



OHIO AUDITOR OF STATE
KEITH FABER



OHIO AUDITOR OF STATE KEITH FABER



One First National Plaza
130 West Second Street, Suite 2040
Dayton, Ohio 45402-1502
(937) 285-6677 or (800) 443-9274
WestRegion@ohioauditor.gov

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Springfield – Beckley Municipal Airport Joint Economic Development District
Clark County
76 East High Street, 4th Floor
Springfield, Ohio 45502

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and the management of Springfield – Beckley Municipal Airport 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, 2018 and 2017 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, 2018 and 2017 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 Springfield (the City) is custodian for the District's funds, 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, 2018 and 2017 financial statements to the balances reported in the City's accounting records. The amounts agreed.
2. We agreed the January 1, 2017 beginning fund balances recorded in the City's accounting records to the December 31, 2016 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We also agreed the January 1, 2018 beginning fund balances recorded in the City's accounting records to the December 31, 2017 balances in the City's accounting records. We found no exceptions.

Income Taxes

1. We confirmed the income tax amounts paid from the City of Springfield to the District during 2018 and 2017, with the City of Springfield. We found no exceptions.
 - a. We inspected the City's Revenue Report to determine whether these receipts were allocated to the proper funds, as stipulated in Article VI, Section 1 of the Joint Economic Development District Agreement. We found no exceptions.
 - b. We inspected the City's Revenue Report to determine the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed-upon procedures documentation disclosed no debt outstanding as of December 31, 2016.
2. We inquired of management, and inspected the City's Revenue Report and Expenditure Report for the District's accounts for evidence of debt issued during 2018 or 2017 or debt payment activity during 2018 or 2017. We noted no new debt issuances, nor any debt payment activity during 2018 or 2017.

Compliance – Bylaws

1. Article VI, Section 2 of the Joint Economic Development District Agreement states that the Treasurer shall transfer, on or before the fifteenth day after the tax due date of each year, an amount from the Income Tax Revenue Account, which, when added to any carry over balance in the Administrative Expense Account, equals a total sum of \$5,000 (i.e. the maximum sum in the Administrative Expense Account shall not exceed \$5,000).
 - We reviewed the City's accounting records for the District to determine if a transfer was required for the years ended December 31, 2018 and 2017. Transfers were not required for 2018 or 2017.
2. Article VI, Section 3 of the Joint Economic Development District Agreement states that the Treasurer shall transfer from the Income Tax Revenue Account, on or before the fifteenth day after the tax due date of each year, an amount equal to five percent of the remaining balance in the Income Tax Revenue Account after the annual transfer described in Section 2 of this Article has been completed, to the Road Reconstruction Account. Article VI, Section 5s of the Joint Economic Development District Agreement defines the tax due date as the day of the year designated in the City's Codified Ordinances as the date on or before which the City taxpayers must file their municipal income tax return with the City. The tax due date in 2017 was April 17th and in 2018 was April 15th.
 - We recomputed the amount of the required transfer for the years ended December 31, 2018 and 2017 and compared the recomputed amounts to the actual amounts transferred.
 - We reviewed the City's Expenditure Report for the District for the years ended December 31, 2018 and 2017 and determined the transfer was completed within the required timeframe.
 - We determined whether the transfer was recorded in the proper year.

Article VI, Section 3 of the Joint Economic Development District Agreement also states, in part, the transfer to the Road Reconstruction Account shall be made annually until Green Township's total tax receipts attributable to the JEDD territory and activities conducted therein throughout the term of the agreement have equaled or exceeded \$250,000. In the event such total tax receipts reach \$250,000, the remaining balance in the Road Reconstruction Account shall be transferred to the Income Tax Revenue Account. Total transfers into the Road Reconstruction Account shall not exceed the maximum sum of 50 percent of the JEDD Engineer's current estimate of the cost of reconstruction the public roadways in AirparkOhio. We noted the total tax receipts exceeded \$250,000 in 2016; therefore no transfer was required to the Road Reconstruction Account in 2017 or 2018. The entire balance of the Road Reconstruction Account was transferred to the Income Tax Revenue Account in 2017 as required.

Compliance – Bylaws (Continued)

3. Article VI, Section 4 of the Joint Economic Development District Agreement states that, within sixty days of the tax due date of each year, the Treasurer shall pay the balance remaining in the Income Tax Revenue Account, as of the fifteenth day after the tax due date, to the City. Article VI, Section 5s of the Joint Economic Development District Agreement defines the tax due date as the day of the year designated in the City's Codified Ordinances as the date on or before which the City taxpayers must file their municipal income tax return with the City. The tax due date in 2017 was April 17th and in 2018 was April 15th.
 - a. We recomputed the amounts due to the City for the years ended December 31, 2018 and 2017 and compared the recomputed amounts to the actual amounts paid. We found no exceptions.
 - b. We reviewed the City's Expenditure and Revenue Report for the years ended December 31, 2018 and 2017 and determined the payments were paid to the City of Springfield. We found no exceptions.
 - c. We reviewed the City's Expenditure Report for the years ended December 31, 2018 and 2017 and determined the payments were completed within the required timeframe. We found no exceptions.
 - d. We determined the payments were recorded in the proper year. 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 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 year ended December 31, 2018. There was no exception for 2018. The District originally filed the 2017 report timely on February 20, 2018; but filed a revised report on June 4, 2019. To improve accountability and financial reporting, the District should implement procedures to review uploaded reports annually to ensure the proper and complete report is filed by the deadline.

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.

Springfield – Beckley Municipal Airport Joint Economic Development District
Clark County
Independent Accountants' Report on
Applying Agreed-Upon Procedures
Page 4

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, 2018 and 2017, 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 "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

September 9, 2019

OHIO AUDITOR OF STATE KEITH FABER



**SPRINGFIELD – BECKLEY MUNICIPAL AIRPORT JOINT ECONOMIC DEVELOPMENT DISTRICT
CLARK 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
OCTOBER 8, 2019**