Miamisburg Mound
Community Improvement Corporation

Reports on Financial Statements

For the Years Ended December 31, 2002 and 2001

Auditor of State
Betty Montgomery

Board of Trustees
Miamisburg Mound Community Improvement Corporation
720 Mound Road, COS Building 4221
Miamisburg, OH 45342-6714

We have reviewed the Independent Auditor's Report of the Miamisburg Mound Community Improvement Corporation, Montgomery County, prepared by Steen & Kennedy LLC, for the audit period January 1, 2002 through December 31, 2002. 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 Miamisburg Mound Community Improvement Corporation is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

August 8, 2003

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Steen & Kennedy
Certified Public Accountants | Business & Government Consultants

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Miamisburg Mound Community Improvement Corporation
Miamisburg, Ohio

We have audited the accompanying statement of financial position of the Miamisburg Mound Community Improvement Corporation, Montgomery County (the Corporation), as of December 31, 2002, and the related statements of activities and cash flows for the year 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 audit. The financial statements of the Corporation as of December 31, 2001 were audited by other auditors whose report dated April 4, 2002 expressed an unqualified opinion on those statements.

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 financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2002, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United State of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2003 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.

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Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Corporation taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Steen & Kennedy LLC

Steen & Kennedy LLC
Columbus, Ohio
May 30, 2003

Miamisburg Mound Community Improvement Corporation
(an Ohio Not-for-Profit Corporation)
Statement of Financial Position
As of December 31, 2002 and 2001

	2002	2001
Assets		
Cash and cash equivalents	$ 2,181,482	$ 3,146,949
Prepaid expenses	5,787	29,221
Tenant receivable	300,474	162,657
Deposits	73,137	73,137
Grants receivable	10,530,810	11,769,522
Note receivable	473,985	-
Equipment held for sale or lease, net	79,081	179,245
Property and equipment, net	4,021,620	2,551,501
Site capital improvements held for donation	3,694,313	3,694,313
Infrastructure, net	4,258,792	3,428,866
Total Assets	25,619,481	25,035,411
Liabilities and Net Assets:		
Accounts payable	118,526	420,804
Accrued salaries and benefits	103,788	134,583
Accrued expenses	182,207	289,833
Long-Term Note Payable	431,218	-
Deferred revenue	8,623,567	10,682,324
Total Liabilities	9,459,306	11,527,544
Net Assets, Unrestricted	16,160,175	13,507,867
Total Liabilities and Net Assets	$ 25,619,481	$ 25,035,411

The accompanying notes are an integral part of this financial statement.

Miamisburg Mound Community Improvement Corporation
(an Ohio Not-for-Profit Corporation)
Statement of Activities
For the Years Ended December 31, 2002 and 2001

	2002	2001
Revenues:		
Grant revenue	$ 2,672,473	$ 3,990,019
Lease revenue	1,280,191	1,189,808
Equipment sales revenue	222,689	523,048
Donations	900,000	-
Other revenue	266,657	175,395
Total revenue	5,342,010	5,878,270
Expenses:		
Salaries and benefits	653,485	730,310
General and administrative	219,415	260,787
Utilities	413,870	487,873
Consulting and professional	419,656	494,333
Repair and maintenance	236,029	296,985
Depreciation	648,667	782,369
Other operating expenses	98,580	81,069
Total expenses	2,689,702	3,133,726
Increase in Net Assets	2,652,308	2,744,544
Net Assets, beginning of year	13,507,867	10,763,323
Net Assets, end of year	$ 16,160,175	$ 13,507,867

The accompanying notes are an integral part of this financial statement.

