



OHIO AUDITOR OF STATE
KEITH FABER



**COLUMBIA TOWNSHIP JOINT ECONOMIC DEVELOPMENT ZONE
HAMILTON COUNTY
DECEMBER 31, 2021 AND 2020**

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INDEPENDENT AUDITOR'S REPORT

Columbia Township Joint Economic Development Zone
Hamilton County
5903 Hawthorne Avenue
Cincinnati, Ohio 45227

To the Board of Directors:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Columbia Township Joint Economic Development Zone, Hamilton County, Ohio (the Zone), which comprises the cash balances, receipts and disbursements for the General Fund as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for the General Fund as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Zone, as of December 31, 2021 and 2020, or the changes in financial position thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Zone, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by the Zone on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Emphasis of Matter

As discussed in Note 6 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Zone. We did not modify our opinion regarding this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Zone's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Zone's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Zone's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2022, on our consideration of the Zone's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Zone's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Zone's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
August 25, 2022

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Columbia Township Joint Economic Development Zone
Hamilton County
Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
General Fund
For the Year Ended December 31, 2021

	<u>General</u>
Cash Receipts	
Income Taxes	\$1,379,351
Miscellaneous	39,443
	<u>1,418,794</u>
<i>Total Cash Receipts</i>	<u>1,418,794</u>
Cash Disbursements	
Current:	
Personal Services	16,215
Fringe Benefits	3,231
Contractual Services	1,275,335
Supplies and Materials	4,129
Other	7,579
	<u>1,306,489</u>
<i>Total Cash Disbursements</i>	<u>1,306,489</u>
<i>Net Change in Fund Cash Balance</i>	112,305
<i>Fund Cash Balances, January 1, 2021</i>	<u>364,870</u>
<i>Fund Cash Balance, December 31, 2021</i>	<u><u>\$477,175</u></u>

See accompanying notes to the basic financial statements

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Columbia Township Joint Economic Development Zone

Hamilton County

Notes to the Financial Statements

For the Year Ended December 31, 2021

Note 1 – Reporting Entity

The Columbia Township Joint Economic Development Zone, Hamilton County, Ohio (the Zone) contract was entered into on August 5, 2013 by and among Columbia Township, Hamilton County, Ohio and the Village of Fairfax, Hamilton County, Ohio. The contract was authorized in accordance with Ohio Revised Code Section 715.691, by ordinance 35-2013 passed by the Council of the Village on August 5, 2013, and Resolution 13-10 adopted by the Board of Trustees of the Township. The Village of Fairfax is responsible for fiscal control of the resources of the Zone.

The Zone operates under an appointed six-member Board of Directors established in accordance with Ohio Revised Code Section 715.691(G)(1). The purpose of the Zone is to facilitate new or expanded commercial and economic development, create and preserve jobs, and improve the economic welfare of the Township, Village and Zone. Pursuant to Ohio Revised Code 715.691, the Board adopted a resolution to levy an income tax in the Zone at a rate of 1.0%.

The Zone's management believes these financial statements present all activities for which the Zone is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Zone's financial statement consists of a combined statement of receipts, disbursements and changes in fund balances (cash basis) for the general fund.

Fund Accounting

The Zone uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The fund of the Zone are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Zone for any purpose provided it is expended or transferred according to the general laws of Ohio.

Basis of Accounting

The financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

The statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Columbia Township Joint Economic Development Zone

Hamilton County

Notes to the Financial Statements

For the Year Ended December 31, 2021

Budgetary Process

The Contract between the Township, Village and Zone prescribes a budgetary process for the Zone. The fiscal year for the Zone shall be the same as the fiscal year of the Township. The budget shall estimate the revenues and expenses of the Zone. The Board shall provide a copy of the annual budget to the Contracting Parties promptly after its adoption. The Board shall establish appropriation procedures to provide for payment of the expenses of the Zone and the distribution of income tax revenues consistent with the Contract.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Zone must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The Zone classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed Governing Board can *commit* amounts via formal action (resolution). The Zone must adhere to these commitments unless the Governing Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Zone's Governing Board or a Zone official delegated that authority by resolution, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Zone applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Columbia Township Joint Economic Development Zone

Hamilton County

Notes to the Financial Statements

For the Year Ended December 31, 2021

Note 3 – Deposits

The Zone maintains three non-interest bearing checking accounts. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

	<u>2021</u>
Demand deposits	<u>\$477,175</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 4 – Taxes

Income Taxes

The Zone levies an income tax of one percent on substantially all earned income arising from employment, residency, or business activities within the Zone. Employers within the Zone withhold income tax on employee compensation and remit the tax to the Zone either monthly or quarterly, as required. Individual taxpayers, whose only income is subject to withholding by employers, are not required to file a final annual return. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Note 5 – Risk Management

The Zone belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio. OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss.

Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty.

The OPRM is also participated in a property primary excess of loss treaty. This treaty reimbursed the

Columbia Township Joint Economic Development Zone

Hamilton County

Notes to the Financial Statements

For the Year Ended December 31, 2021

OPRM 30% for losses between \$200,00 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. Effective November 1, 2019, the OPRM’s property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. Effective November 1, 2020, the OPRM’s property retention increased from 33% to 55%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 771 members as of December 31,2020.

The Pool’s audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2020.

Assets	\$ 18,826,974
Liabilities	<u>(13,530,267)</u>
Members’ Equity	<u>\$ 5,296,707</u>

You can read the complete audited financial statements for OPRM at the Plan’s website, www.ohioplan.org.

Note 6 – Fund Balances

Included in fund balance are Reserve amounts the Board annually sets aside that are equal to 1% of the Zones annual gross income tax revenue as a reserve for future maintenance, administration and expenses of the Zone. The Administrator shall also annually place 2% of the gross income tax revenue into an Escrow fund. Escrow proceeds may be utilized to pay refunds, and, in general, balance accounts or pay expenses. At year end the balances of these amounts were as follows:

Fund Balances	General	Total
Outstanding Encumbrances	477,175	\$477,175
<i>Total</i>	<i>\$477,175</i>	<i>\$477,175</i>

In the general fund, outstanding encumbrances are considered assigned.

Note 7 – Subsequent Events

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Zone. The impact on the Zone’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Columbia Township Joint Economic Development Zone
Hamilton County
Statement of Receipts, Disbursements
and Changes in Fund Balance (Regulatory Cash Basis)
General Fund
For the Year Ended December 31, 2020

	<u>General</u>
Cash Receipts	
Income Taxes	\$1,103,308
Miscellaneous	34,390
	<u>1,137,698</u>
<i>Total Cash Receipts</i>	<u>1,137,698</u>
Cash Disbursements	
Current:	
Personal Services	17,937
Fringe Benefits	3,188
Contractual Services	1,061,252
Supplies and Materials	4,659
Other	52,838
	<u>1,139,874</u>
<i>Total Cash Disbursements</i>	<u>1,139,874</u>
<i>Net Change in Fund Cash Balances</i>	(2,176)
<i>Fund Cash Balances, January 1, 2020</i>	<u>367,046</u>
<i>Fund Cash Balances, December 31, 2020</i>	<u><u>\$364,870</u></u>

See accompanying notes to the basic financial statements

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Columbia Township Joint Economic Development Zone

Hamilton County

Notes to the Financial Statements

For the Year Ended December 31, 2020

Note 1 – Reporting Entity

The Columbia Township Joint Economic Development Zone, Hamilton County, Ohio (the Zone) contract was entered into on August 5, 2013 by and among Columbia Township, Hamilton County, Ohio and the Village of Fairfax, Hamilton County, Ohio. The contract was authorized in accordance with the Ohio Revised Code Section 715.691, by ordinance 35-2013 passed by the Council of the Village on August 5, 2013, and Resolution 13-10 adopted by the Board of Trustees of the Township. The Village of Fairfax is responsible for fiscal control of the resources of the Zone.

The Zone operates under an appointed six-member Board of Directors established in accordance with Ohio Revised Code Section 715.691(G)(1). The purpose of the Zone is to facilitate new or expanded commercial and economic development, create and preserve jobs, and improve the economic welfare of the Township, Village and Zone. Pursuant to Ohio Revised Code 715.691, the Board adopted a resolution to levy an income tax in the Zone at a rate of 1.0%.

The Zone's management believes these financial statements present all activities for which the Zone is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Zone's financial statement consists of a combined statement of receipts, disbursements and changes in fund balances (cash basis) for the general fund.

