



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## BASIC AUDIT REPORT

Xenia Township - City of Xenia Joint Economic Development District 1  
Greene County  
107 E. Main Street  
Xenia, Ohio 45385

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Xenia Township - City of Xenia Joint Economic Development District 1, Greene County, (the JEDD) for the years ended December 31, 2020 and 2019.

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 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, 2020 and 2019.

The JEDD'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. Government Accounting Standards Board (GASB) allows enterprise funds to be used to report any activity for which a fee is charged to external users for goods or services. Activities are *required* to be reported as enterprise funds if any one of the following criteria is met. Governments should apply each of these criteria in the context of the activity's *principal revenue sources*.
  - a. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity. Debt that is secured by a pledge of net revenues from fees and charges *and* the full faith and credit of a related primary government or component unit—even if that government is not expected to make any payments—is not payable solely from fees and charges of the activity. (Some debt may be secured, in part, by a portion of its own proceeds but should be considered as payable “solely” from the revenues of the activity.)
  - b. Laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues.
  - c. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The JEDD presented its financial activity as proprietary fund statements for the years ended December 31, 2020 and 2019. However, the only revenue source for the JEDD during the years ended December 31, 2020 and 2019 was income taxes and, therefore in accordance with GASB requirements, the JEDD should have reported its financial activity as governmental funds.

**Current Status of Matters Reported in our Prior Engagement**

2. In addition to the financial reporting matter reported in item 1 above, our prior audit for the years ended December 31, 2018 and 2017 included exceptions regarding the late filing of JEDD's financial statements and the JEDD excluding the City and Township's share of income taxes from its financial statements. These issues have been corrected by the JEDD. The matter noted under current observations was also reported in our prior audit for the years ended December 31, 2018 and 2017.



Keith Faber  
Auditor of State  
Columbus, Ohio

August 5, 2021

# OHIO AUDITOR OF STATE KEITH FABER



**XENIA TOWNSHIP-CITY OF XENIA JOINT ECONOMIC DEVELOPMENT DISTRICT 1**

**GREENE 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 8/19/2021**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)