Miamisburg Mound Community Improvement Corporation
(an Ohio Not-for-Profit Corporation)
Statement of Cash Flows
For the Years Ended December 31, 2002 and 2001

	2002	2001
Cash flows from operating activities:		
Change in Net Assets	$ 2,652,308	$ 2,744,544
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Depreciation	648,667	782,369
Changes in assets and liabilities:		
(Increase)/decrease in property	(900,000)	-
(Increase)/decrease in prepaid expenses	23,434	33,734
(Increase)/decrease in tenant receivable	(137,817)	20,793
(Increase)/decrease in grants receivable	1,238,712	(1,096,480)
(Increase)/decrease in equipment held for sale or lease, gross	87,748	19,466
Increase/(decrease) in accounts payable	(302,278)	201,198
Increase/(decrease) in accrued salaries and benefits	(30,795)	13,800
Increase/(decrease) in accrued expenses	(107,626)	258,506
Increase/(decrease) in deferred revenue	(2,058,757)	934,383
Net cash provided by operating activities	1,113,596	3,912,313
Cash flows from investing activities:		
Purchase of fixed assets	(2,036,296)	(3,684,106)
Principal disbursements on notes receivable	(500,000)	-
Principal receipts on notes receivable	26,015	-
Net cash used in investing activities	(2,510,281)	(3,684,106)
Cash flows from financing activities:		
Proceeds from notes payable	500,000	-
Payments on notes payable	(68,782)	-
Net cash provided by financing activities	431,218	-
Net increase (decrease) in Cash	(965,467)	228,207
Cash at beginning of year	3,146,949	2,918,742
Cash at end of year	$ 2,181,482	$ 3,146,949
Supplemental disclosures of cash flow information:		
Cash paid during the year for interest:	9,076	-

The accompanying notes are in integral part of this financial statement.

1. Reporting Entity

The Miamisburg Mound Community Improvement Corporation (the Corporation), a nonprofit corporation, was incorporated in April 1994. The purpose of the Corporation is to advance, encourage, and promote the industrial, economic, commercial, and civic development of the City of Miamisburg (the City) by acting as a designated agency of the City for industrial, commercial, distribution and research development within the City. The Corporation is a related organization of the City since the City appoints a voting majority of the Corporation's Board of Directors. The Corporation is a tax-exempt organization under Internal Revenue Code Section 501 (c) (4).

The reporting entity is composed of the Corporation, component units, and other organizations that are included to ensure that the financial statements of the Corporation are not misleading.

Component units are legally separate organizations for which the Corporation is financially accountable. The Corporation is financially accountable for an organization if the Corporation appoints a voting majority of the organization's governing board and the Corporation is able to significantly influence the programs or services performed or provided by the organization; or the Corporation is legally entitled to or can otherwise access the organization's resources; or the Corporation is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization; or the Corporation is obligated for the debt of the organization. Component units may also include organizations for which the Corporation approves the budget, the issuance of debt, or the levying of taxes. Currently, the Corporation does not have any component units.

2. Summary of Significant Accounting Policies

A. Method of Accounting

Effective January 1, 1995, the Corporation implemented Governmental Accounting Standards Board (GASB) Statement Number 29 "The Use of Not-for-Profit Accounting and Financial Accounting Principles by Governmental Entities." This statement requires that governmental entities that had previously applied not-for-profit accounting and financial reporting principles by following Statement of Position (SOP) Number 78-10 as issued by the American Institute of Certified Public Accountants (AICPA) must either follow the AICPA not-for-profit model or the governmental model. The Corporation elected to use the not-for-profit model, which includes the accounting and financial reporting principles contained in SOP 78-10 as modified by all applicable Financial Accounting Standards Board pronouncements issued through November 30, 1989 and as modified by all GASB pronouncements issued after GASB Statement Number 1 "Authoritative Status of NCGA Pronouncements and AICPA Industry Audit Guide."

2. Summary of Significant Accounting Policies (Continued)

B. Cash and Cash Equivalents

Investments with original maturities of three months or less at the time they are purchased by the Corporation are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

C. Inventories

Inventories are stated at cost, which approximates market, using the specific identification method. When an item is sold, its specific cost is charged to cost of sales.

