



OHIO AUDITOR OF STATE
KEITH FABER





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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Liberty Township Joint Economic Development District
Butler County
7162 Liberty Centre Drive, Suite A
Liberty Township, Ohio 45069

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of the Liberty Township Joint Economic Development District (the District), on the receipts, disbursements and balances recorded in the District's 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. The City of Middletown is custodian for the District's deposits, and therefore the City's deposit and investment pool holds the District's assets. We compared the District's fund balance reported on its December 31, 2018 Fund Report to the balance reported in the City of Middletown's accounting records. The amounts agreed.
2. We agreed the January 1, 2017 beginning fund balance recorded in the Fund Report to the December 31, 2016 balance in the prior year Agreed-Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2018 beginning fund balance recorded in the Fund Report to the December 31, 2017 balance in the Fund Report. We found no exceptions.

Income Taxes

1. We confirmed the income tax amounts paid from the City of Middletown to the District during 2018 and 2017, with the City. We found no exceptions.
 - a. We inspected the cash receipts ledger to determine the receipts were recorded in the proper year. 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 Receipt Report and Expense 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

1. We selected a sample (agreed upon) of 10 disbursements from the Expense Detail 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 Expense 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

1. We recalculated the amount paid to the City of Middletown for service fees for the collection and remittance of income taxes to ensure it did not exceed 5% for the years ended December 31, 2018 or for the year ended December 31, 2017 as required by Section 17 of the Liberty Township Joint Economic Development District 1 Contract. We found no exceptions.
2. We confirmed the District's income taxes collected were distributed 83% to Liberty Township, 15% to the City of Mason, and 2% to the City of Middletown as required by item 19 of the Liberty Township Joint Economic Development District 1 Contract. We found no exceptions.

Other Compliance

1. 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.

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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

July 17, 2019

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OHIO AUDITOR OF STATE KEITH FABER



LIBERTY TOWNSHIP JOINT ECONOMIC DEVELOPMENT DISTRICT

BUTLER 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
AUGUST 6, 2019**