

**GREENE COUNTY COMMUNITY IMPROVEMENT CORPORATION
GREENE COUNTY
Regular Audit
For the Years Ended December 31, 2012 and 2011**

Perry & Associates
Certified Public Accountants, A.C.



Dave Yost • Auditor of State

Board of Trustees
Greene County Community Improvement Corporation
61 Greene Street
Xenia, Ohio 45385

We have reviewed the *Independent Auditor's Report* of the Greene County Community Improvement Corporation, Greene County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2011 through December 31, 2012. 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 Greene County Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 29, 2013

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**GREENE COUNTY COMMUNITY IMPROVEMENT CORPORATION
GREENE COUNTY**

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INDEPENDENT AUDITOR'S REPORT

June 20, 2013

Board of Trustees
Greene County Community Improvement Corporation
61 Greene Street
Xenia, Ohio 45385

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the **Greene County Community Improvement Corporation**, Greene County, Ohio (the Corporation) (a nonprofit organization), as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free of material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Corporation's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Greene County Community Improvement Corporation, as of December 31, 2012 and 2011, and the respective changes in financial position and cash flows thereof, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2013 on our consideration of the Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

Perry & Associates
Certified Public Accountants, A.C.

Greene County Community Improvement Corporation

*Statements of Financial Position
As of December 31, 2012 and 2011*

	<u>2012</u>	<u>2011</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 647,019	\$ 657,828
Accounts Receivable	1,100	-
Total Current Assets	<u>648,119</u>	<u>657,828</u>
 CAPITAL ASSETS		
Land	17,800	17,800
Buildings, Furniture and Equipment	<u>117,990</u>	<u>117,990</u>
Total Capital Assets	135,790	135,790
Less: Accumulated Depreciation	<u>(36,138)</u>	<u>(32,769)</u>
Net Capital Assets	<u>99,652</u>	<u>103,021</u>
 Total Assets	<u>\$ 747,771</u>	<u>\$ 760,849</u>
 CURRENT LIABILITIES		
Refundable Lease Deposit	<u>\$ 1,000</u>	<u>\$ 1,000</u>
Total Current Liabilities	<u>1,000</u>	<u>1,000</u>
 NET ASSETS		
Unrestricted	<u>746,771</u>	<u>759,849</u>
Total Net Assets	<u>746,771</u>	<u>759,849</u>
 Total Liabilities and Net Assets	<u>\$ 747,771</u>	<u>\$ 760,849</u>

The accompanying notes are an integral part of these statements.

Greene County Community Improvement Corporation
Statements of Activities
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
	<u>Unrestricted</u>	<u>Unrestricted</u>
REVENUE		
Grant - OPWC	\$ -	\$ 163,000
Rents Received	13,200	13,800
Interest Income	3,252	661
Total Revenue	<u>16,452</u>	<u>177,461</u>
EXPENSES		
Retention and Expansion Program	14,500	-
Image Promotion	4,372	5,773
Administration	3,997	8,719
Shovel Ready Development Projects	-	4,620
Rental Property Expenses	6,661	6,581
Total Expenses	<u>29,530</u>	<u>25,693</u>
Change in Net Assets	(13,078)	151,768
Net Assets at January 1	<u>759,849</u>	<u>608,081</u>
Net Assets at December 31	<u>\$ 746,771</u>	<u>\$ 759,849</u>

The accompanying notes are an integral part of this statement.

Greene County Community Improvement Corporation
Statements of Cash Flows
For the Years Ended December 31, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received	\$ 15,352	\$ 178,061
Cash Payments for Goods and Services	(26,161)	(22,324)
Net Cash Provided/(Used) by Operating Activities	(10,809)	155,737
Net Increase in Cash and Cash Equivalents	(10,809)	155,737
Beginning Cash Balance	657,828	502,091
Ending Cash Balance	\$ 647,019	\$ 657,828
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income/(Loss)	\$ (13,078)	\$ 151,768
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	3,369	3,369
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	(1,100)	600
Total Adjustments	2,269	3,969
Net Cash Provided by Operating Activities	\$ (10,809)	\$ 155,737

The accompanying notes are an integral part of these statements.