D. Property and Equipment

Property and equipment are stated at cost. Donated property and equipment are recorded at their estimated fair value at the date of donation. The Corporation's informal policy includes a capitalization threshold of one thousand dollars. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings-owned	20 years
HVAC	15 years
Site Improvements	10 years
Tenant Improvements	5 years
Equipment held for sale or lease	5-10 years
Office Furniture	5 years
Office Equipment	3 years

Expenditures for repairs and maintenance are charged to expense as incurred. Gains and losses on disposals and retirements of fixed assets are recognized as they occur. In the event the Corporation would borrow funds to finance construction of capital assets, interest costs would be capitalized accordingly. Capital additions, received through the Corporation's affiliation with the Department of Energy, are designated to further the Corporation's purpose.

During fiscal year 2001, the Corporation changed the useful lives of HVAC, site improvements, and tenant improvements. Prior to 2001, these assets were depreciated over the remaining term of the lease for leased buildings and over 20 years for owned buildings.

2. Summary of Significant Accounting Policies (Continued)

E. Grant Revenue Recognition

The Corporation is the recipient of numerous federal, state, and local grants. In light of the granting government's desired results and ability to disallow grant expenses, the Corporation accounts for these grants as exchange transactions. Grant revenue is recognized once all grant requirements have been met. Grant amounts not recognized as of the end of the year are reported as deferred revenue in the accompanying financial statements.

F. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Deposits and Investments

GASB Statement No. 3, "Deposits With Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" requires disclosures to help assess actual and potential future deposit and investment market and credit risks. The following information regarding deposits and investments is presented using the categories of risk identified in GASB Statement 3.

Deposits

The carrying amounts of the Corporation's deposits were $34,910 and ($1,246,539) as of December 31, 2002 and 2001, respectively. The bank balance was $47,903 and $103,662 as of December 31, 2002 and 2001, respectively. In each year, the entire bank balance was covered by federal depository insurance or by pledged collateral.

Collateral is required for demand deposits and certificate of deposits at 110 percent of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities, school districts, and district corporations. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required.

3. Deposits and Investments (Continued)

Investments

GASB Statement Number 3 requires the use of three categories to classify investments as to custodial credit risk. Category 1 includes investments that are insured or registered or for which the securities are held by the Corporation or its agent in the Corporation's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Corporation's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Corporations name.

The corporation maintains its cash deposits in an overnight sweep account. The bank invests this money in overnight repurchase agreements, which are category 3 investments.

	Category 1	Category 2	Category 3	Fair Value
Repurchase Agreement				
2001	-	-	$4,393,238	$4,393,238
2002	-	-	$2,146,322	$2,146,322

The classification of cash and cash equivalents and investments on financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting." A reconciliation between the classifications of cash and cash equivalents and investments on the financial statements and the classification of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
2001		
GASB Statement No. 9	$3,146,949	
Cash management pool investments:		
Overnight Repurchase Agreement	(4,393,238)	$4,393,238
Cash on Hand		
GASB Statement No. 3	$(1,246,539)	$4,393,238
2002		
GASB Statement No. 9	$2,181,482	
Cash management pool investments:		
Overnight Repurchase Agreement	(2,146,322)	$2,146,322
Cash on Hand		
GASB Statement No. 3	$ 34,910	$2,146,322

4. Property and Equipment

A summary of property and equipment at December 31, 2002 and 2001 is as follows:

	2002	2001
Land	$ 1,590,000	$ 690,000
Buildings and improvements	1,315,325	1,301,583
Leasehold improvements	2,976,961	2,202,868
Office furniture and equipment	92,799	73,550
Equipment held for sale or lease	123,550	292,204
Site improvements held for donation	3,694,313	3,694,313
Infrastructure	4,658,078	1,124,523
Construction-in-Process	-	2,304,343
Subtotal	14,451,026	11,683,384
Less: Accumulated depreciation	(2,397,220)	(1,829,459)
Total Property and equipment - Net	$12,053,806	$ 9,853,925

During 2002, the Corporation received land worth $900,000 from the Department of Energy. The fair market value resulted from appraisals performed by a third-party appraisal company. The Corporation held site capital improvements of $3,694,313 at December 31, 2002 and 2001 to be donated to the City of Miamisburg. No depreciation expense has been recorded on these assets for 2002 or 2001.

