



OHIO AUDITOR OF STATE
KEITH FABER



OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

BASIC AUDIT REPORT

Strasburg-Franklin Joint Economic Development District
Tuscarawas County
224 North Bodmer Avenue
Strasburg, Ohio 44680

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Strasburg-Franklin Joint Economic Development District, Tuscarawas County, (the JEDD) for the years ended December 31, 2021 and 2020.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the JEDD's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the JEDD's financial statements, transactions or balances for the years ended December 31, 2021 and 2020.

The JEDD's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 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 or accounting issues to report.

Current Year Observations

1. **Ohio Rev. Code § 117.38** states 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, except that public offices reporting pursuant to generally accepted accounting principles shall file their reports within one hundred fifty days after the close of the fiscal year.

The JEDD did not file within the required time period, as the financial statements for 2020 were due March 1, 2021, but were not filed until May 20, 2021.

The JEDD should ensure that the required reports are filed by the annual deadline.

2. **Ohio Rev. Code § 121.22(F)** requires every public body to, by rule, establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. A public body shall not hold a special meeting unless it gives at least twenty-four hours advance notice to the news media that have requested notification, except in the event of any emergency requiring immediate official action. In the event of an emergency, the member or members calling the meeting shall immediately notify the news media that have requested notification.

The JEDD did not adopt a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. Policies and Procedures should be established and implemented to verify that all Board meetings are held in accordance with the Ohio Sunshine Laws. Failure to do so could result in the Court declaring actions taken null and void and the JEDD being subject to significant penalties for breach of the Sunshine Law.

3. Management is responsible for the preparation and fair presentation of their financial statements. This responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

Errors were identified in the JEDD's financial statements that require audit reclassifications as follows:

- Revenue received from ProVia in the amounts of \$181,665 and \$96,244 were classified as Charges for Services Revenue and Other Financing Receipts - Sale of Notes during 2021 and 2020, respectively, instead of Other Financing Sources;
- Income Tax Revenue in the amount of \$43,558 was improperly classified as Charges for Services Revenue during 2020;
- Revenue received from the Ohio Water Development Authority in the amount of \$690 for a loan overpayment was classified as Other Financing Receipts - Sale of Notes during 2021 instead of Miscellaneous Revenue or a reduction of the expenditure; and
- On-behalf debt payments made by ProVia were not recorded by the District, resulting in Debt Service - Redemption of Principal being understated by \$2,343,158 and Debt Service - Interest and Other Fiscal Charges being understated by \$3,210. Additionally, receipts were understated by the same amount.

Sound financial reporting is the responsibility of the JEDD and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

To help ensure the JEDD's financial statements and notes to the financial statements are complete and accurate, the JEDD should adopt policies and procedures to identify and correct errors and omissions. In addition, the JEDD should review the financial statements and notes prior to submission for audit.



Keith Faber
Auditor of State
Columbus, Ohio

May 4, 2022

OHIO AUDITOR OF STATE KEITH FABER



STRASBURG-FRANKLIN JOINT ECONOMIC DEVELOPMENT DISTRICT

TUSCARAWAS 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 5/12/2022

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