

**GREENE COUNTY COMMUNITY IMPROVEMENT CORPORATION
GREENE COUNTY
Regular Audit
For the Years Ended December 31, 2010 and 2009**

Perry & Associates
Certified Public Accountants, A.C.



Dave Yost • Auditor of State

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

We have reviewed the *Independent Accountants' Report* of the Greene County Community Improvement Corporation, Greene County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2009 through December 31, 2010. 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 Greene County Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 2, 2011

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**GREENE COUNTY COMMUNITY IMPROVEMENT CORPORATION
GREENE COUNTY**

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INDEPENDENT ACCOUNTANTS' REPORT

June 24, 2011

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

To the Board of Trustees:

We have audited the accompanying financial statements of financial position of **Greene County Community Improvement Corporation**, Greene County, Ohio (the Corporation) (a nonprofit organization), as of and for the years ended December 31, 2010 and 2009, which collectively comprise the Corporation's basic financial statements as listed in the table of contents. 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 respective financial position of the Corporation, as of December 31, 2010 and 2009, and the respective changes in its net assets and cash flows thereof, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2011 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Respectfully Submitted,



Perry & Associates
Certified Public Accountants, A.C.

Greene County Community Improvement Corporation

*Statements of Financial Position
As of December 31, 2010 and 2009*

	<u>2010</u>	<u>2009</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 502,091	\$ 514,562
Accounts Receivable	600	957
Total Current Assets	<u>502,691</u>	<u>515,519</u>
CAPITAL ASSETS		
Land	17,800	17,800
Buildings, Furniture and Equipment	<u>117,990</u>	<u>117,990</u>
Total Capital Assets	135,790	135,790
Less: Accumulated Depreciation	<u>(29,400)</u>	<u>(26,031)</u>
Net Capital Assets	<u>106,390</u>	<u>109,759</u>
Total Assets	<u>\$ 609,081</u>	<u>\$ 625,278</u>
CURRENT LIABILITIES		
Accounts Payable	\$ -	\$ 5,100
Refundable Lease Deposit	<u>1,000</u>	<u>1,000</u>
Total Current Liabilities	<u>1,000</u>	<u>6,100</u>
NET ASSETS		
Unrestricted	608,081	618,178
Temporarily Restricted	<u>-</u>	<u>1,000</u>
Total Net Assets	<u>608,081</u>	<u>619,178</u>
Total Liabilities and Net Assets	<u>\$ 609,081</u>	<u>\$ 625,278</u>

The accompanying notes are an integral part of these statements.

Greene County Community Improvement Corporation
Statement of Activities
For the Year Ended December 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
REVENUE			
Development Projects, Inc.	\$ 163,000	\$ -	\$ 163,000
Greene County Community Foundation	2,800	-	2,800
Rents Received	13,450	-	13,450
Interest Income	2,099	-	2,099
Net Assets Released from Restriction	1,000	(1,000)	-
Total Revenues	<u>182,349</u>	<u>(1,000)</u>	<u>181,349</u>
EXPENSES			
Development Projects and Grants	170,075	-	170,075
Foundation Payroll Reimbursement	2,800	-	2,800
Administration	4,610	-	4,610
Image Promotion	4,738	-	4,738
Rental Property Expenses	6,993	-	6,993
Retention and Expansion Program	777	-	777
Other Projects	2,453	-	2,453
Total Expenses	<u>192,446</u>	<u>-</u>	<u>192,446</u>
Change in Net Assets	(10,097)	(1,000)	(11,097)
Net Assets at January 1, 2010	<u>618,178</u>	<u>1,000</u>	<u>619,178</u>
Net Assets at December 31, 2010	<u>\$ 608,081</u>	<u>\$ -</u>	<u>\$ 608,081</u>

The accompanying notes are an integral part of this statement.