5. Notes Payable

A listing of the changes in the debt of the Corporation for the year ended December 31, 2002 follows:

	Balance 01/01/02	Additions	Retirements	Balance 12/31/02
3.25% Fifth-Third Bank matures 2006	$ -	$500,000	$68,782	$431,218

A summary of the Corporation's future debt service requirements as of December 31, 2002 were as follows:

Due In	Principal	Interest	Total
2003	$121,256	$12,214	$133,470
2004	125,256	8,214	133,470
2005	129,388	4,082	133,470
2006	55,318	295	55,613
Total	$431,218	$24,959	$456,023

6. Grant Revenue

Grant revenues for the years ended December 31, 2002 and 2001 are as follows:

	2002	2001
U.S. Department of Energy Commercialization Planning	$ 1,062,457	$ 74,630
U.S. Department of Energy Facilities Transition	993,477	780,868
Economic Development Administration	327,953	1,681,078
State and local grants	288,583	1,453,443
	$ 2,672,473	$ 3,990,019

In 2001, the U.S. Department of Energy Commercialization Planning grant provided total revenue of $1,410,953. However, the Corporation was required to reimburse the grant $1,336,323 in order to utilize non-federal grants first and to provide program income back to the grant. This grant money is still available for future expenditures.

7. Leases and Subleases

The Corporation leases the Miamisburg Mound facility, including real and personal property, from the Department of Energy. The lease is for a term of five years (through September, 2006) with an option to renew for an additional five year period and requires lease payments of $1 per building per year.

The Corporation is permitted to sublease the property for the sole purpose of supporting economic development. Any sublease rental income received by the Corporation must be reinvested into economic development endeavors at the Mound. Future minimum rentals under noncancelable subleases for the next five years are as follows:

2003	$ 614,588
2004	516,643
2005	400,850
2006	409,320
2007	284,630
Total	$2,226,031

Lease and rental income for the years ended December 31, 2002 and 2001 were $849,312 and $818,439, respectively.

7. Leases and Subleases (Continued)

The Company sells and leases certain machinery and equipment to outside parties under noncancelable operating leases. The cost of the machinery is included in equipment held for sale or lease. Accumulated depreciation on these assets was $44,469 and $112,959 as of December 31, 2002 and 2001, respectively. The future rental income under these noncancelable operating leases is as follows:

2003	$97,851
2004	77,715
2005	17,308
2006	17,308
2007	17,308
Total	$227,490

8. Notes Receivable

The notes receivable balance at December 31, 2002, consists of the following:

	Current	Long-Term	Total
Perkin Elmer, due 2006 9.5% interest	$110,437	$363,548	$473,985

9. Retirement Plans

Employees of the Corporation who were formerly employees of the City of Miamisburg are eligible to participate in the Public Employers Retirement System (PERS), a cost sharing multiple employee retirement system created by the State of Ohio. PERS provides members with a retirement benefit, payable monthly for life, in addition to post-employment health care coverage. The Corporation made contributions to PERS totaling $12,401 and $11,206 during 2002 and 2001, respectively.

The Corporation has a retirement plan covering employees who do not participate in PERS. Contributions made by the Corporation to the plan are at the discretion of the Board of Directors. The Corporation made contributions to the plan totaling $35,550 and $32,471 during 2002 and 2001, respectively.

10. Risk Management

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Corporation manages these risks through the purchase of commercial insurance.

