exceptions. We also compared the January 1, 2024 beginning fund balances for each fund recorded in the Cashbook/General Ledger to the December 31, 2023 balances in the General Ledger maintained in excel. We found the December 31, 2023 amounts exceeded the January 1, 2024 amounts by \$21,579, \$115, and \$6,083 in the General Fund, Special Revenue Fund, and Capital Projects Fund, respectively, pertaining to the treatment of interest.

Cash and Investments (Continued)

3. We agreed the 2024 and 2023 bank reconciliation adjusted book balances and adjusted bank balances as of December 31, 2024 and 2023 to the total fund cash balances reported in the Cashbook/General Ledger maintained in excel and the financial statements filed by the District in the Hinkle System.
 - a. At December 31, 2023 the Cashbook/General Ledger maintained in excel exceeded the adjusted book balances from the bank reconciliation by \$447 due to excess interest posted. The financial statements filed by the District in the Hinkle System exceeded the adjusted book balances by \$65 due to excess interest posted.
 - b. At December 31, 2024 the adjusted book balances from the bank reconciliation agreed to the Cashbook/General Ledger. The financial statements filed by the District in the Hinkle System exceeded the adjusted book balances by \$18,617, \$115, \$6,352 in the General Fund, Special Revenue Fund, and Capital Projects Fund, respectively, due to excess interest in the Hinkle System filing.
4. We confirmed the December 31, 2024 bank account balances with the District's financial institutions for all but one account. We found no exceptions. We observed the year-end bank balance for the Chase Bank account on the financial institution's website. The balance agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2024 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2024 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, and determined the debits were dated prior to December 31. We found no exceptions.
6. We inspected the Cashbook to determine whether the Findings For Adjustment identified in the prior audit report, due from the General Fund fund, payable to the Special Revenue Fund and Capital Projects Fund, were properly posted to the ledgers and reflected in the fund balances in Procedure 2. We found no exceptions.
7. We inspected investments held at December 31, 2024 and December 31, 2023 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code §§ 135.13, 135.14, 135.144 or 135.145. We found no exceptions.
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code §§ 135.13 or 135.14. We found no exceptions.

Special Assessments

We selected a total of 5 receipts from the *Statement of Semiannual Apportionment of Taxes* from 2024 and a total of 5 from 2023:

- a. We compared the amount from the above named reports to the amount recorded in the Cashbook. The amounts agreed.
- b. We inspected the Cashbook to confirm the receipt was allocated to the proper fund as required by Ohio Rev. Code §§ 6101.44, 5705.05 and 5705.10. We found no exceptions.
- c. We inspected the Cashbook to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.

Hocking Conservancy District
Athens County
Independent Accountant's Report on
Applying Agreed-Upon Procedures
Page 3

Other Receipts

We selected 10 other receipts from the year ended December 31, 2024 and 10 other receipts from the year ended 2023 and:

- a. Agreed the receipt amount recorded in the Cashbook to supporting documentation. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the Cashbook to determine the receipt was posted to the proper funds, and was recorded in the proper year. We found two receipts in 2023 which included a portion of interest pertaining to 2022. Because we did not inspect all receipts, our report provides no assurance regarding whether or not other similar errors occurred.

Debt

1. From the prior audit report, we observed manuscript debt outstanding as of December 31, 2022. This outstanding balance is included in the "Summary Debt Table - Carry Forward Balance" column in the summary chart in procedure 3.
2. We inquired of management and inspected the Cashbook for evidence of debt issued during 2024 or 2023 or debt payment activity during 2024 or 2023. There were no new debt issuances. Debt payment activity during 2024 or 2023 is included in step 3 below.
3. From the summary of outstanding debt for 2024 and 2023 below:
 - a. We agreed the principal and interest payments from the related debt amortization schedule to Margaret Creek Special Revenue Fund payments reported in the Cashbook and included the total principal payments for both years in the table below. We found no exceptions. However, the District did pay off the Manuscript debt in full, early, in 2024.
 - b. We compared the date the debt service payments were due to the date the District made the payments. We found no exceptions.
 - c. Based on the principal payments made, we agreed the outstanding balance to debt amortization schedule and included the outstanding balance in the summary table below. We found no exceptions.
 - d. The District did not have any debt covenants that would result in modification of terms or cancellation of the debt.

Summary Debt Table					
Debt Issued	Carry Forward Balance 1/1/2023	New Issue 2023	New Issue 2024	Total Principal Payments 2023/2024	Outstanding Balance 12/31/2024
Margaret Creek Special Revenue Fund- Manuscript Debt	\$77,866	\$0	\$0	\$77,866	\$0

Payroll Cash Disbursements

1. We selected 1 payroll check for 5 employees from 2024 and 1 payroll check for 5 employees from 2023 from the Cashbook and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Report to supporting documentation (timecard, legislatively, or statutorily-approved rate or salary). We found no exceptions.
 - b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.

Payroll Cash Disbursements (Continued)

- c. We inspected the fund and account codes to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the employees' personnel files. We found no exceptions.
- d. 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, 2024 to confirm remittances were timely paid, and that the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2024. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal Income Taxes & Medicare	01/31/2025	12/31/2024	\$5,043	\$5,043
State Income Taxes	01/15/2025	12/31/2024	1,454	1,454
Local Income Tax- City of Nelsonville	01/31/2025	12/30/2024	146	146
Local Income Tax- City of Athens	01/31/2025	12/31/2024	726	726
Local Income Tax- Alexander Local School District	01/15/2025	12/31/2024	150	150
Local Income Tax- Athens City School District	01/15/2025	12/31/2024	73	73
OPERS retirement	01/30/2025	12/31/2024	6,683	6,683

We found no exceptions.

Non-Payroll Cash Disbursements

1. From the Cashbook, we re-footed checks recorded as Maintenance Fund disbursements for Appraisers, and checks recorded as Equipment in the Contingency Reserve Fund for 2024. We found no exceptions.
2. We selected 10 disbursements from the Cashbook for the year ended December 31, 2024 and 10 from the year ended 2023 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 Cashbook 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 §§ 5705.41(D) and 6101.44. We found one instance in 2024 where the certification date was after the vendor invoice date and there was also no evidence that a Then and Now Certificate was issued. Ohio Rev. Code §§ 5705.41(D) and 6101.44 require 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 § 6101.44 prohibits expenditures (disbursements plus contract commitments including outstanding encumbrances) from exceeding appropriations. We compared total expenditures to total approved appropriations plus any carryover appropriations for the years ended December 31, 2024 and 2023 for the General Fund, Special Revenue Fund, and Capital Projects Fund. Expenditures did not exceed appropriations.
2. We inspected all three interfund transfers from 2024 and both from 2023 Cashbook for compliance with Ohio Rev. Code § 6101.44. We found no evidence of transfers this Section prohibits.
3. We inspected the Cashbook for the years ended December 31, 2024 and 2023 for 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. There were 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 inquired with District management and determined that the District did not have any completed public records requests during the engagement period. The District did not have any denied public records requests during the engagement period. 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 did not select any applications 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. The District is not subject to the Ohio Rev. Code records authority. Therefore this step is not applicable and applications were not inspected or inquired about.
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).

Sunshine Law Compliance (Continued)

9. We inspected the public notices for the public meetings held during the engagement period and determined the District 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 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 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, 2024 and 2023 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.

Hocking Conservancy District
Athens County
Independent Accountant's Report on
Applying Agreed-Upon Procedures
Page 7

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

May 22, 2025

OHIO AUDITOR OF STATE KEITH FABER



HOCKING CONSERVANCY DISTRICT

ATHENS 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 6/26/2025

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