Greene County Community Improvement Corporation
Statement of Activities
For the Year Ended December 31, 2009

	Unrestricted	Temporarily Restricted	Totals
REVENUE			
Development Projects, Inc.	\$ 350,000	\$ -	\$ 350,000
Greene County	12,500	-	12,500
Greene County Community Foundation	94,028	-	94,028
Revenue Bond Issuance Fees	120,000	-	120,000
Rents Received	13,200	-	13,200
Expired Land Purchase Options	30,000	-	30,000
Interest Income	1,322	-	1,322
Other Income	1,185	-	1,185
Net Assets Released from Restriction	-	-	-
Total Revenues	<u>622,235</u>	<u>-</u>	<u>622,235</u>
EXPENSES			
Development Projects and Grants	350,000	-	350,000
Foundation Payroll Reimbursement	106,528	-	106,528
Administration	9,498	-	9,498
Image Promotion	7,456	-	7,456
Rental Property Expenses	7,158	-	7,158
Retention and Expansion Program	4,843	-	4,843
Other Projects	25,000	-	25,000
Total Expenses	<u>510,483</u>	<u>-</u>	<u>510,483</u>
Change in Net Assets	111,752	-	111,752
Net Assets at January 1, 2009	<u>506,426</u>	<u>1,000</u>	<u>507,426</u>
Net Assets at December 31, 2009	<u>\$ 618,178</u>	<u>\$ 1,000</u>	<u>\$ 619,178</u>

The accompanying notes are an integral part of this statement.

Greene County Community Improvement Corporation
Statements of Cash Flows
For the Years Ended December 31, 2010 and 2009

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received	\$ 181,349	\$ 621,878
Cash Payments for Goods and Services	(193,820)	(532,214)
Net Cash Provided/(Used) by Operating Activities	(12,471)	89,664
Net Increase in Cash and Cash Equivalents	(12,471)	89,664
Beginning Cash Balance	514,562	424,898
Ending Cash Balance	\$ 502,091	\$ 514,562
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income/(Loss)	\$ (11,097)	\$ 111,752
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	3,369	3,369
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	357	(357)
Increase (Decrease) in Accounts Payable	(5,100)	(5,100)
Increase (Decrease) in Land Purchase Deposit	-	(20,000)
Total Adjustments	(1,374)	(22,088)
Net Cash Provided by Operating Activities	\$ (12,471)	\$ 89,664

The accompanying notes are an integral part of these statements.

Greene County Community Improvement Corporation

Notes to the Financial Statements

For the Years Ended December 31, 2010 and 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE ENTITY

The Greene County Community Improvement Corporation (the Corporation) (a nonprofit organization) was formed for the purpose of advancing, encouraging and promoting the industrial, economic, commercial and civic development of the community. The Corporation makes loans and grants to companies and organizations located in Greene County, Ohio. A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows. Management believes the financial statements included in this report represent all of the activities of the Corporation over which the Corporation is financially accountable.

B. BASIS OF ACCOUNTING

The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

C. FINANCIAL STATEMENT PRESENTATION

The Corporation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Corporation 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. As permitted by the statement, the Corporation does not use fund accounting.

D. FEDERAL INCOME TAX

The Corporation is an exempt organization under Section 501(c) (4) of the Internal Revenue Code. By virtue of Ohio Law, the Corporation is not subject to Federal income taxes.

E. PROPERTY, PLANT AND EQUIPMENT

It is the Corporation's policy to capitalize property and equipment over \$500. Lesser amounts are expensed. 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.

F. ESTIMATES

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenue and expenses. Actual results could differ from those estimates.

2. CASH

The Corporation maintains 2 checking accounts, 3 savings account, and 2 certificates of deposit. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	<u>2010</u>	<u>2009</u>
Demand deposits	\$ 77,160	\$ 108,753
Savings Accounts	241,044	222,958
Certificate of Deposit	183,887	182,851
Total deposits	<u>\$ 502,091</u>	<u>\$ 514,562</u>

Deposits are fully insured by the Federal Deposit Insurance Corporation.

