



**COMMUNITY IMPROVEMENT CORPORATION OF NEW BREMEN
AUGLAIZE COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**COMMUNITY IMPROVEMENT CORPORATION OF NEW BREMEN
AUGLAIZE COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Community Improvement Corporation of New Bremen
Auglaize County
214 North Washington Street
P.O. Box 27
New Bremen, Ohio 45869

To the Members of the Board:

We have audited the accompanying general-purpose financial statements of Community Improvement Corporation of New Bremen (the Corporation) as of and for the year ended December 31, 2000 and 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these general-purpose 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 *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 general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Community Improvement Corporation of New Bremen, as of December 31, 2000 and 1999, and the results of its operations and the cash flows of its proprietary fund type 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 November 15, 2001, 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 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.

Jim Petro
Auditor of State

November 15, 2001

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**COMMUNITY IMPROVEMENT CORPORATION OF NEW BREMEN
AUGLAIZE COUNTY**

**BALANCE SHEET
AS OF DECEMBER 31, 2000 AND 1999**

| | <u>2000</u> | <u>1999</u> |
|--|-----------------------------|-------------------------|
| Current Assets: | | |
| Cash | <u>\$36,410</u> | <u>\$65,932</u> |
| Other Assets: | | |
| Property | <u>29,150</u> | <u>193,848</u> |
| Total Assets | <u><u>65,560</u></u> | <u><u>259,780</u></u> |
| LIABILITIES AND RETAINED EARNINGS | | |
| Current Liabilities | | |
| Note Payable | | \$8,200 |
| Promissory Note | <u> </u> | <u>164,698</u> |
| Total Current Liabilities | <u>0</u> | <u>172,898</u> |
| Retained Earnings | <u>65,560</u> | <u>86,882</u> |
| Total Liabilities and Retained Earnings | <u><u>\$65,560</u></u> | <u><u>\$259,780</u></u> |

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

**COMMUNITY IMPROVEMENT CORPORATION OF NEW BREMEN
AUGLAIZE COUNTY**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

| | <u>2000</u> | <u>1999</u> |
|--|----------------------------|----------------------------|
| Expenses: | | |
| Advertising | \$2,084 | |
| Property Tax | 1,175 | \$465 |
| Dues | 228 | 1,228 |
| Supplies and Printing | 865 | 33 |
| Engineering: Services | 1,010 | |
| Sponsorship | 15,300 | |
| Conference Expense | 150 | |
| Land Selling Expense | | 4,899 |
| Miscellaneous | <u>1,759</u> | <u>319</u> |
| | 22,571 | 6,944 |
| Operating Loss | (22,571) | (6,944) |
| Other Non-Operating Income | | |
| Interest Income | 1,249 | 809 |
| Retained Earnings at Beginning of the Year | <u>86,882</u> | <u>93,017</u> |
| Retained Earnings at End of Year | <u><u>\$65,560</u></u> | <u><u>\$86,882</u></u> |

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

**COMMUNITY IMPROVEMENT CORPORATION OF NEW BREMEN
AUGLAIZE COUNTY**

**STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999**

| | <u>2000</u> | <u>1999</u> |
|---|--------------------------|-------------------------|
| Increase (Decrease) in Cash and Cash Equivalents: | | |
| Cash Flows from Operating Activities: | | |
| Cash Payments for Land Sale Fees | | (\$4,899) |
| Sponsorship Fees | (\$15,300) | |
| Other Cash Payments | <u>(7,271)</u> | <u>(2,045)</u> |
| Net Cash Used In Operating Activities | (22,571) | (6,944) |
| Cash Flows from Capital and Related Financing Activities: | | |
| Proceeds from the Sale of Land | 164,698 | 48,667 |
| Principal Payments on Notes | <u>(172,898)</u> | <u>(8,200)</u> |
| Net Cash Used for Capital and Related Financing Activities | (8,200) | 40,467 |
| Cash Flows from Investing Activities: | | |
| Interest | <u>1,249</u> | <u>809</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (29,522) | 34,332 |
| Cash and Cash Equivalents Beginning of Year | <u>65,932</u> | <u>31,600</u> |
| Cash and Cash Equivalents End of Year | <u><u>36,410</u></u> | <u><u>65,932</u></u> |
| Reconciliation of Operating Loss to Net Cash Used In Operating Activities: | | |
| Operating Income (Loss) | <u><u>(\$22,571)</u></u> | <u><u>(\$6,944)</u></u> |

