

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

***BASIC FINANCIAL STATEMENTS
(AUDITED)***

FOR THE YEARS ENDED
DECEMBER 31, 2008 AND DECEMBER 31, 2007

SHARON DESCHAMBEAU, SECRETARY/TREASURER



Mary Taylor, CPA
Auditor of State

Board of Trustees
Community Improvement Corporation of Greenville
622 S. Broadway Street
Greenville, Ohio 45331

We have reviewed the *Independent Auditor's Report* of the Community Improvement Corporation of Greenville, Darke County, prepared by Julian & Grube, Inc., for the audit period January 1, 2007 through December 31, 2008. 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 Community Improvement Corporation of Greenville is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 10, 2009

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**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Board of Trustees
Community Improvement Corporation of Greenville
622 S. Broadway Street
Greenville, Ohio 45331

We have audited the accompanying financial statements of the Community Improvement Corporation of Greenville, as of and for the years ended December 31, 2008 and December 31, 2007, which collectively comprise the Community Improvement Corporation of Greenville's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Community Improvement Corporation of Greenville's management. 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 financial statements. An audit also includes assessing the accounting principles used and the 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 respective financial position of the Community Improvement Corporation of Greenville as of December 31, 2008 and December 31, 2007 and the respective changes in financial position and cash flows thereof for the fiscal 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 our report dated June 22, 2009, on our consideration of the Community Improvement Corporation of Greenville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Julian & Grube, Inc.
June 22, 2009

**BASIC
FINANCIAL STATEMENTS**

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2008 AND 2007

	2008	2007
Assets:		
Current assets:		
Cash	\$ 368,600	\$ 264,772
Receivables (net of allowance for uncollectables):		
Accounts.	-	25,000
Total current assets	368,600	289,772
Non-current assets:		
Nondepreciable capital assets	1,013,168	1,009,756
Depreciable capital assets, net.	17,176	-
Total noncurrent assets	1,030,344	1,009,756
Total assets	1,398,944	1,299,528
Net Assets:		
Unrestricted	1,398,944	1,299,528
Total net assets	\$ 1,398,944	\$ 1,299,528

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

	Unrestricted
Revenues:	
Interest	\$ 7,426
Contribution-Darke County CIC	114,235
Farmland Cash Rent	7,000
Total revenues.	128,661
Expenses:	
Management fee	2,200
Professional services	1,535
Engineering services	750
Depreciation	96
Ohio franchise tax	50
Incentive package - Whirlpool	15,500
Fees	6,806
Insurance	1,500
Real estate tax	808
Total operating expenses.	29,245
Change in net assets	99,416
Net assets at beginning of year	1,299,528
Net assets at end of year	\$ 1,398,944

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:			
Interest	\$ 11,492	\$ -	\$ 11,492
Net assets released from restrictions used in operations.	47,577	(47,577)	-
Total revenues.	<u>59,069</u>	<u>(47,577)</u>	<u>11,492</u>
Expenses:			
Management fee	2,200	-	2,200
Professional services	18,443	-	18,443
Engineering services	140	-	140
Miscellaneous	36	-	36
Ohio franchise tax	50	-	50
Interest	938	-	938
Fees	10,965	-	10,965
Insurance	1,500	-	1,500
Real estate tax	841	-	841
Total operating expenses.	<u>35,113</u>	<u>-</u>	<u>35,113</u>
Increase (decrease) in net assets	23,956	(47,577)	(23,621)
Net assets at beginning of year	<u>1,275,572</u>	<u>47,577</u>	<u>1,323,149</u>
Net assets at end of year	<u>\$ 1,299,528</u>	<u>\$ -</u>	<u>\$ 1,299,528</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 99,416	\$ (23,621)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	96	-
Decrease in operating assets		
Accounts receivable	25,000	-
(Decrease) in operating liabilities		
Accounts payable	-	(54,689)
Accrued interest payable	-	(4,437)
	124,512	(82,747)
Net cash provided by/(used in) operating activities.		
Cash flows from investing activities:		
Purchase of development land	-	(50,449)
Improvements to development land	(3,412)	(54,812)
Purchase of land improvements	(17,272)	-
	(20,684)	(105,261)
Net cash provided by/(used in) investing activities.		
Cash flows from financing activities:		
Repayment of loans	-	(302,114)
	-	(302,114)
Net cash used in financing activities.		
Net increase/(decrease) in cash and cash equivalents.	103,828	(490,122)
Cash at beginning of year	264,772	754,894
Cash and investments at end of year.	\$ 368,600	\$ 264,772
Supplemental Disclosures of cash flow information		
Cash paid during year for:		
Interest	\$ -	\$ 5,375

