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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Brimfield Township - City of Tallmadge Joint Economic Development District
Summit County
46 North Avenue
Tallmadge Ohio 44278

We have performed the procedures enumerated below, with which the Board of Directors and the management of Brimfield Township - City of Tallmadge Joint Economic Development District (the JEDD) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the year ended December 31, 2015, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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*. 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 tested the mathematical accuracy of the City of Tallmadge's December 31, 2015 bank reconciliation, which includes the JEDD activity. We found no exceptions.
2. We reviewed the testing of the City of Tallmadge's December 31, 2015 bank reconciliation as performed during the City's 2015 audit (which includes the JEDD activity) including the confirmation of the City's December 31, 2015 bank balances and testing of reconciling items. We found no exceptions were noted during that testing.
3. We agreed the totals per the City of Tallmadge's bank reconciliation to the total of the City's December 31, 2015 fund cash balance reported in the City's Fund Report, which includes the JEDD agency fund. The amounts agreed.
4. We attempted to agree the January 1, 2015 beginning fund balance per the JEDD financial statements as submitted in the Hinkle system to the beginning JEDD agency fund balance per the City's 2015 system Fund Report, noting a variance of \$215,230 due to timing of semi-annual distribution to the Township.

Income Taxes

1. We reviewed the amendment to the JEDD contract, noting the City's Finance Director is the Income Tax Administrator for the JEDD and is required to record the Township's portion of the income taxes collected in the JEDD agency fund and the City's portion of the income taxes collected into the City's general fund. We found no exceptions.
2. We reviewed the testing of JEDD income tax collections made by RITA as performed during the City's 2015 audit to determine the completeness of total JEDD collections. We found no exceptions were noted during that testing.
3. We reviewed the City's recording of JEDD income tax collections made by RITA as performed during the City's 2015 audit.
 - a. We determined these receipts were properly allocated by the City to the City's general and JEDD agency funds.
 - b. We determined the receipts were recorded in the proper year.
4. We agreed the total amount of JEDD income tax collections to the tax revenue amount reported on the JEDD financial statements as submitted in the Hinkle system. The amounts agreed.
5. As required by Section 15 of the Agreement, we scanned the City's Detail Revenue Transactions report for the JEDD agency fund for 2015 to determine whether it included all required receipts from the City of Tallmadge for subsequent disbursement to the Township. We found no exceptions.

Debt

1. We reviewed the prior year audit documentation for the audit of the City of Tallmadge for any outstanding debt for the JEDD as of December 31, 2014. We found no outstanding debt as of December 31, 2014.
2. We inquired of management, and scanned the City of Tallmadge's Detail Revenue Transactions and Details Expense Transactions reports for evidence of debt issued during 2015 or debt payment activity during 2015. We found no new debt issuances or any debt payment activity related to the JEDD during 2015.

Non-Payroll Cash Disbursements

1. We selected the City of Tallmadge's disbursements for the Township's share of income tax collections and determined whether:
 - a. The amounts agreed to the amounts held in the City's JEDD agency fund at the end of January and June 2015. The amounts agreed.
 - b. The amounts were disbursed by the end of January and June as required by the amendment to the JEDD contract. The disbursements were made timely.
 - c. The payments were properly posted to the City's JEDD agency fund. We found no exceptions.
 - d. The amounts were received by the Township as verified per review of the Township's UAN system revenue report. We found no exceptions.

Non-Payroll Cash Disbursements – (Continued)

We attempted to agree the total JEDD expenditures for 2015 per the JEDD financial statements as submitted in the Hinkle system to the sum of JEDD agency fund expenditures plus the City's share of JEDD of income taxes as recorded in the general fund per the City's 2015 Detail Revenue Transactions and Detail Expense Transactions reports, noting a variance of \$88,308, due to semi-annual distribution to the Township.

Compliance – Agreement

1. We confirmed JEDD income taxes collected were disbursed 45% to the Township and 55% to the City. We found no exceptions.

Other Compliance

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed the Hinkle system to verify the JEDD filed their financial information within the allotted timeframe for the year ended December 31, 2015. No exceptions noted.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the JEDD's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. 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 management, those charged with governance, and others within the JEDD, and is not intended to be, and should not be used by anyone other than these specified parties.



Dave Yost
Auditor of State

Columbus, Ohio

August 31, 2016

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**BRIMFIELD TOWNSHIP – CITY OF TALLMADGE JOINT ECONOMIC DEVELOPMENT DISTRICT
SUMMIT 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
SEPTEMBER 20, 2016**