

**PORT AUTHORITY FOR BROWNFIELDS
REDEVELOPMENT IN CINCINNATI
AND HAMILTON COUNTY**

**Statement of Cash Receipts,
Cash Disbursements and Changes in Cash Balances
and
Supplemental Report**

For the Period ended December 7, 2000

with

Report of Independent Auditors



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490
www.auditor.state.oh.us

Board of Directors
Port Authority for Brownfields Redevelopment
in Cincinnati and Hamilton County
4540 Cooper Rd., Suite 305
Blue Ash, OH 45242

We have reviewed the independent auditor's report of the Port Authority for Brownfields Redevelopment in Cincinnati and Hamilton County, prepared by Berge & Company, for the audit period January 1, 2000 through December 7, 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 Port Authority for Brownfields Redevelopment in Cincinnati and Hamilton County is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

July 10, 2001

This Page is Intentionally Left Blank.

Port Authority for Brownfields Redevelopment
in Cincinnati and Hamilton County

Financial Statements

For the Period ended December 7, 2000

Contents

Report of Independent Auditors.....	1
Financial Statement	
Statement of Cash Receipts, Cash Disbursements and Changes in Cash Balances.....	3
Notes to Financial Statement	4
Supplemental Report	
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of the Statement of Cash Receipts, Cash Disbursements and Changes in Cash Balances Performed in Accordance with <i>Government Auditing Standards</i>	7

(This Page Intentionally Left Blank)

Report of Independent Auditors

Board of Directors
Port Authority for Brownfields Redevelopment in Cincinnati and Hamilton County
Cincinnati, Ohio

We have audited the accompanying statement of cash receipts, cash disbursements and changes in cash balances of the Port Authority for Brownfields Redevelopment in Cincinnati and Hamilton County (the Port Authority) as of and for the period ended December 7, 2000. This financial statement is the responsibility of the Port Authority's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in the *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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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.

As described in Note 1, the Port Authority prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State of Ohio, which is a comprehensive basis of accounting other than generally accepted accounting principles. On December 7, 2000, the Port Authority was dissolved. All the assets and liabilities of the Port Authority were transferred to and assumed by the Port of Greater Cincinnati Development Authority.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash balances of the Port Authority for Brownfields Redevelopment in Cincinnati and Hamilton County, as of December 7, 2000, and its cash receipts and disbursements for the period then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 21, 2001 on our consideration of the Port Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the Board of Directors and other officials authorized to receive this report under §117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Berg + Company LTD

June 21, 2001

**Port Authority for Brownfields
Redevelopment in Cincinnati and Hamilton County**

Statements of Cash Receipts, Cash Disbursements and Changes in Cash Balances

For the period ended December 7, 2000

	<u>2000</u>
Cash receipts:	
Public funding	\$ 414,399
Private funding	867
Interest income	<u>1,339</u>
Total cash receipts	<u>416,605</u>
 Cash disbursements:	
Site investigation	374,887
Economic development model	6,687
Management fee	9,479
Professional fees	37,525
Telephone	71
Public participation	159
Supplies and postage	754
Travel	1,589
Professional development	25
Printing	<u>2,812</u>
Total cash disbursements	<u>433,988</u>
 Total cash disbursements in excess of cash receipts	 (17,383)
Cash at January 1, 2000	<u>43,164</u>
Cash at December 7, 2000	<u>\$ 25,781</u>

The notes to the financial statement are an integral part of this statement.

**Port Authority for Brownfields
Redevelopment in Cincinnati and Hamilton County
Notes to Financial Statement**

1. Summary of significant accounting policies

Description of the entity

The Port Authority for Brownfields Redevelopment in Cincinnati and Hamilton County (the Port Authority) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. During 2000, the Port Authority was responsible for development of brownfield properties in Cincinnati and Hamilton County.

Effective December 7, 2000, the Port Authority was dissolved by the City of Cincinnati and Hamilton County. All the assets and liabilities of the Port Authority were transferred to and assumed by the newly formed Port of Greater Cincinnati Development Authority.

The Port Authority's management believes this financial statement presents all activities for which the Port Authority is financially accountable.

Basis of accounting

This financial statement follows the basis of accounting prescribed or permitted by the Auditor of State of Ohio, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State of Ohio.

2. Cash

All cash is deposited in banks and all deposits are insured by the Federal Depository Insurance Corporation.

3. Risk management

The Port Authority has obtained commercial insurance for the following risks:

- Comprehensive property and general insurance
- Errors and Omissions

**Port Authority for Brownfields
Redevelopment in Cincinnati and Hamilton County**

Notes to Financial Statement

4. Contingent liabilities

Public funding received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding by the grantor. Amounts that may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

5. Donated materials and services

The Port Authority has received assistance in the form of in-kind contributions from the Greater Cincinnati Chamber of Commerce. Since there was no exchange of cash, these transactions have not been reflected in these financial statements. The fair value of material and services provided in-kind totaled \$138,692 for the period ended December 7, 2000.

For the period December 7, 2000, the services of the Executive Director were provided through the in-kind contributions by the Greater Cincinnati Chamber of Commerce.

Supplemental Report

Report on Compliance and on Internal Control
Over Financial Reporting Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

The Board of Directors
Port Authority for Brownfields Redevelopment in Cincinnati and Hamilton County
Cincinnati, Ohio

We have audited the statement of cash receipts, cash disbursements and changes in cash balances of the Port Authority for Brownfields Redevelopment in Cincinnati and Hamilton County (the Port Authority) as of and for the period ended December 7, 2000 and have issued our report thereon dated June 21, 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 the Port Authority's statement of cash receipts, cash disbursement and changes in cash balances is 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 the Port Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement 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 for the information and use of the Board of Directors and management, and is not intended to be and should not be used by anyone other than these specified parties.

June 21, 2001

Berge & Company LTD



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

PORT AUTHORITY FOR BROWNFIELDS REDEVELOPMENT IN CINCINATI AND HAMILTON COUNTY

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 26, 2001**