



Dave Yost • Auditor of State

**SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION
HAMILTON COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Springfield Township Community Improvement Corporation
Hamilton County
9150 Winton Road
Cincinnati, OH 45231

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of Springfield Township Community Improvement Corporation, Hamilton County, Ohio (the Corporation), as of and for the years ended December 31, 2016 and 2015, 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 such 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 overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Springfield Township Community Improvement Corporation, Hamilton County, as of December 31, 2016 and 2015, and the changes in its financial position and its cash flows for the year then ended in accordance with the 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 September 5, 2017, 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.

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

Dave Yost
Auditor of State

Columbus, Ohio

September 5, 2017

Springfield Township CIC
Statement of Net Position
For the Year Ended December 31, 2016

Assets

Current Assets:

Equity in Pooled Cash and Cash Equivalents \$29,295

Total Current Assets 29,295

Total Assets 29,295

Net Position

Unrestricted 29,295

Total Net Position \$29,295

See accompanying notes to the basic financial statements

Springfield Township CIC
*Statement of Revenues,
 Expenses and Changes in Fund Net Position
 For the Year Ended December 31, 2016*

Operating Revenues	
Grants	<u>\$250,000</u>
<i>Total Operating Revenues</i>	<u>250,000</u>
 Operating Expenses	
Purchased Services	26,720
Materials and Supplies	850
Community Support	195,850
Other	<u>3,635</u>
<i>Total Operating Expenses</i>	<u>227,055</u>
<i>Operating Income (Loss)</i>	<u>22,945</u>
<i>Change in Net Position</i>	22,945
<i>Net Position Beginning of Year</i>	<u>6,350</u>
<i>Net Position End of Year</i>	<u><u>\$29,295</u></u>

See accompanying notes to the basic financial statements

Springfield Township CIC
Statement of Cash Flows
For the Year Ended December 31, 2016

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Other Cash Receipts	\$250,000
Cash Payments for Goods and Services	(31,205)
Other Cash Payments	<u>(195,850)</u>

Net Cash Provided by (Used in) Operating Activities 22,945

*Net Increase (Decrease) in Cash
and Cash Equivalents* 22,945

Cash and Cash Equivalents Beginning of Year 6,350

Cash and Cash Equivalents End of Year 29,295

**Reconciliation of Operating Gain (Loss) to Net Cash
Provided by (Used in) Operating Activities**

Operating Gain (Loss) 22,945

Net Cash Provided by (Used in) Operating Activities \$22,945

See accompanying notes to the basic financial statements

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Springfield Township CIC
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Note 1 - Reporting Entity

The Springfield Township Community Improvement Corporation, Hamilton County, Ohio (the CIC) is a not-for-profit organization that was created by the Springfield Township Trustees and Certified by the State of Ohio, Secretary of State in February 2014. The creation of the CIC was recommended by the Springfield Township Comprehensive Neighborhood Master Plan, which was adopted by the Board of Trustees in May 2011.

The CIC was created in accordance with Chapters 1702 and 1724 of the Ohio Revised Code in order to advance, encourage and promote industrial, economic, commercial, housing and civic development in Springfield Township. The CIC has been designated by the Springfield Township Board of Trustees as the Economic Development agent for Springfield Township.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The CIC prepares its financial statements in accordance with the not-for-profit entity related provisions of the standards set by the Financial Accounting Standards Board (FASB) which established the FASB Accounting Standards Codification (ASC) as the single source of authoritative accounting principles generally accepted in the United States of America

The CIC 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, based upon the existence or absence of donor-imposed restrictions. The CIC does not have any temporarily restricted or permanently restricted net assets as of December 31, 2016.

Basis of Accounting

The financial statements of the CIC have been prepared on the accrual basis of accounting principles generally accepted in the United States of American (GAAP) as applied to not-for-profit organizations.

Cash and Cash Equivalents

For purposes of cash flows, the CIC considers cash on hand and in demand accounts with a maturity of 90 days or less to be cash.

Income Taxes

The CIC has qualified for a tax exemption under Section 501(c)(3) of the Internal Revenue Code, and accordingly, no provision for federal income tax has been recorded in the accompanying financial statements.

Income taxes are accounted for under the provisions of the "Income Taxes" topic of the FASB ASC. Uncertain income tax positions are evaluated at least annually by management. As of December 31, 2016, the CIC has identified no uncertain income tax positions and has incurred no amounts for income tax penalties and interest for the year then ended.

Estimates

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

Springfield Township CIC
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

Note 2 - Summary of Significant Accounting Policies (Continued)

Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The CIC has no restricted net position.

Note 3 – Deposits

At December 31, 2016, the carrying amount and bank balance of CIC's deposits was \$29,295, which was covered by federal depository insurance.

