



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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Williams County Land Reutilization Corporation  
Williams County  
One Courthouse Square  
Bryan, Ohio 43506

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Williams County Land Reutilization Corporation, Williams County, Ohio (the Corporation) for the years ended December 31, 2019 and 2018.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Corporation's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Corporation's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The Corporation's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance and accounting issues to report.

## **Current Year Observations**

1. The Corporation entered into an agreement with the Ohio Housing Finance Authority (the Authority) to receive up to \$500,000 from the Authority for the purpose of undertaking and completing the demolition of properties within Williams County. Initially, the Authority advanced the Corporation these funds under a letter of credit. The Corporation incorrectly reported the receipts as "Other Debt Proceeds" in the amounts of \$41,016 and \$207,507 in 2019 and 2018, respectively. In addition, a note to the 2018 financial statements listed an outstanding obligation to repay a portion of these amounts. According to the agreement, the Corporation was under no obligation to repay the funds as long as these funds were used for the purpose of undertaking and completing the demolition of properties. These receipts should have been recorded as "Grant Revenues" in the financial statements. These errors were not identified and corrected prior to the Corporation preparing its financial statements. The Board of Directors should review annual financial statements to ensure correct presentation.

2. Ohio Rev. Code §1724.05 provides that each community improvement corporation, which according to Rev. Code §1724.01 (A)(1) includes county land reutilization corporations, shall prepare an annual financial report that is prepared according to generally accepted accounting principles. The financial report shall be filed with the Auditor of State within one hundred twenty days following the last day of the Corporation's fiscal year. As a cost savings measure, the Corporation prepared financial statements in accordance with standards established by the Auditor of State for governmental entities that are not required to prepare reports in accordance with generally accepted accounting principles. This basis of accounting is similar to the cash receipts and disbursements basis of accounting. The accompanying financial statements and notes omit certain assets, liabilities, deferred inflows/outflows of resources, fund equities/net position, and disclosures that, while presumed material, cannot be determined at this time. Failure to report on a GAAP basis comprises the Corporation's ability to evaluate and monitor the overall financial condition of the Corporation. To help provide the users with more meaningful financial statements, the Corporation should prepare its annual financial report according to generally accepted accounting principles. This matter was also reported in our prior engagement.



Keith Faber  
Auditor of State

Columbus, Ohio

July 7, 2020

# OHIO AUDITOR OF STATE KEITH FABER



**WILLIAMS COUNTY LAND REUTILIZATION CORPORATION**

**WILLIAMS 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 28, 2020**