Greene County Community Improvement Corporation

Notes to the Financial Statements

For the Years Ended December 31, 2012 and 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

The Greene County Community Improvement Corporation (the Corporation) (a nonprofit organization) was formed for the purpose of advancing, encouraging and promoting the industrial, economic, commercial and civic development of the community. The Corporation makes loans and grants to companies and organizations located in Greene County, Ohio. A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows. Management believes the financial statements included in this report represent all of the activities of the Corporation over which the Corporation is financially accountable.

B. BASIS OF ACCOUNTING

The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

C. FINANCIAL STATEMENT PRESENTATION

The Corporation has adopted Statement of Financial Accounting Standards (SFAS) No. 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. As permitted by the statement, the Corporation does not use fund accounting.

D. FEDERAL INCOME TAX

The Corporation is an exempt organization under Section 501(c) (4) of the Internal Revenue Code. By virtue of Ohio Law, the Corporation is not subject to Federal income taxes.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Corporation and recognize a tax liability (or asset) if the Corporation has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Corporation, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Corporation is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

E. PROPERTY, PLANT AND EQUIPMENT

It is the Corporation's policy to capitalize property and equipment over \$500. Lesser amounts are expensed. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives by the straight-line method.

F. ESTIMATES

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenue and expenses. Actual results could differ from those estimates.

Greene County Community Improvement Corporation

Notes to the Financial Statements

For the Years Ended December 31, 2012 and 2011

(Continued)

2. CASH

The Corporation maintains 2 checking accounts, 3 savings accounts, and 2 certificates of deposit. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	2012	2011
Demand deposits	\$ 220,860	\$ 222,730
Savings Accounts	239,528	251,211
Certificates of Deposit	186,631	183,887
Total deposits	<u>\$ 647,019</u>	<u>\$ 657,828</u>

Deposits are fully insured by the Federal Deposit Insurance Corporation.

3. PROPERTY, PLANT & EQUIPMENT

Property and equipment consists of:

	2012	2011
Land	\$ 17,800	\$ 17,800
Buildings, Furniture and Equipment	117,990	117,900
Total Property and Equipment	135,790	135,790
Less: Accumulated Depreciation	(36,138)	(32,769)
Net Total	<u>\$ 99,652</u>	<u>\$ 103,021</u>

4. REVENUES AND SUPPORT

Grants of \$163,000 were received in 2011 from Ohio Public Works Commission, for the reimbursement of "shovel ready" sites in Greene County.

5. RENTS RECEIVED

During 2012 and 2011, the Corporation rented space in the building it owns at 58-64 E. Main Street, Xenia, the tenant's annual renewal lease provides rent of \$500 per month. Beginning in 2008, the tenant leased additional space in the building under a second lease. The new lease provides for the monthly rent of \$500 for the additional space, with the tenant responsible for all utilities and interior maintenance. The initial lease term expired in April 2009 at which time it also became annually renewable. The second lease agreement also provides an additional \$100 per month in rent, up to an agreed-upon amount, not to exceed \$6,000, to compensate the Corporation for certain improvements made to the building in 2008. If the lease is terminated before the agreed-upon amount has been received, the remaining balance is due at termination.

6. DONATED SERVICES

The Corporation has no paid employees; time spent on its activities by the officers and Trustees of the Corporation is donated by the local businesses, Greene County, and the individuals themselves. The value of the donated services has not been recorded in the financial statements at December 31, 2012 and 2011.

7. SUBSEQUENT EVENTS

The Corporation has evaluated events subsequent from the date of the financial statements through June 20, 2013. No events have occurred subsequent to the date of the financial statements through June 20, 2013 that would require adjustment or disclosure in the financial statements.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

June 20, 2013

Board of Trustees
Greene County Community Improvement Corporation
61 Greene Street
Xenia, Ohio 45385

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the **Greene County Community Improvement Corporation**, Greene County, Ohio (the Corporation) (a nonprofit organization), as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements. and have issued our report thereon dated June 20, 2013.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Corporation's internal control over financial reporting to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Corporation's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Corporation's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Corporation's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

Perry & Associates
Certified Public Accountants, A.C.

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Dave Yost • Auditor of State

GREENE COUNTY COMMUNITY IMPROVEMENT CORPORATION

GREENE 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
SEPTEMBER 10, 2013**