

**Morgantown-Butler County
Tourism Commission**

Agreed-Upon Procedures

June 30, 2018

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Morgantown-Butler County Tourism Commission
P.O. Box 243
Morgantown, KY 42261

We have performed the procedures attached to this report, which were agreed to by the Morgantown-Butler County Tourism Commission (the specified party), on the accounting records of the Commission for the year ended June 30, 2018. The Morgantown-Butler County Tourism Commission's management is responsible for accounting records. The sufficiency of these procedures is solely the responsibility of the Morgantown-Butler County Tourism Commission. Consequently, we make no representation regarding the sufficiency of the procedures attached either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are attached to this report.

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 audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records. Accordingly, we do not express such 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 intended solely for the information and use of the Morgantown-Butler County Tourism Commission and is not intended to be and should not be used by anyone other than those specified parties.

Hensley & Throneberry, CPAs

June 27, 2019

Schedule of Agreed-Upon Procedures and Findings

1. **Procedures:** Review minutes of the meetings of the Board of Directors. Determine:
 - a. the board met on a routine, consistent basis and in compliance with its by-laws.
 - b. the minutes were sufficient in detail to identify any debt approved during the year, expenditure approvals, and any other information significant to the governance and operations of the Commission.
1. **Findings:** Meetings were held in accordance with by-laws on a routine, consistent basis. The minutes were recorded in sufficient detail.

2. **Procedures:** Access online the Commission's Financial Disclosure Report submitted to the Department of Local Government (DLG). Through review and inquiry, determine:
 - a. the budget estimates were submitted to the DLG by the submission deadline.
 - b. the data reported agrees to the approved Commission budget adopted by the Board of Directors and recorded in official meeting minutes.
2. **Findings:** The budget estimates were submitted timely and agreed to the budget approved by the board and documented in the minutes.

3. **Procedures:** Access online the Commission's Financial Disclosure Report submitted to the DLG. Through review and inquiry, determine:
 - a. the amendments/transfers and year-end actuals were submitted to the DLG by the submission deadline.
 - b. the data reported agrees to the Commission's supporting records.
3. **Findings:** The amendment and year-end actuals were submitted to the DLG timely, and the data agreed to the supporting records.

4. **Procedures:** For each bank account, review a sample of the bank statements for 4 months during the engagement period, one of which should be the last month of the Commission's fiscal year. Determine the following:
 - a. obtain bank confirmations to confirm the year-end balances.
 - b. bank reconciliations were performed for each month selected.
 - c. transfers to/from bank accounts were appropriately recorded in the accounting ledgers and trace to sufficient documentation.

4. **Findings:** The year-end bank balance was confirmed without exception. Bank reconciliations are completed. With only one bank account, there were no transfers.
5. **Procedure:** Using the 4 bank statements from procedure #4 identify any checks made payable to a Commission employee or board member. For any check written to such an individual other than routing payroll payments, trace to supporting documentation to determine the payment was for a legitimate business purpose, authorized, properly recorded in the ledger, and in line with governing policies.
5. **Findings:** No such checks were identified.
6. **Procedures:** From the disbursements ledger:
 - a. select for further review any single payment exceeding 5% of total expenditures. Trace payments to supporting documentation to determine the payment was for a legitimate business purpose, authorized, properly recorded in the ledger, and in line with governing policies.
 - b. select for further review an additional 25 payments at random. Trace payments to supporting documentation to determine the payment was for a legitimate business purpose, authorized, properly recorded in the ledger, and in line with governing policies.
6. **Findings:** Payments were for a legitimate business purpose, authorized, properly recorded, and in line with governing policies.
7. **Procedures:** Obtain statements related to all debt and financing arrangements related to the Commission. Determine:
 - a. debt/financing was approved by the governing body.
 - b. the Commission is current in its debt service/financing payments.
7. **Findings:** This procedure is not applicable as the Commission does not have any debt or financing arrangements.
8. **Procedures:** Obtain a list of all paid employees of the Commission. Select a sample of 5 employees, one of which should be the agency head, and test the following:
 - a. if an employee is on contract, review the contract to determine it is up to date and payments/benefits paid to the employee during the year were in line with contractual requirements.