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

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**COMMUNITY IMPROVEMENT CORPORATION OF NEW BREMEN
AUGLAIZE COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2000**

1. DESCRIPTION OF THE ENTITY

The Community Improvement Corporation of New Bremen (the Corporation) was organized July 9, 1979, under the laws of the State of Ohio as a not-for-profit corporation whose purpose is to advance, encourage, and promote the industrial, economic, commercial, and civic development of the Village of New Bremen. The Corporation is directed by nine member Board of Trustees, not less than two-fifths of the governing board of the Corporation shall consist of appointed or elected officers of the Village or other political subdivisions.

The Board of Trustees believe these financial statements present all activities for which the Corporation is financially responsible.

2. TAX EXEMPT STATUS

The Corporation has received Internal Revenue Service approval of its tax exempt status. Therefore, the accompanying financial statements contain no provision for income taxes.

3. BASIS OF ACCOUNTING

The significant accounting policies followed in the preparation of these financial statements conform to generally accepted accounting principles for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources. Under the guidelines of GASB 20, the Corporation has elected not to apply Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989 to its proprietary activities. The adoption of this approach to accounting for proprietary activities by the Corporation required no change from prior years.

The Corporation has created a single type of fund and a single fund within that type. This fund accounts for the resources allocated to it for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. The fund type which the Corporation uses is described below:

A. Proprietary Fund Type

This fund type accounts for operations that are organized to be self-supporting through user charges. The fund included in this category used by the Corporation is an Enterprise Fund.

Enterprise Fund

This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Corporation prepares its financial statements in accordance with generally accepted accounting principles, consequently, revenues and the related assets are recognized when earned, and expenditures are recognized when the obligation is incurred.

The proprietary fund is accounted for on a flow of economic resources and all assets and liabilities associated with the operation are included on the balance sheet.

**COMMUNITY IMPROVEMENT CORPORATION OF NEW BREMEN
AUGLAIZE COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2000
(Continued)**

4. CASH AND CASH EQUIVALENTS

Cash balances of the Corporation's funds are held in checking and saving accounts.

5. REAL ESTATE

A summary of the property owned by the Corporation at December 31, 2000, is as follows:

| <u>Asset Category</u> | <u>Balance at 12/31/99</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance at 12/31/00</u> |
|-----------------------|--------------------------------|------------------|------------------|--------------------------------|
| Land | <u>\$193,848</u> | <u>\$ 0</u> | <u>\$164,698</u> | <u>\$29,150</u> |

6. DEBT OBLIGATIONS

The changes in the long-term debt obligations were as follows:

| <u>Debt</u> | <u>Balance at 12/31/99</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance at 12/31/00</u> |
|-----------------------|--------------------------------|------------------|------------------|--------------------------------|
| Mortgage Note Payable | \$ 8,200 | \$ 0 | \$ 8,200 | \$ 0 |
| Promissory Note | <u>164,698</u> | <u>0</u> | <u>164,698</u> | <u>0</u> |
| Totals | <u>\$172,898</u> | <u>\$ 0</u> | <u>\$172,898</u> | <u>\$ 0</u> |



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND
ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Community Improvement Corporation of New Bremen
Auglaize County
214 North Washington Street
P.O. Box 27
New Bremen, Ohio 45869

To the Members of the Board:

We have audited the financial statements of the Community Improvement Corporation of New Bremen, Auglaize County, (the Corporation) as of and for the year ended December 31, 2000 and 1999, and have issued our report thereon dated November 15, 2001. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Corporation'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*. However, we noted an immaterial instance of noncompliance that we have reported to management of the Corporation in a separate letter dated November 15, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Corporation'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.

Community Improvement Corporation of New Bremen
Auglaize County
Report of Independent Accountants on Compliance and on Internal Control
Required by *Government Auditing Standards*
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This report is intended for the information and use of the Members of the Board, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

November 15, 2001



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COMMUNITY IMPROVEMENT CORPORATION OF NEW BREMEN

AUGLAIZE 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
DECEMBER 6, 2001**