



Dave Yost • Auditor of State



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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, which were agreed to by the Board of Directors and the management of Brimfield Township – City of Tallmadge Joint Economic Development District (the District), on the receipts, disbursements and balances recorded in the District's cash basis accounting records for the years ended December 31, 2017 and 2016 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, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. 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. The City of Tallmadge is custodian for the District's deposits, and therefore the City's deposit and investment pool holds the District's assets. We compared the District's fund balance reported on its December 31, 2017 financial statement, as filed on the Hinkle System, to the balance reported in the City's accounting records. The amounts agreed.
2. We agreed the January 1, 2016 beginning fund balance reported on the December 31, 2016 financial statement, as filed on the Hinkle system to the December 31, 2015 balance in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2017 beginning fund balance recorded in City's Fund report to the December 31, 2016 balance in the Fund report. We found no exceptions.

Income Taxes

1. We reviewed the testing of District income tax collections made by RITA as performed during the City's 2017 and 2016 audit to determine the completeness of total District collections. No exceptions were noted during that testing.
 - a. We determined these receipts were properly allocated by the City to the City's general and Joint Economic Development District (JEDD) agency funds.
 - b. We determined these receipts were recorded in the proper year.

2. As required by Section 15 of the Amendment to the Brimfield Township – City of Tallmadge JEDD Contract, we inspected the City's expenditure report for 2017 and 2016 to determine whether each year included two payments of income taxes to Brimfield on January 30 and July 30. We noted no exceptions.
3. We agreed the total amount of District income tax collections to the tax revenue amount reported on the District financial statements as submitted in the Hinkle system. The amounts agreed.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2015.
2. We inquired of management, and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2017 or 2016 or debt payment activity during 2017 or 2016. We noted no new debt issuances, nor any debt payment activity during 2017 or 2016.

Non-Payroll Cash Disbursements

1. We selected the City of Tallmadge's disbursements for the Township's share of income tax collections and determined:
 - a. The total District expenditures for 2017 and 2016 per the District's financial statements as submitted in the Hinkle system agreed to the JEDD agency fund expenditures plus the City's share of District income taxes as recorded in the City's general fund.
 - b. The disbursement amounts agreed to the amounts held in the City's JEDD agency fund at the end of December 2016 and June 2017 (for 2017 disbursements) and December 2015 and June 2016 (for 2016 disbursements).
 - c. The payments were properly posted to the City's JEDD agency fund.
 - d. 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 City's check register.

Compliance – Bylaws

We confirmed the District income taxes collected were disbursed 45% to the Township and 55% to the City as required by section 15 of the JEDD agreement. We found no exceptions.

Other Compliance

Ohio Rev. Code Section 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, in addition to filing extensions granted for extenuating circumstances, allow for refile complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the District's deadline where the initial filing was filed on time but incomplete. 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, 2017 and 2016 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 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.

This report is to provide assistance in it's the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

July 9, 2018

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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
JULY 17, 2018**