



Dave Yost • Auditor of State

**WYOMING COMMUNITY IMPROVEMENT CORPORATION
HAMILTON COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Wyoming Community Improvement Corporation
Hamilton County
800 Oak Avenue
Wyoming, Ohio 45215

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Wyoming Community Improvement Corporation, Hamilton County, Ohio (the Corporation), as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

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, whether due to fraud or error.

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 from 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 the 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 audit opinions.

Opinion

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

Other Matters

Required Supplementary Information

The corporation has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 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.



Dave Yost
Auditor of State

Columbus, Ohio

October 7, 2013

Wyoming CIC
Hamilton County

Statement of Net Position
December 31, 2012 and 2011

	2012	2011
ASSETS		
CURRENT ASSETS		
Cash Equivalent	\$ 48,646	\$ 169,529
Accounts Receivable	7,689	4,936
Prepaid Maintenance Cost	1,375	1,575
TOTAL CURRENT ASSETS	57,710	176,040
CAPITAL NONCURRENT ASSETS		
Land	267,949	437,119
Buildings	785,103	1,158,397
Building Improvements	130,615	110,983
Less Depreciation	(98,963)	(90,451)
TOTAL CAPITAL NONCURRENT ASSETS	1,084,704	1,616,048
TOTAL ASSETS	1,142,414	1,792,088
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	26,766	34,843
Security Deposits	5,879	6,779
Prepaid Rents Receivable	1,122	1,122
TOTAL CURRENT LIABILITIES	33,767	42,744
NONCURRENT LIABILITIES		
CIC Loan from City of Wyoming	304,000	84,000
TOTAL NONCURRENT LIABILITIES	304,000	84,000
TOTAL CURRENT LIABILITIES	337,767	126,744
NET POSITION		
Unrestricted	804,647	1,665,344
TOTAL NET POSITION	\$ 804,647	\$ 1,665,344

See accompanying notes to the financial statements

Wyoming CIC
Hamilton County

STATEMENT OF REVENUES, EXPENSES, AND OTHER CHANGES IN NET POSITION
FOR THE YEARS ENDING DECEMBER 31, 2012 AND 2011

	2012	2011
OPERATING REVENUES:		
Rental Income	\$ 84,331	\$ 76,893
Refunds	\$ -	\$ 6
TOTAL OPERATING REVENUE	84,331	76,900
OPERATING EXPENSES		
Facilities and Equipment	327,648	43,522
Contract Services	10,725	15,820
Depreciation Expense	8,512	31,467
Operations	273	209
Other Expenses	400	250
TOTAL OPERATING EXPENSES	347,558	91,268
OPERATING GAIN (LOSS)	(263,227)	(14,369)
NON-OPERATING REVENUE:		
Interest Income	29	49
Contribution from City of Wyoming	-	100,000
Land Contribution to City of Wyoming	(25,000)	-
Loss on 400 Wyoming Property	(572,498)	-
TOTAL NON-OPERATING REVENUE	(597,469)	100,049
Net Change in Assets	(860,696)	85,680
Net Position - Beginning of Year	1,665,344	1,579,664
Net Position - End of Year	\$ 804,648	\$ 1,665,344

See accompanying notes to the financial statements

Wyoming CIC
Hamilton County

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

<u>Cash Flows from Operating Activities:</u>	<u>2012</u>	<u>2011</u>
Cash Received from Rentals	81,578	78,661
Cash Received from Refunds	-	6
Cash Payments for Facilities & Equipment	(410,392)	(56,666)
Cash Payments for Contract Services	(10,725)	(15,820)
Cash Payments for Operations	(273)	(209)
Cash Payments for Other Types of Expenses	(200)	(250)
 Net Cash Used for Operating Activities	 (340,012)	 5,722
 Cash Flows from Non-Capital Financing Activities	 219,100	 102,300
 Cash Flows from Investing Activities	 29	 49
 Net Increase in Cash and Cash Equivalents	 (120,883)	 108,071
 Cash & Cash Equivalents Beginning of Year	 169,529	 61,458
 Cash & Cash Equivalents End of Year	 48,646	 169,529
 Operating Loss - per Operating Statement	 (263,227)	 (14,369)
 Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities		
Depreciation Expense	8,512	31,467
Changes in Assets & Liabilities		
Accounts Payable	(8,077)	(884)
Accounts Receivable	(2,753)	646
Additions to Land	(18,980)	-
Additions to Buildings	(18,556)	-
Additions to Building Improvements	(37,131)	(12,260)
Prepaid Rents Receivable	-	1,122
Total Adjustments	(76,985)	20,091
 Net Cash Used for Operating	 (340,212)	 5,722

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**WYOMING COMMUNITY IMPROVEMENT CORPORATION
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The Wyoming CIC, Hamilton County, Ohio (Corporation), is a not-for-profit organization which derives the major source of its revenues from rental income. The Corporation was established for the economic development of the City of Wyoming. The Corporation works with the City in many aspects of the overall adopted economic development strategy, but its current efforts are focused on bringing more small businesses into the City of Wyoming. The Corporation does not purport to, and does not, represent the City of Wyoming, Ohio as of December 31, 2012 and 2011.

