



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Perry Joint Economic Development District
Lake County
3740 Center Road
P.O. Box 398
Perry, Ohio 44081

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of Perry Joint Economic Development District, Lake County, Ohio (the District), on the receipts, disbursements and balances recorded in the Districts 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. We confirmed the December 31, 2018 bank account balances with the District's financial institutions. We found no exceptions. We observed the year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2018 bank reconciliation without exception.
2. We agreed the January 1, 2017 beginning fund balances recorded in the Reconciliation Detail Report to the December 31, 2016 balances in the prior year documentation in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2018 beginning fund balances recorded in the Reconciliation Detail Report to the December 31, 2017 balances in the Reconciliation Detail Report. We found no exceptions.

Income Taxes and Other Confirmable Cash Receipts

1. We obtained and inspected the amendment to the District contract, noting the Village of Perry is the Income Tax Administrator for the District and is required to record Perry Township's portion of the income taxes collected in the District agency fund and the Village's portion of the income taxes collected into the Village's general fund. We found no exceptions.
2. We inspected the testing of District income tax collections made by RITA as performed during the Village's 2016 audit to determine the completeness of total District collections. No exceptions were noted during that testing.

Income Taxes and Other Confirmable Cash Receipts – (Continued)

3. We inspected the Village's recording of District income tax collections made by RITA as performed during the Village's 2016 audit to determine if:
 - a. these receipts were properly allocated by the Village to the Village's general and District agency funds. No exceptions noted.
 - b. the receipts were recorded in the proper year. No exceptions noted.
4. We agreed the total amount of District income tax collections to the tax revenue amount reported on the District financial statements as submitted in the Hinkle system. The amounts agreed.
5. As required by Section 10 of the Agreement, we inspected the Village's Detail Revenue Transactions report for the District agency fund for 2018 and 2017 to confirm it included all required receipts from the Village for subsequent disbursement to the Township. 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 Profit and Loss Detail Report 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.

Non-Payroll Cash Disbursements

We selected a sample (agreed upon) of 10 disbursements from the Transactions by Account Report for the year ended December 31, 2018 and 10 from the year ended 2017 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Transactions by Account Report and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

Compliance – Bylaws

We confirmed District income taxes collected were deposited into the capital projects reserve fund as required by section 10 of the District by-laws. After meeting this requirement, no surplus income tax revenues were available to be distributed to the contracting parties. 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 years ended December 31, 2018 and 2017 in the Hinkle system. There were no exceptions.

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.

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

August 8, 2019

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OHIO AUDITOR OF STATE KEITH FABER



PERRY JOINT ECONOMIC DEVELOPMENT DISTRICT

LAKE 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
SEPTEMBER 10, 2019**