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND DECEMBER 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Community Improvement Corporation of Greenville, Ohio (the "Corporation"), is a not-for-profit organization which purchases and develops land to attract new industries/businesses to locate in Greenville, Ohio, and assist local industries/businesses to expand their facilities. The Corporation was incorporated in 1963 by the Secretary of State.

The Board of Trustees is to be comprised of thirteen to seventeen members. The following elected or appointed officials of the City of Greenville and Darke County shall constitute seven of the members of the Board of Trustees: Mayor, City Auditor, City Safety/Service Director, City Engineer, President of City Council, and two members of City Council. Two members of the City Council are selected by the Council and serve two years or until their successors have been appointed and qualified. The remaining members of the Board are elected by the Corporation and hold office for a period of three years or until their successors have been elected and qualified.

The Corporation's management believes these financial statements present all activities for which the Corporation is financially accountable.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accounts are maintained and these financial statements are presented on the accrual basis. The accounting policy relative to the carrying value of development land is indicated on the statement of financial position.

B. Basis of Presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) 117, *Financial Statements of Not-For-Profit Organizations*. Under SFAS No. 117 the Corporation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Actual results could differ from those estimates.

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND DECEMBER 31, 2007

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Concentration of Credit Risk

The Corporation maintains its cash accounts in primarily one commercial bank in Ohio. The cash balances normally will exceed the limit that is guaranteed by the Federal Deposit Insurance Corporation. The Corporation has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash and short-term investments.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Corporation considers all cash in savings accounts and cash in checking accounts, whether unrestricted or restricted to be cash equivalents.

F. Property and Depreciation

Land improvements are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of 15 years.

NOTE 3 - NOTES PAYABLE

The Corporation's notes payable transactions for the year ended December 31, 2007 is summarized as follows:

<u>2007</u>	<u>Balance</u> <u>01/01/07</u>	<u>Proceeds</u>	<u>Principal</u> <u>Retirement</u>	<u>Balance</u> <u>12/31/07</u>
Second National Bank	\$ 277,114	\$ -	\$ (277,114)	\$ -
Darke County	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>
Total	<u>\$ 302,114</u>	<u>\$ -</u>	<u>\$ (302,114)</u>	<u>\$ -</u>

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND DECEMBER 31, 2007

NOTE 4 - DEVELOPMENT LAND

The Corporation's development land is valued at cost and held for resale. Capital asset activity for the years ended December 31, 2008 and December 31, 2007 is as follows:

	Balance			Balance
	<u>01/01/08</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/08</u>
<i>Capital assets, not being depreciated:</i>				
Land holdings	\$ 1,009,756	\$ 3,412	\$ -	\$ 1,013,168
Total capital assets, not being depreciated	<u>1,009,756</u>	<u>3,412</u>	<u>-</u>	<u>1,013,168</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	<u>-</u>	<u>17,272</u>	<u>-</u>	<u>17,272</u>
Total capital assets, being depreciated	<u>-</u>	<u>17,272</u>	<u>-</u>	<u>17,272</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	<u>-</u>	<u>(96)</u>	<u>-</u>	<u>(96)</u>
Total accumulated depreciation	<u>-</u>	<u>(96)</u>	<u>-</u>	<u>(96)</u>
Total capital assets, being depreciated, net	<u>-</u>	<u>17,176</u>	<u>-</u>	<u>17,176</u>
Capital assets, net	<u>\$ 1,009,756</u>	<u>\$ 20,588</u>	<u>\$ -</u>	<u>\$ 1,030,344</u>
	Balance			Balance
	<u>01/01/07</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/07</u>
<i>Land holdings:</i>				
Land	\$ 904,495	\$ 105,261	\$ -	\$ 1,009,756
Total Land holdings	<u>\$ 904,495</u>	<u>\$ 105,261</u>	<u>\$ -</u>	<u>\$ 1,009,756</u>