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

B. Accounting Basis

The financial statements consist of a single-purpose business-type activity which is reported on the accrual basis of accounting using the economic resources measurement focus.

The significant accounting policies followed in the preparation of these financial statements conform to generally accepted accounting principles for local governments units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources as applied to governmental non-profit organizations. Under the guidelines of GASB statement No. 20, the Corporation has elected to apply Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989 to its proprietary activities which do not conflict with GASB statements or interpretations. A summary of the significant accounting policies consistently applied in preparation of the accompanying financial statements are as follows:

Basis of Presentation: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of imposed restrictions. Accordingly, net assets of the Corporation are classified as unrestricted net assets because they are not subject to imposed stipulations.

The Corporation's operations are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation are included on the balance sheet. The operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. The Corporation uses the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized at the time they are incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**WYOMING COMMUNITY IMPROVEMENT CORPORATION
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

C. Deposits and Investments

The Corporation maintains their funds in a checking, escrow, and savings accounts at a local financial institution.

D. Fund Accounting

The Corporation has one fund and it is classified as a business-type activity.

E. Property, Plant, and Equipment

Acquisitions of buildings and building improvements are capitalized. Land is carried at cost. Depreciation is computed using the straight-line method over a useful life of respective assets.

F. Significant Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Income Tax

The Corporation has applied to be a not-for-profit tax exempt organization under the Internal Revenue Code Section 501(c)(3). Accordingly, there is no provision for income taxes in these financial statements.

2. Equity in Pooled Deposits

The Corporation maintains a pool of deposits. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

	2012	2011
Checking Account	\$39,082	\$159,094
Savings Account	6,664	6,636
Escrow Accounts	2,900	3,800
Total deposits	48,646	169,529

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

**WYOMING COMMUNITY IMPROVEMENT CORPORATION
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

3. Capital Assets

The Corporation's land and buildings are valued at cost and held for lease. Capital asset activity for the years ended December 31, 2012:

	Balance 1/1/2012	Additions	Disposals	Balance 12/31/2012
Nondepreciable:				
Land	437,119	18,980	(188,150)	267,949
Depreciable:				
Buildings	1,158,397	18,556	(391,850)	785,103
Building Improvements	110,983	331,916	(312,284)	130,615
Total nondepreciable and depreciable	<u>1,269,380</u>	<u>350,472</u>	<u>(704,134)</u>	<u>915,718</u>
Less accumulated depreciation	(90,451)	(8,512)	0	(98,963)
Capital Assets, Net	<u><u>1,616,048</u></u>	<u><u>360,940</u></u>	<u><u>(892,284)</u></u>	<u><u>1,084,704</u></u>

The Corporation's land and buildings are valued at cost and held for lease. Capital asset activity for the years ended December 31, 2011:

	Balance 1/1/2011	Additions	Disposals	Balance 12/31/2011
Nondepreciable:				
Land	437,119	0	0	437,119
Depreciable:				
Buildings	1,158,397	0	0	1,158,397
Building Improvements	98,723	12,260	0	110,983
Total nondepreciable and depreciable	<u>1,257,120</u>	<u>12,260</u>	<u>0</u>	<u>1,269,380</u>
Less accumulated depreciation	(58,984)	(31,467)	0	(90,451)
Capital Assets, Net	<u><u>1,635,255</u></u>	<u><u>(31,467)</u></u>	<u><u>0</u></u>	<u><u>1,616,048</u></u>

The Corporation had the following landholdings at December 31:

	2012	2011
Van Roberts	\$37,508	\$0
Oak Avenue	293,960	332,439
Springfield Pike	131,177	139,371
Wyoming Avenue	481,445	998,702
Grove Avenue	140,614	145,536
	<u><u>\$1,084,704</u></u>	<u><u>\$1,616,048</u></u>

**WYOMING COMMUNITY IMPROVEMENT CORPORATION
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

4. Risk Management

Commercial Insurance

The Corporation has obtained comprehensive property and general liability insurance through a private carrier.

5. Renovation Loan

During 2010, the City of Wyoming loaned the Corporation \$84,000 at no interest to be repaid during 2011. No repayments were made towards the loan during 2011 and 2012. During 2012, the City of Wyoming loaned the Corporation an additional \$220,000 with accrued interest to be repaid at a rate of \$22,000 per year over the next 10 years, first payment due during 2013.



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

Wyoming Community Improvement Corporation
Hamilton County
800 Oak Avenue
Wyoming, Ohio 45215

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 business-type activities of the Wyoming Community Improvement Corporation, Hamilton County, Ohio (the Corporation), 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 October 7, 2013.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Corporation's internal control over financial reporting (internal control) 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 Government'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 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 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 Government'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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

Columbus, Ohio

October 7, 2013



Dave Yost • Auditor of State

WYOMING CIC

HAMILTON 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
NOVEMBER 7, 2013**