



Dave Yost • Auditor of State





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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Springfield-Beckley Municipal Airport Joint Economic Development District  
Clark County  
76 East High Street, 4<sup>th</sup> Floor  
Springfield, Ohio 45502

We have performed the procedures enumerated below, with which the Board of Trustees and the management of the Springfield-Beckley Municipal Airport Joint Economic Development District (the JEDD) agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2016 and 2015, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. 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*. 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. The City of Springfield (the City) is the custodian for the JEDD's funds; therefore, the City's deposit and investment pool holds the JEDD's assets. We compared the JEDD's fund balances reported on its December 31, 2016 and December 31, 2015 financial statements to the City's accounting records. The amounts agreed.
2. We agreed the January 1, 2015 beginning fund balances recorded in the City's accounting records to the December 31, 2014 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2016 beginning fund balances recorded in the City's accounting records to the December 31, 2015 balances in the City's accounting records. We found no exceptions.

### Income Taxes

1. We confirmed the income tax amounts paid by the City of Springfield to the JEDD by comparing the City's Expenditure Report to the JEDD's Income Tax Account on the City's Revenue Report for the years ended December 31, 2016 and 2015. We found no exceptions.
2. We determined that the income tax receipts were properly recorded to the JEDD's Income Tax Revenue Account, as stipulated in Article VI, Section 1 of the Joint Economic Development District Agreement. We found no exceptions.
3. We determined whether the receipts were recorded in the proper year. We found no exceptions.

## Debt

1. The prior audit documentation disclosed no debt outstanding as of December 31, 2014.
2. We inquired of management, and scanned the City's Revenue Report and Expenditure Report for the JEDD's accounts for evidence of debt issued during 2016 or 2015 or debt payment activity during 2016 or 2015. We noted no new debt issuances, nor any debt payment activity during 2016 or 2015.

## Non-Payroll Cash Disbursements

1. Article VI, Section 2 of the Joint Economic Development District Agreement states that the Treasurer shall transfer, on or before the fifteenth day after the tax due date of each year, an amount from the Income Tax Revenue Account, which, when added to any carry over balance in the Administrative Expense Account, equals a total sum of \$5,000 (i.e. the maximum sum in the Administrative Expense Account shall not exceed \$5,000).
  - a. We reviewed the City's accounting records for the JEDD to determine if a transfer was required for the years ended December 31, 2016 and 2015 and, if so required, whether the transfer was completed. We noted that the balance of the Administrative Expense Account was \$5,000 during the years ended December 31, 2016 and 2015. Since the maximum allowable balance of this account is \$5,000, a transfer from the Income Tax Revenue Account was not required for 2016 or 2015. We reviewed the City's accounting records for the JEDD and verified that no such transfer was completed during 2016 or 2015.
2. Article VI, Section 3 of the Joint Economic Development District Agreement states that the Treasurer shall transfer from the Income Tax Revenue Account, on or before the fifteenth day after the tax due date of each year, an amount equal to five percent of the remaining balance in the Income Tax Revenue Account, after the annual transfer described in Section 2 of this Article has been completed, to the Road Reconstruction Account. Article VI, Section 5s of the Joint Economic Development District Agreement defines the tax due date as the day of the year designated in the City's Codified Ordinances as the date on or before which the City taxpayers must file their municipal income tax return with the City. The tax due date in 2015 was April 15<sup>th</sup> and in 2016 was April 18<sup>th</sup>.
  - a. We recomputed the amount of the required transfer for the years ended December 31, 2016 and 2015. We found no exceptions. We also compared the recomputed amounts to the actual amounts transferred. The amounts agreed.
  - b. We determined whether the transfer was completed within the required time frame. We reviewed the City's Expenditure Report for the JEDD for the years ended December 31, 2016 and 2015 and noted that the annual transfers were not completed until December 30, 2016 and December 31, 2015, respectively. The JEDD should complete the transfers as required by the agreement.
  - c. We determined whether the transfer was recorded in the proper year. We found no exceptions.
3. Article VI, Section 4 of the Joint Economic Development District Agreement states that, within sixty days of the tax due date of each year, the Treasurer shall pay the balance remaining in the Income Tax Revenue Account, as of the fifteenth day after the tax due date, to the City. Article VI, Section 5s of the Joint Economic Development District Agreement defines the tax due date as the day of the year designated in the City's Codified Ordinances as the date on or before which the City taxpayers must file their municipal income tax return with the City. The tax due date in 2015 was April 15<sup>th</sup> and in 2016 was April 18<sup>th</sup>.
  - a. We recomputed the amount due to the City for the years ended December 31, 2016 and 2015. We found no exceptions. We also compared the recomputed amounts to the actual amounts paid. The amounts agreed.

**Non-Payroll Cash Disbursements (Continued)**

- b. We reviewed the City's Expenditure and Revenue Report for the years ended December 31, 2016 and 2015 to determine whether the payment was paid to the City of Springfield. We found no exceptions.
- c. We determined whether the payment was completed within the required time frame. We reviewed the City's Expenditure Report for the years ended December 31, 2016 and 2015 and noted that the annual payments were not completed until the following dates: June 21, July 14, August 18, September 15, September 22, September 30, October 7, November 9, and December 30, 2016 and December 31, 2015. The JEDD should implement procedures to ensure the payments are completed timely.
- d. We determined whether the payment was recorded in the proper year. We found no exceptions.

**Other Compliance**

Ohio Rev. Code Section 117.38 requires entities to file their financial information in the HINKLE system formerly known as the Annual Financial Data Reporting System (AFDRS) within 60 days after the close of the fiscal year. We reviewed AFDRS to verify the JEDD filed their financial information within the allotted time frame for the years ended December 31, 2016 and 2015. We noted no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the JEDD's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management, those charged with governance, and others within the JEDD, and is not intended to be, and should not be used by anyone other than these specified parties.



**Dave Yost**  
Auditor of State

Columbus, Ohio

April 7, 2017

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**SPRINGFIELD – BECKLEY MUNICIPAL AIRPORT JOINT ECONOMIC DEVELOPMENT DISTRICT**

**CLARK 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 4, 2017**