



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Spencer Township – Village of Whitehouse
Joint Economic Development Zone
Lucas County
6925 Providence Street
P.O. Box 2476
Whitehouse, Ohio 43571-2476

We have performed the procedures enumerated below on the Spencer Township – Village of Whitehouse Joint Economic Development Zone, Lucas County, Ohio's (the JEDZ) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2020 and 2019 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the JEDZ. The JEDZ is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2020 and 2019 and certain compliance requirements related to these transactions and balances included in the information provided to us by the JEDZ.

The Board of Directors and the management of the JEDZ have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the JEDZ's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2020 and 2019, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the 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.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash

1. Village of Whitehouse (the Village) is custodian for the JEDZ's deposits, and therefore the Village's deposit and investment pool holds the JEDZ's assets. We compared the JEDZ's fund balances reported on its December 31, 2020 financial statements to the balances reported in the Village's accounting records. The amounts agreed.

2. We agreed the January 1, 2019 beginning General fund balance recorded in the Fund Ledger Report to the December 31, 2018 balance in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2020 beginning General fund balance recorded in the Fund Ledger Report to the December 31, 2019 balances in the Fund Ledger Report. We found no exceptions.

Income Taxes

1. We confirmed the income tax amounts paid from the Village of Whitehouse to the JEDZ during 2020 and 2019, with the Village. We found no exceptions.
 - a. We inspected the fund balance report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We inspected the fund balance report to determine the receipts were recorded in the proper year. We found no exceptions.
2. As required by Section 7D of the Economic Development between the Village of Whitehouse and Spencer Township, we inspected the Receipt Register Report for 2020 and 2019 to determine whether each year included all four quarterly receipts from the Village of Whitehouse. There were no exceptions.

Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2018.
2. We inquired of management, and inspected the Receipt Register Report and Payment Register Detail Report for evidence of debt issued during 2020 or 2019 or debt payment activity during 2020 or 2019. We noted no new debt issuances, nor any debt payment activity during 2020 or 2019.

Non-Payroll Cash Disbursements

We selected 10 disbursements from the Payment Register Detail Report for the year ended December 31, 2020 and 10 from the year ended December 31, 2019 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 Payment Register Detail 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 JEDZ net income taxes collected were disbursed 75% to the Township and 25% to the Village as required by Section 7C of the Economic Development between the Village of Whitehouse and Spencer Township. We found no exceptions.

Sunshine Law Compliance

1. We inquired with JEDZ management and determined that the JEDZ did not have a public records policy during the engagement period as required by Ohio Rev. Code § 149.43(E)(2).
2. We inquired with the JEDZ management and determined that the JEDZ did not have any public records requests (completed, denied, or redacted) during the engagement period.

3. We inquired with JEDZ management and determined that the JEDZ did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).
4. We inquired with JEDZ management and determined that the JEDZ did not have a public records policy during the engagement period; therefore, could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).
5. We inquired with JEDZ management and determined that the JEDZ did not have a public records policy during the engagement period; therefore, it could not be included in a policy manual as required by Ohio Rev. Code § 149.43(E)(2).
6. We inquired with JEDZ management and determined that the JEDZ did not have a public records policy during the engagement period; therefore, it could not be displayed in all the branches of the JEDZ as required by Ohio Rev. Code § 149.43(E)(2).
7. We inquired with JEDZ management and determined that the JEDZ did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inquired with JEDZ management and determined that the JEDZ did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
9. We inspected the public notices for the public meetings held during the engagement period and determined the JEDZ notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

Ohio Rev. Code § 117.38 requires JEDZs 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 JEDZ 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, 2020 and 2019 in the Hinkle system. There were no exceptions.

We were engaged by the JEDZ to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the JEDZ'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.

We are required to be independent of the JEDZ and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.



Keith Faber
Auditor of State
Columbus, Ohio

September 24, 2020

OHIO AUDITOR OF STATE KEITH FABER



SPENCER TOWNSHIP-VILLAGE OF WHITEHOUSE JOINT ECONOMIC DEVELOPMENT ZONE

LUCAS 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 10/19/2021

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This report is a matter of public record and is available online at
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