11. Contingent Liabilities

Under the terms of Federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenses under the terms of the grants. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time, although the Corporation expects such amounts, if any, not to have a material impact.

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INDEPENDENT AUDITOR'S 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
Miamisburg Mound Community Improvement Corporation
Miamisburg, Ohio

We have audited the financial statements of the Miamisburg Mound Community Improvement Corporation, Montgomery County (the Corporation), as of and for the year ended December 31, 2002, and have issued our report thereon dated May 30, 2003. We conducted our audit in accordance with the 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*.

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. We did note certain matters involving internal control over financial reporting that do not require inclusion in this report that we have reported to the Corporation in a separate letter dated May 30, 2003.

This report is intended solely for the information and use of the audit committee, management and Board of Trustees, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Steen & Kennedy LLC

Steen & Kennedy LLC
Columbus, Ohio
May 30, 2003

Steen & Kennedy
Certified Public Accountants | Business & Government Consultants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH *OMB CIRCULAR A-133*

Board of Trustees
Miamisburg Mound Community Improvement Corporation
Miamisburg, Oh.

Compliance

We have audited the compliance of Miamisburg Mound Community Improvement Corporation, Montgomery County, Ohio (the Corporation) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2002. The Corporation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Corporation's management. Our responsibility is to express an opinion on the Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Corporation's compliance with those requirements.

In our opinion, the Corporation complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2002. We noted a certain immaterial instance of noncompliance, which we have reported to management of the Corporation in a separate letter dated May 30, 2003.

<u>Internal Control Over Compliance</u>

The management of the Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, federal awarding agencies and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

Steen & Kennedy LLC

Steen & Kennedy LLC
Columbus, Ohio
May 30, 2003

Miamisburg Mound Community Improvement Corporation
(an Ohio Not-for-profit Corporation)
Schedule of Expenditures of Federal Awards
For the year ended December 31, 2002

	CFDA* Number	Federal Expenditures
U.S. Department of Energy		
Direct Program:		
Commercialization Planning of the Mound Plant	81.103	$ 1,062,457
U.S. Department of Energy		
Direct Program:		
Facilities Transition Grant	81.502	993,477
Economic Development Administration		
Direct Program:		
Sudden and Severe Economic Dislocation and Long-Term Economic Deterioration	11.307	327,953
Total Federal Expenditures		$2,383,887

**Catalog of Federal Domestic Assistance*

Miamisburg Mound Community Improvement Corporation
(an Ohio Not-for-profit Corporation)
Notes to the Schedule of Expenditures of Federal Awards
For the year ended December 31, 2002

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards has been prepared using the accrual basis of accounting in accordance with the format set forth in the *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-133, *Audits of State and Local Governments.*

Miamisburg Mound Community Improvement Corporation
(an Ohio Not-for-profit Corporation)
Schedule of Findings and Questioned Costs
For the year ended December 31, 2002

1) SUMMARY OF AUDITOR'S RESULTS

a) The type of report issued on the general purpose financial statements:

   Unqualified opinion

b) Reportable conditions in internal control disclosed in the financial statements: **None**

   Material weaknesses: **None**

c) Noncompliance which is material to the general purpose financial statements: **None**

d) Reportable conditions in internal control over major program: **None**

   Material weaknesses: **None**

e) The type of report issued on compliance for major program: **Unqualified opinion**

f) Any audit findings which are required to be reported under section .510(a) of OMB Circular A-133: **None**

g) Major programs: **CFDA # 81.103 – Commercialization Planning of the Mound Plant**

h) Dollar threshold used to distinquish between Type A and Type B programs: **$300,000**

i) Auditee qualified as a low risk auditee under section .530 of OMB Circular A-133: **Yes**

2) FINDINGS RELATED TO THE GENERAL PURPOSE FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS:

None

3) FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS:

None

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MIAMISBURG MOUND 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
SEPTEMBER 4, 2003