



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

Bellefontaine Finance and Development Authority
Logan County
100 South Main Street
Bellefontaine, Ohio 43311

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Bellefontaine Finance and Development Authority, Logan County, (the Port Authority) for the years ended December 31, 2018 and 2017.

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, 2018 and 2017.

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 or accounting issues to report.

Current Year Observations

1. **Ohio Rev. Code §117.38** requires port authorities 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.

The Port Authority filed its financial information for the year ended December 31, 2017 on November 8, 2018, which was not within the allotted timeframe. The Port Authority was a new entity and received its initial filing reminder on August 29, 2018 once the Auditor of State discovered the creation of the Port Authority. Failure to file complete financial information timely can result in fees and penalties.

The Port Authority should implement procedures to ensure annual financial information is complete and timely submitted to the Auditor of State.

Current Year Observations (Continued)

2. **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.

The Port Authority did not adopt a revenue or appropriation budget for the years ending December 31, 2018 and 2017. To improve budget monitoring and help prevent unauthorized spending, the Port Authority should implement procedures to budget annually.



Keith Faber
Auditor of State
Columbus, Ohio

May 13, 2019

OHIO AUDITOR OF STATE
KEITH FABER



BELLEFONTAINE FINANCE AND DEVELOPMENT AUTHORITY

LOGAN 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
MAY 23, 2019**