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND DECEMBER 31, 2007

NOTE 4 - DEVELOPMENT LAND - (Continued)

The Corporation had the following landholdings at December 31:

	<u>2008</u>	<u>2007</u>
Landsdowne Street	\$ 63,946	\$ 63,946
Progress Drive	50,449	50,449
Jaysville-St. John's and Sebring-Warner Road	437,670	434,258
Morris Land	<u>461,103</u>	<u>461,103</u>
Total	<u>\$ 1,013,168</u>	<u>\$ 1,009,756</u>

NOTE 5 - RESTRICTION OF NET ASSETS

The Corporation did not have any restrictions on cash as of December 31, 2008.

NOTE 6 - TAX EXEMPT STATUS

The Corporation is exempt from federal income tax under Section 501(c)(6) of the Internal Service Revenue Code. The Corporation was recognized as tax exempt in May of 1967.

NOTE 7 - MANAGEMENT FEE

On October 24, 2007 the Corporation entered into an agreement with the Darke County Chamber of Commerce to provide professional services.

The Corporation paid a management fee to the Darke County Chamber of Commerce in the amount of \$2,200 in both 2008 and 2007.

NOTE 8 - CONTRIBUTIONS

The Corporation received a contribution from the Darke County Community Improvement Corporation (CIC) in 2008 to assist with economic development at the Greenville Industrial park.

NOTE 9 - RISK MANAGEMENT

The Corporation has obtained commercial insurance for comprehensive property and general liability. The coverage limits are as follows:

Each Occurrence Limit	\$ 1,000,000
Damage to Premises Rented Limit	100,000
Medical Expenses Limit	5,000
Personal and Advertising Injury Limit	1,000,000
General Aggregate Limit	2,000,000
Products/Completed Operations Aggregate Limit	2,000,000

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND DECEMBER 31, 2007

NOTE 10 - RELATED PARTY TRANSACTIONS

The Corporation has bank accounts at Second National Bank and the Corporation's Board President was the Second National Bank President until he retired in November, 2008. The Vice President of Greenville National Bank is also a Corporation board member, in which the Corporation has an account.



Julian & Grube, Inc.
Serving Ohio Local Governments

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**Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance With
*Government Auditing Standards***

Board of Trustees
Community Improvement Corporation of Greenville
622 S. Broadway Street
Greenville, Ohio 45331

We have audited the financial statements of the Community Improvement Corporation of Greenville, Darke County, Ohio as of and for the years ended December 31, 2008 and December 31, 2007, which collectively comprise the Community Improvement Corporation of Greenville's basic financial statements and have issued our report thereon dated June 22, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Community Improvement Corporation of Greenville's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Community Improvement Corporation of Greenville's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Community Improvement Corporation of Greenville's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Community Improvement Corporation of Greenville's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Community Improvement Corporation of Greenville's financial statements that is more than inconsequential will not be prevented or detected by the Community Improvement Corporation of Greenville's internal control.

Board of Trustees
Community Improvement Corporation of Greenville

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Community Improvement Corporation of Greenville's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Community Improvement Corporation of Greenville's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management and Board of Trustees of the Community Improvement Corporation of Greenville and is not intended to be and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.
June 22, 2009

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE COUNTY, OHIO**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008 AND 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2006-CICOG-001	<u>Significant Deficiency</u> - Bank reconciliations were not performed in a timely and accurate manner.	Yes	N/A
2006-CICOG-002	Ohio Revised Code Section 149.351(A) states that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commission provided for under Sections 149.38 to 149.42 of the Ohio Revised Code.	Yes	N/A



Mary Taylor, CPA
Auditor of State

**COMMUNITY IMPROVEMENT CORPORATION OF GREENVILLE
DARKE 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 20, 2009**