

**COMMUNITY IMPROVEMENT CORPORATION  
OF GREATER CINCINNATI**

**FINANCIAL STATEMENTS**

**For the Years Ended December 31, 2000 and 1999**





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

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To the Board of Directors  
Community Improvement Corporation of Greater Cincinnati  
5710 Wooster Pike, Suite 311  
Cincinnati, OH 45227

We have reviewed the independent auditor's report of the Community Improvement Corporation of Greater Cincinnati, Hamilton County, prepared by Shriver & Company, for the audit period January 1, 2000 through December 31, 2000. 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 Greater Cincinnati is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

June 28, 2001

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To the Board of Directors of  
Community Improvement Corporation  
of Greater Cincinnati

### INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statements of financial position of the Community Improvement Corporation of Greater Cincinnati (a nonprofit organization) as of December 31, 2000 and 1999, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 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 Community Improvement Corporation of Greater Cincinnati as of December 31, 2000 and 1999, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2001, on our consideration of Community Improvement Corporation of Greater Cincinnati's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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.

*Shriver & Co.*

April 26, 2001

**Community Improvement Corporation of Greater Cincinnati**  
**Statements of Financial Position**  
**December 31, 2000 and 1999**

**ASSETS:**

	2000	1999
<b>CURRENT ASSETS:</b>		
Cash .....	\$ 25,602	\$ 18,610
Short-Term Investments .....	467,765	498,279
Accounts Receivable .....	4,312	-
Interest Receivable .....	492	-
Prepaid Expenses and Deposits .....	1,360	1,666
	\$ 499,531	\$ 518,555

**LIABILITIES AND NET ASSETS:**

<b>CURRENT LIABILITIES:</b>		
Accounts Payable .....	\$ 20,081	\$ 4,389
<b>NET ASSETS – UNRESTRICTED</b> .....	479,450	514,166
	\$ 499,531	\$ 518,555

The accompanying notes are an integral part of this statement.

**Community Improvement Corporation of Greater Cincinnati**  
**Statements of Activities**  
**For the years ended December 31, 2000 and 1999**

	UNRESTRICTED	
	2000	1999
<b>REVENUE:</b>		
Interest .....	\$ 27,375	\$ 19,510
Other Income .....	85,500	1,000
	\$ 112,875	\$ 20,510
 <b>EXPENSE:</b>		
Management Compensation .....	\$ 1,075	\$ 3,800
Legal and Accounting Services .....	63,318	12,874
Other Expenses .....	83,198	35,650
	\$ 147,591	\$ 52,324
 <b>Change in Net Assets</b> .....	\$ (34,716)	\$ (31,814)
<b>NET ASSETS – UNRESTRICTED</b> , beginning of year .....	514,166	545,980
<b>NET ASSETS – UNRESTRICTED</b> , end of year .....	\$ 479,450	\$ 514,166

The accompanying notes are an integral part of this statement.

**Community Improvement Corporation of Greater Cincinnati**  
**Statements of Cash Flows**  
**For the years ended December 31, 2000 and 1999**

	2000	1999
<b>Source of Cash and Short-Term Investments:</b>		
Interest and other income .....	\$ 112,875	\$ 20,510
Increase in accounts receivable .....	(4,312)	-
Increase in interest receivable .....	(492)	-
<b>Cash Receipts</b> .....	<b>\$ 108,071</b>	<b>\$ 20,510</b>
 <b>Use of Cash and Short-Term Investments:</b>		
Operating expenses .....	\$ 147,591	\$ 52,324
Increase (decrease) in prepaid expenses and deposits .....	(306)	555
Decrease (increase) in accounts payable .....	(15,692)	1,541
<b>Cash Disbursements</b> .....	<b>\$ 131,593</b>	<b>\$ 54,420</b>
 <b>Increase (Decrease) in Cash and Short-Term Investments</b> .....	<b>\$ (23,522)</b>	<b>\$ (33,910)</b>
 <b>Cash and Short-Term Investments, beginning of year</b> .....	<b>516,889</b>	<b>550,799</b>
<b>Cash and Short-Term Investments, end of year</b> .....	<b>\$ 493,367</b>	<b>\$ 516,889</b>

The accompanying notes are an integral part of this statement.



# Community Improvement Corporation of Greater Cincinnati

## Notes to Financial Statements

### **Note 1. Organization**

The Community Improvement Corporation of Greater Cincinnati is organized as a business league to advance, promote, and encourage the industrial, commercial, distribution, and research development of Hamilton County, Ohio, and the Greater Cincinnati area. It acts as an agent for the cities of Cincinnati and Blue Ash, Ohio, Hamilton County, Ohio, and Anderson Township. The Corporation maintains its books and records using the accrual method of accounting. The Corporation is a not-for-profit business league exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code.

### **Note 2. Significant Accounting Policies**

#### **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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

#### **Financial Statement Presentation:**

The Corporation follows Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization 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. In addition, the Organization is required to present a statement of cash flows.

### **Note 3. Cash and Short-Term Investments**

The Company maintains its cash and short-term investments in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and short-term investments.

Short-term investments are comprised of certificates of deposit and savings account deposits. These investments are recorded at cost, which approximates market value.

### **Note 4. Development Agreement**

The Corporation has entered into a preliminary agreement with Tri-State Improvement Company (a subsidiary of Cinergy Corp.) to bring about the industrial development of approximately 160 acres of land in Harrison Township, Hamilton County, Ohio.

### **Note 5. Land Sale Agreement**

The Corporation entered into an agreement to sell the land referenced in Note 4. The purchaser terminated this agreement in 2001. Under the terms of the agreement the earnest money received is retained by the seller, and is included in Other Income in the Statement of Activities. Expenses incurred in connection with this agreement are included in Legal and Accounting Services and Other Expenses in the Statement of Activities.

### **Note 6. Reclassifications**

Certain reclassifications have been made to the 1999 financial statements to conform to the classifications used in 2000. These reclassifications had no effect on the 1999 operations, as previously reported.

To the Board of Directors of  
Community Improvement Corporation of Greater Cincinnati  
Cincinnati, Ohio

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

We have audited the financial statements of Community Improvement Corporation of Greater Cincinnati as of and for the year ended December 31, 2000, and have issued our report thereon dated April 26, 2001. We conducted our audit in accordance with generally accepted auditing standards 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 Community Improvement Corporation of Greater Cincinnati'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 noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Community Improvement Corporation of Greater Cincinnati'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. 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. 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. 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 solely for the information and use of the audit committee, management, others within the organization and is not intended to be and should not be used by anyone other than these specified parties.



April 26, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**COMMUNITY IMPROVEMENT CORPORATION OF GREATER CINCINNATI**

**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  
JULY 17, 2001**