

Financial Statements
And
Independent Auditor's Report

Community Improvement Corporation of Greene County

December 31, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

We have reviewed the Independent Auditor's Report of the Community Improvement Corporation of Greene County, Greene County, prepared by Harvey L. Harris, 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 Greene County is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

November 7, 2001

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Community Improvement Corporation of Greene County
OFFICERS AND TRUSTEES
December 31, 1999

OFFICERS

President - John Finlay	Attorney
Vice-President - Thomas Koogler	Business Executive
Treasurer - T. Shawn Campbell	County Commissioner
Secretary - Patricia Hobbs	Greene Co. Department of Development

TRUSTEES

Julia Ables	Business Executive
Sandy Anderson	Business Executive
Dale F. Grimes	Economic Growth Corporation Chairman
Mark Guess	Agriculture
Kathryn Hagler	County Commissioner
W. Reed Madden	County Commissioner
Steve Stapleton	Greene County Administrator

Harvey L. Harris
Certified Public Accountant
808 East Franklin Street
Dayton, Ohio 45459
(937)436-9557

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Community Improvement Corporation of Greene County

I have audited the statement of assets, liabilities and net assets arising from cash transactions of the Community Improvement Corporation of Greene County as of December 31, 2000 and the related statements of revenue and expenses and cash flows for the year then ended. The financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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 statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note A, the Agency's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenue and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In my opinion, the financial statements referred to above, present fairly, in all material respects, the assets, liabilities and net assets arising from cash transactions of the Community Improvement Corporation of Greene County as of December 31, 2000, and the changes in its net assets and its cash flows during the year then ended, on the basis of accounting described in Note A.

 Harvey L. Harris, CPA

February 28, 2001

Community Improvement Corporation of Greene County
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
(Arising from cash transactions)
December 31, 2000

Cash	\$ 384,630
Notes receivable	24,315
Computer equipment - at cost	6,524
Less accumulated depreciation	6,026
	<u>498</u>
	<u>\$ 409,443</u>
	<u>=====</u>
Net assets	
Unrestricted	\$ 326,759
Temporarily restricted	82,684
	<u>409,443</u>
	<u>=====</u>

The accompanying notes are an integral part of this statement.

Community Improvement Corporation of Greene County
 STATEMENT OF REVENUE AND EXPENSES
 (Prepared on a cash basis)
 Year ended December 31, 2000

	Unrestricted	Temporarily Restricted	Totals
Grant received	\$ -	\$ 26,450	\$ 26,450
Rents received	9,229		9,229
Interest income	12,076	2,348	14,424
Other income	11,630	107	11,737
Net assets released from restrictions	117	(117)	-
	-----	-----	-----
Total revenue	33,052	28,788	61,840
Program and administrative expenses			
Retention and expansion programs	6,500	-	6,500
New business marketing	9,471	-	9,471
Image promotion	60	-	60
Support services and staff development	50	-	50
Administration	6,581	-	6,581
Rental property expenses	5,184	-	5,184
Depreciation	332	-	332
	-----	-----	-----
Total expenses	28,178	-	28,178
	-----	-----	-----
Change in net assets	4,874	28,788	33,662
Net assets at January 1, 2000	321,885	53,896	375,781
	-----	-----	-----
Net assets at December 31, 2000	\$ 326,759	\$ 82,684	\$ 409,443
	=====	=====	=====

The accompanying notes are an integral part of this statement.

Community Improvement Corporation of Greene County
STATEMENT OF CASH FLOWS
Year ended December 31, 2000

CASH PROVIDED (USED) BY OPERATIONS	
Change in net assets	\$ 33,662
Noncash items included in excess of expenses over revenue	
Depreciation	332

Net cash provided by operations	33,994
CASH PROVIDED (USED) BY INVESTMENTS	
Advances on notes receivable	(7,200)
Collections on notes receivable	10,720

Net cash provided by investments	3,520

Increase in cash	37,514
Cash at January 1, 2000	347,116

Cash at December 31, 2000	\$ 384,630
	=====

The accompanying notes are an integral part of this statement.

Community Improvement Corporation of Greene County
NOTES TO FINANCIAL STATEMENTS
December 31, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The agency was formed for the purpose of advancing, encouraging and promoting the industrial, economic, commercial and civic development of the community. The Agency makes loans to companies located in Greene County, Ohio. A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Cash Basis Accounting

The Agency records revenues and expenses on the cash basis. Revenues are recorded when received and expenses are recorded when paid. The accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

2. Financial Statement Presentation

The Agency has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Agency 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 Agency is required to present a statement of cash flows.

3. Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all short-term debt securities with a maturity of three months or less to be cash equivalents.

4. Depreciation

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.

5. Income Taxes

The entity is an agency of Greene County, Ohio and is, therefore, exempt from income taxes.

NOTE B - CONCENTRATION OF CREDIT RISK

The Agency maintains cash balances at several local financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 2000, the Agency's uninsured cash balances total \$253,870.

Community Improvement Corporation of Greene County
NOTES TO FINANCIAL STATEMENTS
December 31, 2000

NOTE C - NOTES RECEIVABLE

The Agency has a 6.25% note receivable from Adtech Systems Research, Inc. for \$18,258. The note is unsecured, but stipulates a personal guaranty as well as provisions for repayment under disastrous or delirious circumstances. The note is payable in quarterly installments of \$2,774 (including interest) through August, 2002.