NOTE 4 – Grants From Springfield Township

The CIC received \$250,000 in grants from Springfield Township during the year.

Note 5– Risk Management

The CIC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to contracted personnel; and natural disasters. For 2016, the CIC had property and casualty insurance through Hylant Insurance.

Settled claims have not exceeded commercial coverage in the past three years. There was no significant reduction in coverage from the prior year.

Springfield Township CIC
Statement of Net Position
For the Year Ended December 31, 2015

Assets

Current Assets:

Equity in Pooled Cash and Cash Equivalents \$6,350

Total Current Assets 6,350

Total Assets 6,350

Net Position

Unrestricted 6,350

Total Net Position \$6,350

See accompanying notes to the basic financial statements

Springfield Township CIC
*Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2015*

Operating Revenues	
Grants	\$80,000
Miscellaneous	172
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<i>Total Operating Revenues</i>	<i>80,172</i>
	<hr/>
Operating Expenses	
Purchased Services	159
Materials and Supplies	603
Community Support	78,560
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<i>Total Operating Expenses</i>	<i>79,322</i>
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<i>Operating Income (Loss)</i>	<i>850</i>
	<hr/>
<i>Change in Net Position</i>	<i>850</i>
	<hr/>
<i>Net Position Beginning of Year</i>	<i>5,500</i>
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<i>Net Position End of Year</i>	<i>\$6,350</i>
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See accompanying notes to the basic financial statements

Springfield Township CIC
Statement of Cash Flows
For the Year Ended December 31, 2015

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Other Cash Receipts	\$80,172
Cash Payments for Goods and Services	(762)
Other Cash Payments	<u>(78,560)</u>

Net Cash Provided by (Used in) Operating Activities 850

*Net Increase (Decrease) in Cash
and Cash Equivalents* 850

Cash and Cash Equivalents Beginning of Year 5,500

Cash and Cash Equivalents End of Year 6,350

**Reconciliation of Operating Gain (Loss) to Net Cash
Provided by (Used in) Operating Activities**

Operating Gain (Loss) 850

Net Cash Provided by (Used in) Operating Activities \$850

See accompanying notes to the basic financial statements

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Springfield Township CIC
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 1 - Reporting Entity

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The CIC was created in accordance with Chapters 1702 and 1724 of the Ohio Revised Code in order to advance, encourage and promote industrial, economic, commercial, housing and civic development in Springfield Township. The CIC has been designated by the Springfield Township Board of Trustees as the Economic Development agent for Springfield Township.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The CIC prepares its financial statements in accordance with the not-for-profit entity related provisions of the standards set by the Financial Accounting Standards Board (FASB) which established the FASB Accounting Standards Codification (ASC) as the single source of authoritative accounting principles generally accepted in the United States of America

The CIC 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, based upon the existence or absence of donor-imposed restrictions. The CIC does not have any temporarily restricted or permanently restricted net assets as of December 31, 2016.

Basis of Accounting

The financial statements of the CIC have been prepared on the accrual basis of accounting principles generally accepted in the United States of American (GAAP) as applied to not-for-profit organizations.

Cash and Cash Equivalents

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Income Taxes

The CIC has qualified for a tax exemption under Section 501(c)(3) of the Internal Revenue Code, and accordingly, no provision for federal income tax has been recorded in the accompanying financial statements.

Income taxes are accounted for under the provisions of the "Income Taxes" topic of the FASB ASC. Uncertain income tax positions are evaluated at least annually by management. As of December 31, 2015, the CIC has identified no uncertain income tax positions and has incurred no amounts for income tax penalties and interest for the year then ended.

Estimates

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

Springfield Township CIC
Notes to the Basic Financial Statements
For the Year Ended December 31, 2015

Note 2 - Summary of Significant Accounting Policies (Continued)

Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The CIC has no restricted net position.

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At December 31, 2015, the carrying amount and bank balance of CIC's deposits was \$6,350, which was covered by federal depository insurance.

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The CIC received \$80,000 in grants from Springfield Township during the year.

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The CIC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to contracted personnel; and natural disasters. For 2015, the CIC had property and casualty insurance through Hylant Insurance.

Settled claims have not exceeded commercial coverage in the past three years. There was no significant reduction in coverage from the prior year.



Dave Yost • Auditor of State

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

Springfield Township Community Improvement Corporation
Hamilton County
9150 Winton Road
Cincinnati, OH 45231

To the Board of Directors:

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 Springfield Township Community Improvement Corporation, Hamilton County, Ohio, (the Corporation) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated September 5, 2017.

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 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 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 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.

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Dave Yost
Auditor of State

Columbus, Ohio

September 5, 2017



Dave Yost • Auditor of State

**SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION
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
SEPTEMBER 21, 2017**