



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Elyria Township - City of Elyria Joint Economic Development District
Lorain County
131 Court Street
Elyria, Ohio 44035

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Elyria Township - City of Elyria 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, 2019 and 2018 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, 2019 and 2018 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 Elyria 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 balances reported on its December 31, 2019 Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) to the balances reported in the City of Elyria's accounting records. The amounts agreed.
2. We agreed the January 1, 2018 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) to the December 31, 2017 balances reported in the City of Elyria's accounting records. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) to the December 31, 2018 balances in Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis). We found no exceptions.

Income Taxes

1. We obtained and inspected the amendment to the District's contract, noting the City is the Income Tax Administrator for the District and is required to record the Township's portion of the income taxes collected in the District Income Tax fund and the City's portion of the income taxes collected into the City's general fund. We found no exceptions.
2. We inspected the testing of District income tax collections made by RITA as performed during the City's 2018 and 2019 audit to determine the completeness of total District collections. No exceptions were noted during that testing.

3. We inspected the City's recording of District income tax collections made by RITA as performed during the City's 2019 and 2018 audits to determine if:
 - a. these receipts were properly allocated by the City to the City's general and District Income Tax funds. No exceptions noted.
 - b. the receipts were recorded in the proper year. No exceptions noted.
4. 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 did not agree. The District financial statements as submitted in the Hinkle system underreported the total amount of District income tax collections by \$137 and \$1,064 for the years ended December 31, 2019 and 2018, respectively.
5. As required by Section 13 of the Agreement, we inspected the City's Detail Revenue Transactions report for the District Income Tax fund for 2019 and 2018 to confirm it included all required receipts from the City for subsequent disbursement to the Township. We found no exceptions.

Debt

1. We inquired of management, and inspected the Revenue Ledger Detail Listing and Expense Ledger Detail Listing for evidence of debt existing as of December 31, 2017, issued during 2019 or 2018 or debt payment activity during 2019 or 2018. We noted no existing debt, new debt issuances, nor any debt payment activity during 2019 or 2018.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Expense Ledger Detail Listing for the year ended December 31, 2019 and 10 from the year ended 2018 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 Expense Ledger Detail Listing and to the names and amounts on the supporting invoices. The check dates on two returned, canceled checks did not agree to the dates recorded in the Expense Ledger Detail Listing report. Also, the expense amount recorded in the Expense Ledger Detail Listing did not agree to the amounts on the supporting documentation in two instances, causing a net overpayment to the Elyria Township in the amount of \$929.
 - 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.

Compliance – Bylaws

We confirmed District income taxes collected were disbursed 20% to the Elyria Township and 80% to the City of Elyria as required by Schedule II of the District by-laws. We found no exceptions.

Sunshine Law Compliance

1. We inquired with District management and determined that the District did not have a public records policy during the engagement period as required by Ohio Rev. Code § 149.43(E)(2).
2. We inquired with District management and determined that the District did not have any completed public records requests during the engagement period.

3. We inquired with District management and determined that the District did not have any denied public records requests during the engagement period.
4. We inquired with District management and determined that the District did not have any public records requests with redactions during the engagement period.
5. We inquired with District management and determined that the District did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).
6. We inquired with District management and determined that the District did not have a public records policy during the engagement period therefore could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).
7. We inquired with District management and determined that the District did not have a public records policy during the engagement period therefore it could not be included in a policy manual as required by Ohio Rev. Code § 149.43(E)(2).
8. We inquired with District management and determined that the District did not have a public records policy during the engagement period therefore it could not be displayed in all the branches of the District as required by Ohio Rev. Code § 149.43(E)(2).
9. We inquired with District management and determined that the District did not have any applications for record disposal submitted to the Records Commission during the engagement period.
10. We inquired with District management and determined that the District did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
11. We inspected the public notices for the public meetings held during the engagement period and determined the District notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.

The District did not create minutes of public meetings for one meeting during the engagement period.

13. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.The District did not create minutes of public meetings for one meeting during the engagement period.

Other Compliance

1. 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, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. 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, 2019 and 2018 in the Hinkle system. Financial information was filed on March 8, 2019 for the December 31, 2018 year end and September 11, 2020 for December 31, 2019 year end which was not within the allotted timeframe.

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, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

December 21, 2020

OHIO AUDITOR OF STATE KEITH FABER



ELYRIA TOWNSHIP - CITY OF ELYRIA JOINT ECONOMIC DEVELOPMENT DISTRICT

LORAIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 1/5/2021

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This report is a matter of public record and is available online at
www.ohioauditor.gov