



Certified Public Accountants, A.C.

**GUERNSEY COUNTY PORT AUTHORITY
GUERNSEY COUNTY
Agreed-Upon Procedures
For the Years Ended December 31, 2018 and 2017**

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., #A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., #300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., #300
Cambridge, OH 43725
740 435 3417

OHIO AUDITOR OF STATE
KEITH FABER



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

Board of Trustees
Guernsey County Port Authority
806 Cochran Ave.
Cambridge, OH 43725

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of Guernsey County Port Authority, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2017 through December 31, 2018. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Guernsey County Port Authority is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads 'Keith Faber'.

Keith Faber
Auditor of State
Columbus, Ohio

August 7, 2019

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**Guernsey County Port Authority
GUERNSEY COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 29, 2019

Guernsey County Port Authority
Guernsey County
806 Cochran Ave.
Cambridge, OH 43725

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of **Guernsey County Port Authority**, Guernsey County (the Authority) and the Auditor of State, on the receipts, disbursements and balances recorded in the Authority'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 Authority. The Authority 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 Authority. 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. We recalculated the December 31, 2018 and December 31, 2017 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2017 beginning fund balances recorded in the Statement of Cash Receipts, Cash Disbursements and Changes in Cash Balance to the December 31, 2016 balances in the documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2018 beginning fund balances recorded in the Statement of Cash Receipts, Cash Disbursements and Changes in Cash Balance to the December 31, 2017 balances in the Statement of Cash Receipts, Cash Disbursements and Changes in Cash Balance. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2018 and 2017 fund cash balances reported in the Statement of Cash Receipts, Cash Disbursements and Changes in Cash Balance. The amounts agreed.

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Tax – Accounting – Audit – Review – Compilation – Agreed Upon Procedures – Consultation – Bookkeeping – Payroll – Litigation Support – Financial Investigations

Members: American Institute of Certified Public Accountants

*Ohio Society of CPAs * West Virginia Society of CPAs *Association of Certified Fraud Examiners * Association of Certified Anti-Money Laundering Specialists*

Cash (Continued)

4. We confirmed the December 31, 2018 bank account balance with the Authority's financial institution. We found no exceptions. We also agreed the confirmed balance to the amounts appearing in the December 31, 2018 bank reconciliation without exception.

Lease Income

We selected all rent cash receipts from the year ended December 31, 2018 and selected a sample (agreed upon) of 10 rent cash receipts from the year ended 2017 recorded in the duplicate cash receipts book and:

- a. Agreed the receipt amount to the amount recorded in the General Ledger Report. The amounts agreed.
- b. Confirmed the amounts charged complied with rates in force during the period. We found no exceptions.
- c. Inspected the General Ledger Report to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Over-The-Counter Cash Receipts

We selected a sample (agreed upon) of 10 over-the-counter cash receipts from the year ended December 31, 2018 and 10 over-the-counter cash receipts from the year ended 2017 recorded in the duplicate cash receipts book and determined whether the:

- a. Agreed the receipt amount to the amount recorded in the General Ledger Report. The amounts agreed.
- b. Inspected the General Ledger Report to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.

Debt

1. From the prior agreed-upon procedures documentation, we observed the following loans outstanding as of December 31, 2016. These amounts agreed to the Authority's January 1, 2017 balances on the summary we used in step 3.

Issue	Principal outstanding as of December 31, 2016:
State of Ohio Loan	\$ 4,034,997
Community Industrial Association Loan	\$ 422,175
Ohio Water Development Authority Loan	\$ 1,599,253

2. We inquired of management, and inspected the General Ledger for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. All debt agreed to the summary we used in step 3.
3. We obtained a summary of loan debt activity for 2018 and 2017 and agreed principal and interest payments from the related debt amortization schedules to payments reported in the General Ledger. We also compared the date the debt service payments were due to the date the Authority made the payments. In 2017, debt interest for the State of Ohio Loan was incorrectly included in the Debt Payment balance. We found no other exceptions.

Non-Payroll Cash Disbursements

1. We selected a sample (agreed-upon) of 10 disbursements from the General Ledger for the year ended December 31, 2018 and 10 from the year ended 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 General Ledger 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.

Budgetary - Compliance

1. We compared the total estimated receipts from the Amended Operating Budget, required by Ohio Rev. Code Sections 5705.28(B)(2) and 5705.36(A)(1), to the amounts recorded in the YTD Profit & Loss Budget vs. Actual report for the Enterprise Fund 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, for the Enterprise Fund, the Board appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as 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) and 5705.38 and 5705.40, to the amounts recorded in the YTD Profit & Loss Budget vs Actual Report for 2018 and 2017 for the Enterprise Fund. The amounts on the appropriation resolutions agreed to the amounts recorded in the Amended Operating Budget.
4. Ohio Rev. Code Section 5705.28(B)(2)(c) prohibits appropriations from exceeding the estimated revenue available for expenditure (receipts plus beginning unencumbered cash). We compared total appropriations total estimated revenue for the Enterprise fund for the years ended December 31, 2018 and 2017. We observed no funds for which appropriations exceed estimated revenues.
5. Ohio Rev. Code Sections 5705.28(B)(2) and 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total appropriations for the years ended December 31, 2018 and 2017 for the Enterprise Fund, as recorded in the Amended Operating Budget. We observed no funds for which expenditures exceeded total appropriations.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We inspected the General Ledger for evidence of new restricted receipts requiring a new fund during December 31, 2018 and 2017. We also inquired of management regarding whether the Authority received new restricted receipts. We observed no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.D would require the Authority to establish a new fund.

Other Compliance

1. Ohio Rev. Code Section 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. 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 Authority 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, 2018 and 2017 in the Hinkle system. There were no exceptions.

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*. 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 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.

This report is for the use of the Authority to assist in evaluating its receipts, disbursements and balances recorded in their 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.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

OHIO AUDITOR OF STATE
KEITH FABER



GUERNSEY COUNTY PORT AUTHORITY

GUERNSEY 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 20, 2019**