Fund Accounting

The Zone uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The fund of the Zone are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Zone for any purpose provided it is expended or transferred according to the general laws of Ohio.

Basis of Accounting

The financial statement follows the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

The statement includes adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Columbia Township Joint Economic Development Zone

Hamilton County

Notes to the Financial Statements

For the Year Ended December 31, 2020

Budgetary Process

The Contract between the Township, Village and Zone prescribes a budgetary process for the Zone. The fiscal year for the Zone shall be the same as the fiscal year of the Township. The budget shall estimate the revenues and expenses of the Zone. The Board shall provide a copy of the annual budget to the Contracting Parties promptly after its adoption. The Board shall establish appropriation procedures to provide for payment of the expenses of the Zone and the distribution of income tax revenues consistent with the Contract.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Zone must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

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Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed Governing Board can *commit* amounts via formal action (resolution). The Zone must adhere to these commitments unless the Governing Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Zone's Governing Board or a Zone official delegated that authority by resolution, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Zone applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Columbia Township Joint Economic Development Zone

Hamilton County

Notes to the Financial Statements

For the Year Ended December 31, 2020

Note 3 – Deposits

The Zone maintains three non-interest bearing checking accounts. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

	<u>2020</u>
Demand deposits	<u>\$364,870</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 4 – Taxes

Income Taxes

The Zone levies an income tax of one percent on substantially all earned income arising from employment, residency, or business activities within the Zone. Employers within the Zone withhold income tax on employee compensation and remit the tax to the Zone either monthly or quarterly, as required. Individual taxpayers, whose only income is subject to withholding by employers, are not required to file a final annual return. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Note 5 – Risk Management

The Zone belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty.

The OPRM also participated in a property primary excess of loss treaty. This treaty reimbursed the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM the property retention remained

Columbia Township Joint Economic Development Zone

Hamilton County

Notes to the Financial Statements

For the Year Ended December 31, 2020

unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. Effective November 1, 2019, the OPRM's property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 776 members as of December 31, 2019.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2019.

Assets	\$ 15,920,504
Liabilities	<u>(11,329,011)</u>
Members' Equity	<u>\$ 4,591,493</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Note 6 – Fund Balances

Included in fund balance are Reserve amounts the Board annually sets aside that are equal to 1% of the Zones annual gross income tax revenue as a reserve for future maintenance, administration and expenses of the Zone. The Administrator shall also annually place 2% of the gross income tax revenue into an Escrow fund. Escrow proceeds may be utilized to pay refunds, and, in general, balance accounts or pay expenses. At year end the balances of these amounts were as follows:

Fund Balances	General	Total
Outstanding Encumbrances	364,870	\$364,870
<i>Total</i>	<u>\$364,870</u>	<u>\$364,870</u>

In the general fund, outstanding encumbrances are considered assigned.

Note 7 – Subsequent Events

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Zone. The impact on the Zone's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Columbia Township Joint Economic Development Zone
Hamilton County
5903 Hawthorne Avenue
Cincinnati, Ohio 45227

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts and disbursements for the General Fund as of and for the years ended December 31, 2021 and 2020 and the related notes to the financial statements of the Columbia Township Joint Economic Development Zone, Hamilton County, (the Zone) and have issued our report thereon dated August 25, 2022, wherein we noted the Zone followed financial reporting provisions of Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Zone.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Zone's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Zone's internal control. Accordingly, we do not express an opinion on the effectiveness of the Zone's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Zone's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Zone's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Zone's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Zone's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
August 25, 2022



Columbia Township
Joint Economic Development Zone (JEDZ)
5903 Hawthorne Ave
Cincinnati, OH 45227



www.fairfaxoh.org

Tax Administrator: Janet Burandt
Phone: 513-272-9954
Fax: 513-561-5748
Email: jburandt@fairfaxoh.org

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

December 31, 2021 and 2020

Finding Number	Finding Summary	Status	Additional Information
2019-001	Financial Reporting	Corrected	None

OHIO AUDITOR OF STATE KEITH FABER



COLUMBIA TOWNSHIP JOINT ECONOMIC DEVELOPMENT ZONE

HAMILTON 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 9/8/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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