

**RIVERSIDE COMMUNITY  
IMPROVEMENT CORPORATION  
AUDITED FINANCIAL STATEMENTS  
DECEMBER 31, 2001**





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

JIM PETRO, AUDITOR OF STATE

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Board of Trustees  
Riverside Community Improvement Corporation  
C/O City of Riverside  
1791 Harshman Road  
Riverside, Ohio 45424

We have reviewed the Independent Auditor's Report of the Riverside Community Improvement Corporation, Montgomery County, prepared by Battelle & Battelle, for the audit period January 1, 2001 through December 31, 2001. 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 Riverside Community Improvement Corporation 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

May 20, 2002

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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Riverside Community  
Improvement Corporation  
Dayton, Ohio

We have audited the balance sheet of the Riverside Community Improvement Corporation as of December 31, 2001 and 2000, and the related statements of activities and changes in net assets 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 audits.

We conducted our audits 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 audits 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 audits provide a reasonable basis for our opinion.

In our opinion, the statements referred to above present fairly, in all material respects, the financial position of the Riverside Community Improvement Corporation as of December 31, 2001 and 2000, and the changes in its net assets 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 March 26, 2002 on our consideration of Riverside Community Improvement Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, and contracts. 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 audits.

*Battelle & Battelle LLP*

March 26, 2002

**RIVERSIDE COMMUNITY  
IMPROVEMENT CORPORATION  
BALANCE SHEET**

		<i>December 31</i>	
<b>A S S E T S</b>		<u>2001</u>	<u>2000</u>
<b>ASSETS</b>			
Land		120,380	120,380
		<u>120,380</u>	<u>120,380</u>
 <b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Loan payable		120,380	120,380
		<u>120,380</u>	<u>120,380</u>

The accompanying notes are an integral part of the financial statements.

**RIVERSIDE COMMUNITY  
IMPROVEMENT CORPORATION  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

	<i>Year Ended December 31</i>	
	<u>2001</u>	<u>2000</u>
<b>REVENUES</b>		
Contributions	<u>3,000</u>	<u>15,400</u>
<b>EXPENSES</b>		
Professional services	3,000	-
Design services	-	15,400
Total expenses	<u>3,000</u>	<u>15,400</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of the financial statements.

**RIVERSIDE COMMUNITY  
IMPROVEMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2001**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

The Riverside Community Improvement Corporation (Corporation) was formed for the purpose of advancing, encouraging, and promoting the industrial, economic, commercial and civic development of a community or an area.

**Method of Accounting**

The Corporation prepares financial statements on the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America.

**Tax Status**

The Corporation has filed for, but not yet received, a tax determination letter with the Internal Revenue Service for exempt status from federal income tax under Section 501(c) (4) of the Internal Revenue Code. The Corporation has been designed and is operating in compliance with the applicable requirements of the Internal Revenue Code. Thus, no provision has been made for income taxes.

**Statement of Cash Flows**

The Corporation did not present a statement of cash flows because it had no cash transactions during 2001 and 2000. Additionally, there were no non-cash investing or financing activities during 2001 and 2000.

**NOTE 2 – LAND AND LOAN PAYABLE**

On January 4, 1999 the Corporation purchased 22.99 acres of land located along Brandt Pike in Riverside, Ohio from the Archdiocese of Cincinnati. The \$120,380 purchase price was paid directly from The City of Riverside, Ohio to the Archdiocese of Cincinnati as the Corporation does not currently have an operating cash account.

The transaction was financed through an interest free loan of \$120,380 from the City of Riverside, Ohio. The principal of the loan will become due and payable when the Corporation sells all or a portion of the land. The amount of principal to be repaid shall be \$120,000 multiplied by the percentage calculated by dividing the acres of land sold by 22.99 acres. The amount shall be paid within three business days of the closing of the sale. Within fifteen days of any principal repayment, the additional \$380 is due in full.



### **NOTE 3 – PROFESSIONAL SERVICES**

The City of Riverside, Ohio, has agreed to provide contributions to offset external auditing services. This amounted to \$3,000 for the year ended December 31, 2001.

### **NOTE 4 – DESIGN SERVICES**

On November 2, 2000, the Corporation entered into a contract with Woolpert LLP in which Woolpert LLP is to provide design guidelines for the Riverside Business Park for \$15,400. The City of Riverside, Ohio, has agreed to provide a contribution in the amount of \$15,400.

### **NOTE 5 – SUBSEQUENT EVENT**

During February 2002, the Corporation entered into a contract to sell approximately 3 acres of land for \$63,000. The transaction was not complete as of the date of the auditors' 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***

Board of Trustees  
Riverside Community  
Improvement Corporation  
Dayton, Ohio

We have audited the financial statements of Riverside Community Improvement Corporation as of and for the year ended December 31, 2001, and have issued our report thereon dated March 26, 2002. 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 Riverside Community Improvement Corporation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, 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 Riverside County Community Improvement 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.

This report is intended solely for the information and use of the Board of Trustees, management and the State of Ohio and is not intended to be and should not be used by anyone other than these specified parties.

*Battelle & Battelle LLP*

March 26, 2002



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**RIVERSIDE COMMUNITY IMPROVEMENT CORPORATION**

**MONTGOMERY 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  
JUNE 4, 2002**