



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Route 20 Joint Economic Development District
Ashtabula County
4717 Main Avenue
Ashtabula, Ohio 44004

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Route 20 Joint Economic Development District, Ashtabula County, (the District) for the years ended December 31, 2021 and 2020.

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 District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2021 and 2020.

The District'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. We inquired with District management and determined that the District 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 District management and determined that the District did not have a records retention policy during the engagement period as required by Ohio Rev. Code § 149.43(B)(2).
3. We inquired with District management and determined that the District did not have a public records policy during the engagement period and therefore could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).
4. We inquired with District management and determined that the District did not have a public records policy poster during the engagement period as required by Ohio Rev. Code § 149.43(E)(2).
5. We examined the bank reconciliation prepared as of December 31, 2021. It was included as part of the City of Ashtabula's bank reconciliation. The District Agency fund 801 is included as part of the City of Ashtabula's bank reconciliation and money is co-mingled in the City's General bank account.

Current Status of Matters Reported in our Prior Engagement

6. The prior audit for the years ended December 31, 2019 and 2018 disclosed the observations above in numbers 1-5. These items were repeated for the years ended December 31, 2021 and 2020.
7. We inquired with District management and determined the District did not notify 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). This matter was resolved for years ended December 31, 2021 and 2020.
8. 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.This matter was resolved for years ended December 31, 2021 and 2020.
9. 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 Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found the District did not create minutes of public meetings during the engagement period. This matter was resolved for years ended December 31, 2021 and 2020.
10. We noted the District did not file its annual financial reports in a timely manner. Ohio Rev. Code §117.38 requires cash-basis entities to file annual financial reports with the Auditor of State within 60 days of the fiscal year end. The District's filings for the years ended December 31, 2019 and 2018 were filed on June 3, 2020 and April 18, 2019, respectively, which is past the required due date. We recommend the District file the financial statements and notes to the financial statements within 60 days of the fiscal year end. This matter was resolved for years ended December 31, 2021 and 2020.
11. The Route 20 JEDD properly accounted for the income tax collection and distribution, however, the Hinkle report filing only indicated the gross disbursements to Saybrook Township instead of all parties (Route 20 JEDD, City of Ashtabula, City of Ashtabula – Administration, City of Ashtabula – Wastewater Treatment Plant and Saybrook Township). Although the City of Ashtabula and Route 20 JEDD distributions remain on the City's ledgers the gross amount should be posted on the Hinkle report to reflect the proper collections and distributions. This matter was resolved for years ended December 31, 2021 and 2020.

12. We noted the income taxes are being collected and distributed. However, we found some income tax collections require an additional breakdown of amounts recorded in income tax collection software to segregate the regular City income tax payment due to the City and amount due to the District. This condition resulted in the 2019 revenue ledger recording \$55,802 (State Road and Route 20) instead of the amount reported on the financial statements of \$68,830. The \$13,028 difference should be posted in the 2020 ledger to agree the balances. Additionally, the 2018 revenue ledger had recorded \$44,867 in revenue (State Road and Route 20) instead of the amount reported on the financial statements of \$50,802. The \$5,935 difference should be posted in the 2020 ledger to agree the balances. Reporting and posting of revenue and expenditures by the tax year to which it applies extends the reporting period into the subsequent year before fully settled, resulting in differences between the annual financial reports and supporting revenue and expenditure ledgers. We recommend the Fiscal Officer consider distributing only the amount posted to the revenue ledger as current fiscal year revenue and reporting the same in the financial statements, regardless of tax collection year the revenue may apply (applicable tax year can be noted in revenue ledger). This matter was resolved for the years ended December 31, 2021 and 2020.

13. We noted the most recent bank reconciliation performed was as of April 30, 2020. The District should perform reconciliations in a timely fashion monthly. The District should also reconcile to the individual JEDD Agency funds monthly. This matter was resolved for years ended December 31, 2021 and 2020.



Keith Faber
Auditor of State
Columbus, Ohio

June 28, 2022

OHIO AUDITOR OF STATE KEITH FABER



ROUTE 20 JOINT ECONOMIC DEVELOPMENT DISTRICT

ASHTABULA 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 7/12/2022

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