

RIVERSIDE COMMUNITY IMPROVEMENT CORPORATION

General Purpose Financial Statements

December 31, 2003



**Auditor of State
Betty Montgomery**

Board of Trustees
Riverside Community Improvement Corporation
1791 Harshman Road
Riverside, Ohio 45424

We have reviewed the Independent Auditor's Report of the Riverside Community Improvement Corporation, Montgomery County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2003 to December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Riverside Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

February 3, 2005

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PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS

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ONE PRESTIGE PLACE, SUITE 520 / DAYTON, OH 45342 . (937) 433-0400 . FAX (937) 433-0429

August 12, 2004

To The Board of Trustees Riverside Community Improvement Corporation, Dayton, Ohio


REPORT OF INDEPENDENT ACCOUNTANTS

We have audited the statement of financial position of the Riverside Community Improvement Corporation as of December 31, 2003, and the related statement of activities and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the management of the Corporation. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Riverside Community Improvement Corporation, as of December 31, 2003, and the changes in its net assets and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated August 12, 2004 on our consideration of the Riverside Community Improvement Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.


Plattenburg & Associates, Inc.
Certified Public Accountants

**Riverside Community
Improvement Corporation
Statement of Financial Position
December 31, 2003**

Assets

Assets

Land

\$120,380

Net Assets

Net Assets

Temporarily Restricted (restated)

\$120,380

The accompanying notes are an integral part of the financial statements

**Riverside Community
Improvement Corporation
Statement of Activities and Changes in Net Assets
For The Year Ended December 31, 2003**

Revenues	
Contributions	<u>\$1,799</u>
Expenses	
Professional Services	<u>1,799</u>
Changes in Unrestricted Net Assets	<u><u>\$0</u></u>

The accompanying notes are an integral part of the financial statements

**Riverside Community
Improvement Corporation
Statement of Cash Flows
For The Year Ended December 31, 2003**

Cash Flows From Operating Activities	
Cash Received From Contributions	\$1,799
Cash Paid For Services	(1,799)
Net Cash Paid by Operating Activities	<u>0</u>
Net Increase in Cash	0
Cash at Beginning of year	0
Cash at End of year	0
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	0
Adjustments to Reconcile Operating Income to Net Cash	<u>0</u>
Net Cash Provided by Operating Activities	<u><u>\$0</u></u>

The accompanying notes are an integral part of the financial statements

**Riverside Community
Improvement Corporation
Notes to Financial Statements
December 31, 2003**

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Operations

The Riverside Community Improvement Corporation (Corporation) was formed for the purpose of advancing, encouraging, and promoting the industrial, economic commercial and civic development of a community or area. The relationship between the City of Riverside and the Corporation is to promote development in the City. The financial statements of the Corporation are not material to the financial statements of the City of Riverside.

Method of Accounting

The corporation prepares financial statements on the accrual method of accounting in conformity with accounting principals generally accepted in the United States of America.

Tax Status

The Corporation has filed for, but not yet received, a tax determination letter with the Internal Revenue Service for exempt status from federal income tax under Section 501(c)(4) of the Internal Revenue Code. The Corporation has been designed and is operating in compliance with the applicable requirements of the Internal Revenue Code. Thus, no provision has been made for income taxes.

Note 2 – Land and Loan Payable

On January 4, 1999 the Corporation purchased 22.99 acres of land located along Brandt Pike in Riverside, Ohio from the Archdiocese of Cincinnati. The \$120,380 purchase price was paid directly from the City of Riverside, Ohio to the Archdiocese of Cincinnati as the Corporation does not currently have an operating cash account.

The transaction was financed through an interest free loan of \$120,380 from the City of Riverside, Ohio. The principal of the loan will become due and payable when the Corporation sells all or a portion of the land. The amount of principal to be repaid shall be \$120,000 multiplied by the percentage calculated by dividing the acres of land sold by 22.99 acres. The amount shall be paid within three business days of the closing sale. Within fifteen days of any principal repayment, the additional \$380 is due in full.

Note 3 – Professional Services

The City of Riverside, Ohio has agreed to provide contributions to offset external auditing services. This amounted to \$1,799 for the year ended December 31, 2003.

Note 4 – Contingent Liabilities

The Corporation is involved in a lawsuit. Although the outcome of this lawsuit is not presently determinable, in the opinion of the Corporation's management, this matter will not have a material adverse affect on the financial condition of the Corporation.

Note 5 – Prior Period Adjustment

The beginning net assets balance has been restated to reclassify an amount that was previously reported as a liability. It was discovered that no liability existed as of December 31, 2002, therefore this amount has been restated as net assets. The following reflects the effect of this restatement on net assets.

December 31, 2002 Net Assets, as previously stated	\$0
Restatement	<u>120,380</u>
January 1, 2003 Net Assets, as restated	<u>\$120,380</u>

RIVERSIDE COMMUNITY IMPROVEMENT CORPORATION

Yellow Book Report

December 31, 2003



**Report on compliance and on internal control over financial reporting
based on an audit of financial statements performed in accordance with
*Government Auditing Standards***

August 12, 2004

To The Board of Trustees Riverside Community Improvement Corporation, Dayton, Ohio

We have audited the financial statements of the Riverside Community Improvement Corporation, as of and for the year ended December 31, 2003, and have issued our report thereon dated August 12, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.


Compliance

As part of obtaining reasonable assurance about whether the Riverside Community Improvement Corporation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Riverside Community Improvement Corporation's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Auditor of State and the Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.


Plattenburg & Associates, Inc.
Certified Public Accountants



**Auditor of State
Betty Montgomery**

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**RIVERSIDE COMMUNITY IMPROVEMENT CORPORATION
MONTGOMERY 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
FEBRUARY 15, 2005**