- b. for non-contract employees, sample 4 pay periods to ensure the employee was paid the appropriate pay rate, overtime rate, timesheets were reviewed and approved by a supervisor, and any salary adjustments made during the year were approved by the Board of Directors and appropriately documented in the employee file.
- 8. **Findings:** This procedure is not applicable as the Commission does not have any employees.
- 9. **Procedures:** For the previous three years since the last audit or attestation engagement, perform the following:
 - a. review minutes of board meetings to determine meetings were held in accordance with requirements identified in Procedure #1 during the non-engagement periods.
 - b. review the Commission's Financial Disclosure Reports submitted to the DLG each year to determine the Commission complied with completing the form and submitting it to the DLG.
 - c. based on the financial information reported, determine whether the Commission is complying with the frequency of engagements and appropriate level of assurance identified in KRS 65A.030.
- 9. **Findings:** Meetings were held in accordance with by-laws on a routine, consistent basis. The minutes were recorded in sufficient detail. Reports were completed and submitted to the DLG each year. The Commission complied with the attestation and frequency requirement.
- 10. **Procedure:** In performing Procedures #6 and #8, determine payments made from special transient tax revenues collected in accordance with KRS 91A.390 - .392 are spent for the purposes permitted by those statutes.
- 10. **Findings:** Tax revenues collected were spent for permitted purposes without exception.

APPENDIX A
2018 Financial Disclosure Report



Morgantown-Butler County Tourism Commission

Financial Disclosure Report 2018

SPGE INFORMATION

CONTACT NAME Roger Southerland	TELEPHONE NUMBER (270) 526-3557	FAX NUMBER
MAILING ADDRESS P.O. Box 243	EMAIL rogers@bellsouth.net	
CITY Morgantown	STATE KY	ZIP CODE 42261
DO YOU HAVE A DULY ADOPTED BUDGET IN PLACE? Yes	IF NO, EXPLANATION: N/A	

FINANCIAL INFORMATION

Description	Current Year Estimates	Amendments / Transfers	Year End Actuals
Revenues			
Taxes (all categories)	\$7,500.00	\$0.00	\$7,544.00
Permits and Licenses	\$0.00	\$0.00	\$0.00
Payments in Lieu of Taxes	\$0.00	\$0.00	\$0.00
Intergovernmental Revenues	\$0.00	\$0.00	\$0.00
Charges for Services	\$0.00	\$0.00	\$0.00
Other Revenues	\$0.00	\$0.00	\$0.00
Interest Earned	\$6.00	\$0.00	\$1.00
TOTALS	\$7,506.00	\$0.00	\$7,545.00

Receipts and Cash

Carryover from Prior Fiscal Year	\$6,614.00	\$417.00	\$7,031.00
Bonded Debt, Public Corporation	\$0.00	\$0.00	\$0.00
Transfers to Other Funds	\$0.00	\$0.00	\$0.00
Transfers from Other Funds	\$0.00	\$0.00	\$0.00
Borrowed Money (all short term /	\$0.00	\$0.00	\$0.00
Governmental Leasing Act	\$0.00	\$0.00	\$0.00
Fire Commission Loans	\$0.00	\$0.00	\$0.00
All Other Borrowed Money	\$0.00	\$0.00	\$0.00
TOTALS	\$6,614.00	\$417.00	\$7,031.00

Appropriations

Personnel	\$0.00	\$0.00	\$0.00
Operations	\$11,120.00	\$0.00	\$11,576.00

FINANCIAL INFORMATION			
<i>Description</i>	<i>Current Year Estimates</i>	<i>Amendments / Transfers</i>	<i>Year End Actuals</i>
Administration	\$3,000.00	\$0.00	\$3,000.00
Capital Outlay	\$0.00	\$0.00	\$0.00
Debt Service	\$0.00	\$0.00	\$0.00
TOTALS	\$14,120.00	\$0.00	\$14,576.00

*** Year End Actual Figures are the actual figures reported at the end of the fiscal year and are un-audited ***