



OHIO AUDITOR OF STATE
KEITH FABER



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Huron Joint Port Authority
Erie County
417 Main Street
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We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of Huron Joint Port Authority, Erie County, Ohio (the Port Authority) 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 Port Authority's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Port Authority's financial statements, transactions or balances for the years ended December 31, 2019 and 2018.

The Port Authority'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 issues to report.

Current Year Observations

1. We noted the Port Authority did not file their 2019 and 2018 annual reports timely. Ohio Rev. Code § 117.38 provides that each public office, other than a state agency, shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the auditor of state within sixty days after the close of the fiscal year. At the time the report is filed with the auditor of state, the chief fiscal officer shall publish notice in a newspaper published in the taxing district. The notice shall state the financial report has been completed by the public office and is available for public inspection at the office of the chief fiscal officer.

The Port Authority was a new entity and received its initial filing reminder on January 13, 2020 once the Auditor of State discovered the creation of the Port Authority. The 2019 and 2018 financial reports were not filed until July 17, 2020, which is not within sixty days after the close of the fiscal year or within sixty days of the filing reminder. Failure to file by the required date could result in penalties of \$25 per day up to a maximum of \$750. The Port Authority should file the financial reports within sixty days after the close of the fiscal year.

Current Year Observations (Continued)

2. We noted the Port Authority did not adopt a revenue or appropriation budget for the years ending December 31, 2019 and 2018. Ohio Rev. Code §5705.28(B)(2) states the taxing authority of a taxing unit that does not levy a tax is not required to adopt a tax budget. Instead, on or before the fifteenth day of July each year, such taxing authority shall adopt an operating budget for the taxing unit for the ensuing fiscal year. The operating budget shall include an estimate of receipts from all sources, a statement of all taxing unit expenses that are anticipated to occur, and the amount required for debt charges during the fiscal year. The operating budget is not required to be filed with the county auditor or the county budget commission. Except for this section and sections 5705.36, .38, .40, .43, .44, and .45 of the Revised Code, a taxing unit that does not levy a tax is not a taxing unit for purposes of Chapter 5705 of the Revised Code. Documents prepared in accordance with such sections are not required to be filed with the county auditor or budget commission. The total appropriations from each fund of a taxing unit that does not levy a tax shall not exceed the total estimated revenue available for expenditures from the fund, and appropriations shall be made from each fund only for the purposes for which the fund is established. Failure to approve and monitor the budget could lead to the Port Authority making misinformed decisions. To improve budget monitoring and help prevent unauthorized spending, the Port Authority should implement procedures to budget annually.
3. We noted that the Port Authority has not adopted a public records policy. Ohio Rev. Code § 149.43 (E)(2) requires all public offices to adopt a public records policy. In adopting a public records policy under this division, a public office may obtain guidance from the model public records policy developed and provided to the public office by the attorney general under Ohio Rev. Code § 109.43. Failure to adopt a public records policy could lead to noncompliance with the Open Records Laws when handling public records requests. The Port Authority should adopt a public records policy that is modeled after the example published by the Ohio Attorney General.
4. We noted the Port Authority does not have an adopted records retention schedule policy. Ohio Rev. Code § 149.43(B)(2) states, in part, a public office also “shall have available a copy of its current records retention schedule at a location readily available to the public.” Failure to have and follow a records retention schedule could result in public records being disposed of prematurely. The Port Authority should implement procedures to provide the appropriate policy is approved to help avoid issues with public records requests.



Keith Faber
Auditor of State

Columbus, Ohio

August 20, 2020

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HURON JOINT PORT AUTHORITY

ERIE 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 9/3/2020

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