The Agency has two loans made during 2000 under the Greene County Microenterprise Loan Program. One loan is for \$3,700 and the other is for \$3,500. Both loans were made in May, 2000 and are payable over 36 months with interest at 10%. The loans are secured by the equipment purchased and certain personal assets of the borrowers.

NOTE D - RESTRICTIONS ON NET ASSETS

Grant revenues are reported as temporarily restricted support if they are received with stipulations that limit the use of the revenue. Temporarily restricted net assets at December 31, 2000 consist of funds received from a State of Ohio Community Development Block Grant and for the Greene County Microenterprise Loan Program (note E).

NOTE E - GRANT REVENUE

During 2000, the Agency received from Greene County and five participating banks a total of \$60,250 to fund the Greene County Microenterprise Loan Program. The program is intended to provide loans of from \$2,500 to \$5,000 to low to moderate income business owners for use in acquiring facilities and equipment, paying start-up costs and providing working capital. Two loans were made in 2000 under the program (note C). In December, 2000, the Agency repaid \$33,800 of the funds to Greene County, which will administer the program in 2001.

NOTE F - DONATED SERVICES

The Agency has no paid employees; time spent on agency activities by the Officers and Trustees of the Agency is donated by 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, 2000.

NOTE G - COMMITMENT

For 2000, the Agency committed to provide up to \$7,500 annually to fund three small business enterprise centers in Greene County for the purpose of encouraging and promoting local economic development. The Agency paid \$6,500 in 2000 toward this commitment.

Community Improvement Corporation of Greene County
NOTES TO FINANCIAL STATEMENTS
December 31, 2000

NOTE H - REAL ESTATE ACQUISITIONS

During 1998, the Agency acted on behalf of the Greene County Board of Commissioners to acquire two separate buildings located in Greene County. The first building, located at 58-64 E. Main Street in Xenia, Ohio, was purchased for \$95,000 on March 26, 1998. The Greene County Board of Commissioners granted \$95,000 to the Agency for the purchase of the property. In 1999, the property was transferred back to the Board of Commissioners for use by First Frontier, Inc. During 2000, rents due to the Board of Commissioners from two tenants were assigned to the Agency. The leases were on a month-to-month basis and provided rentals of \$350 (increased to \$410 in October, 2000) and \$400 per month.

Also on March 26, 1998, the Agency paid \$27,500 as an earnest money deposit for the purchase of a building located at 380 Bellbrook Avenue, Xenia. The transaction was completed in February, 1999 with a total purchase price of \$275,000. The Greene County Board of Commissioners also provided a grant for this purchase, and after the acquisition in 1999, the property was conveyed to the Domestic Violence Project in Xenia, Ohio.

SUPPLEMENTAL INFORMATION

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

Board of Trustees
Community Improvement Corporation of Greene County

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole of the Community Improvement Corporation of Greene County for the year ended December 31, 2000, which are presented in the preceding section of this report. The supplemental information presented hereinafter is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such has been subjected to the audit procedures applied in the audit of the basic financial and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Harry Z. Davis, CPA

February 28, 2001

Community Improvement Corporation of Greene County
 SCHEDULE OF ASSETS, LIABILITIES AND NET ASSETS BY ACCOUNT
 (Arising from cash transactions)
 December 31, 2000

	CDBG Revolving Loan Fund account	Campaign for Greene County account	CIC account
Cash	\$ 37,621	\$ 255,235	\$ 91,774
Note receivable	18,258	-	6,057
Computer equipment - at cost	-	6,524	-
Less accumulated depreciation	-	6,026	-
	-----	-----	-----
	-	498	-
	-----	-----	-----
	\$ 55,879	\$ 255,733	\$ 97,831
	=====	=====	=====
 Net Assets	 \$ 55,879	 \$ 255,733	 \$ 97,831
	=====	=====	=====

Community Improvement Corporation of Greene County
 SCHEDULE OF REVENUE, EXPENSES AND NET ASSETS
 BY ACCOUNT
 (Prepared on a cash basis)
 Year ended December 31, 2000

	CDBG Revolving Loan Fund account	Campaign for Greene County account	CIC account
Grant received	\$ -	\$ -	\$ 26,450
Rents received	-	9,229	-
Interest income	1,983	9,402	3,039
Other income	-	-	11,737
	-----	-----	-----
	1,983	18,631	41,226
 Program and administrative expenses			
Retention and expansion programs	-	6,500	-
New business marketing	-	9,471	-
Image promotion	-	60	-
Support services and staff development	-	50	-
Administration	-	1,486	5,095
Rental property expenses	-	5,184	-
Depreciation	-	332	-
	-----	-----	-----
Total expenses	-	23,083	5,095
	-----	-----	-----
Increase (decrease) in net assets	1,983	(4,452)	36,131
 Net assets at January 1, 2000	53,896	259,678	62,207
	-----	-----	-----
Net assets at December 31, 2000	\$ 55,879	\$ 255,226	\$ 98,338
	=====	=====	=====



STATE OF OHIO
OFFICE OF THE AUDITOR

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COMMUNITY IMPROVEMENT CORPORATION OF GREENE COUNTY

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
NOVEMBER 15, 2001**