Greene County Community Improvement Corporation

Notes to the Financial Statements

For the Years Ended December 31, 2010 and 2009

(Continued)

3. PROPERTY, PLANT & EQUIPMENT

Property and equipment consists of:

	2010	2009
Land	\$ 17,800	\$ 17,800
Buildings, Furniture and Equipment	117,990	117,900
Total Property and Equipment	135,790	135,790
Less: Accumulated Depreciation	(29,400)	(26,031)
Net Total	<u>\$ 106,390</u>	<u>\$ 109,759</u>

4. RESTRICTIONS ON NET ASSETS

Revenues from grants that have the characteristics of contributions 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, 2009 consisted of cash of \$1,000 received for the Greene County Community Foundation for the Labor Force/Education Committee.

5. REVENUES AND SUPPORT

During 2009, \$12,500 was received from the Greene County Board of Commissioners to fund the position of Executive Director of the Greene County Community Foundation. In addition, in 2010 and 2009, the Foundation paid \$2,800 and \$94,028 respectively, to the Community Improvement Corporation of Greene County as a pass-through to reimburse the Greene County Board of Commissioners for the Foundation's 2010 and 2009 payroll, which was paid by the County.

Grants of \$163,000 received in 2010 and \$350,000 received in 2009 from Development Projects, Inc., a grantee of the State of Ohio, Department of Development, for the development of "shovel ready" sites in Greene County. The separate grants are funding land acquisitions for a business/industrial park site in Beavercreek, Ohio and the planning, engineering, design and other costs for a business/industrial site in Xenia, Ohio.

The Corporation receives a fee of ½ of 1% of any private development revenue bonds issued by Greene County. During 2009 the fees from such bond issues amounted to \$120,000.

6. RENTS RECEIVED

During 2010 and 2009, the Corporation rented space in the building it owns at 58-64 E. Main Street, Xenia, the tenant's annual renewal lease provides rent of \$500 per month. Beginning in 2008, the tenant leased additional space in the building under a second lease. The new lease provides for the monthly rent of \$500 for the additional space, with the tenant responsible for all utilities and interior maintenance. The initial lease term expired in April 2009 at which time it also became annually renewable. The second lease agreement also provides an additional \$100 per month in rent, up to an agreed-upon amount, not to exceed \$6,000, to compensate the Corporation for certain improvements made to the building in 2008. If the lease is terminated before the agreed-upon amount has been received, the remaining balance is due at termination.

7. DONATED SERVICES

The Corporation has no paid employees; time spent on its activities by the officers and Trustees of the Corporation is donated by the 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, 2010 and 2009.

Greene County Community Improvement Corporation

Notes to the Financial Statements

For the Years Ended December 31, 2010 and 2009

(Continued)

8. COMMITMENT

The Corporation has agreed to provide \$25,000 in partial funding of a Greene County representative for the STEM program (Science, technology, Engineering, Math/Medical), subject to additional funding being received by the program for the position. During 2010, \$2,453 was paid toward this commitment.

9. LAND SALE

In its capacity as the designated agency of Greene County to facilitate sales of County real estate and property, the Corporation has received \$30,000 from a corporation for an option to purchase 40 to 60 acres of land owned by the County and currently being developed as a business/industrial site in Xenia, Ohio. The option agreement expired in 2009 without a sale taking place.

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

June 24, 2011

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

To the Board of Trustees:

We have audited the financial statements of **Greene County Community Improvement Corporation**, Greene County, Ohio (the Corporation) (a nonprofit organization), as of and for the years ended December 31, 2010 and 2009, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated June 24, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Government's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Government's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Government's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the Government's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Greene County Community Improvement Corporation
Greene County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

Compliance and Other Matters

As part of reasonably assuring whether the Corporation's basic 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, providing an opinion 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*.

We intend this report solely for the information and use of the Corporation's management and the Board of Trustees. It is not intended for anyone other than these specified parties.

Respectfully Submitted

A handwritten signature in black ink that reads "Perry & Associates CPAs A.C." in a cursive script.

Perry & Associates
Certified Public Accountants, A.C.



Dave Yost • Auditor of State

GREENE COUNTY COMMUNITY IMPROVEMENT CORPORATION

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
AUGUST 16, 2011**