



Dave Yost • Auditor of State

**STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Management's Discussion and Analysis.....	5
Statement of Net Position	11
Statement of Activities.....	12
Balance Sheet – Governmental Funds	13
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	14
Notes to the Basic Financial Statements	15
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) General Fund	23
Notes to Supplemental Information.....	24
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	27

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Stark County Land Reutilization Corporation
Stark County
110 Central Plaza South, Suite 250
Canton, Ohio 44702-1410

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Stark County Land Reutilization Corporation, Stark County, Ohio (the Corporation), a component unit of Stark County, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Corporation's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Stark County Land Reutilization Corporation, Stark County, Ohio, as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Corporation's basic financial statements taken as a whole.

The budgetary comparison for the General Fund presents additional analysis and is not a required part of the basic financial statements.

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2016, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" and "O".

Dave Yost
Auditor of State
Columbus, Ohio

June 3, 2016

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STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

The management's discussion and analysis of the Stark County Reutilization Corporation's (the "Corporation") financial performance provides an overall review of the Corporation's financial activities for the year ended December 31, 2015. The intent of this discussion and analysis is to look at the Corporation's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Corporation's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- The total net position of the Corporation increased \$1,947,199 due to general revenues of \$2,443,160 and program revenues of \$677,691 exceeding expenses of \$1,173,652 during 2015.
- The general fund had revenues of \$3,120,851 and expenditures of \$1,173,652. The net increase in fund balance of the general fund was \$1,947,199 or 156.29%.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the Corporation as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the Corporation as a whole, presenting both an aggregate view of the Corporation's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

Reporting the Corporation as a Whole

Statement of Net Position and the Statement of Activities

While this document contains only one activity used by the Corporation to provide programs and activities, the view of the Corporation as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Corporation's *net position* and changes in that net position. This change in net position is important because it tells the reader that, for the Corporation as a whole, the financial position of the Corporation has improved or diminished. The causes of this change may be the result of many factors, some financial, some not.

Governmental activities - The Corporation's programs and services are reported here. These services are funded primarily by intergovernmental revenues including state grants and other shared revenues.

The Corporation's statement of net position and statement of activities can be found on pages 11 and 12 of this report.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

Reporting the Corporation's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund of the Corporation can be reflected as a governmental fund.

Fund financial reports provide detailed information about the Corporation's major fund. The Corporation uses the general fund to account for a multitude of financial transactions. The analysis of the Corporation's general fund begins on page 9.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Corporation maintains a general fund. The basic governmental fund financial statements can be found on pages 13-14 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 15-22 of this report.

Supplementary Information

The Corporation presents a budgetary comparison schedule for the general fund as supplementary information on pages 23-25 of this report.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

Government-Wide Financial Analysis

The statement of net position provides the perspective of the Corporation as a whole. The table below provides a summary of the Corporation's net position at December 31, 2015 and 2014.

	Net Position	
	Governmental Activities	
	2015	2014
<u>Assets</u>		
Current and other assets	\$ 3,246,790	\$ 1,326,727
Total assets	3,246,790	1,326,727
<u>Liabilities</u>		
Current and other liabilities	53,671	80,807
Total liabilities	53,671	80,807
<u>Net Position</u>		
Unrestricted	3,193,119	1,245,920
Total net position	\$ 3,193,119	\$ 1,245,920

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2015, the Corporation's assets exceeded liabilities by \$3,193,119. The large increase in current and other assets is the result of the Corporation obtaining a large number of properties from cities and townships in the County that are being held for resale.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

The table below shows the comparative analysis of changes in net position for 2015 and 2014.

	Change in Net Position	
	Governmental Activities	
	2015	2014
Revenues		
Program revenues:		
Operating grants and contributions	\$ 677,691	\$ 1,554,081
Total program revenues	677,691	1,554,081
General revenues:		
Grants and entitlements	773,109	748,037
Contributions and donations	1,615,200	93,700
Investment earnings	2,019	1,016
Other	52,832	28,651
Total general revenues	2,443,160	871,404
Total revenues	3,120,851	2,425,485
Expenses:		
General government	1,173,652	2,043,187
Total expenses	1,173,652	2,043,187
Change in net position	1,947,199	382,298
Net position at beginning of year	1,245,920	863,622
Net position at end of year	\$ 3,193,119	\$ 1,245,920

Governmental Activities

Governmental activities net position increased \$1,947,199 during 2015.

Expenses for 2015 totaled \$1,173,652. The main expense of the Corporation is reimbursements to cities and townships in Stark County for demolition costs. These costs were partially funded by \$677,691 in grant money received from the Neighborhood Initiative Program.

General revenues totaled \$2,443,160 or 78.29% of total governmental revenues. The primary source of general revenues is 5% of all collections of delinquent real property, personal property and manufactured and mobile home taxes in Stark County as well as properties that have been donated to the Corporation for resale. These amounted to \$2,388,309 or 76.53% of total governmental revenues during 2015.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

General Fund

The fund balance of the general fund increased \$1,947,199 during 2015. This was the result of the Corporation receiving funding from Stark County as well as the Neighborhood Initiative Program (NIP) grant and revenues related to donated property held for resale. Expenditures for the year were primarily demolition reimbursements to cities and townships.

General Fund Budgeting Highlights

Although not required, the Corporation's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The only budgeted fund is the general fund.

During the course of 2015, the Corporation did not amend its general fund budget. For the general fund, original and final budgeted revenues and other financing sources totaled \$3,741,540. Actual revenues for 2015 were \$1,201,449. This represents a \$2,540,091 decrease from original and final budgeted revenues. While intergovernmental revenues increased due to greater than expected Delinquent Tax Assessment and Collection Tax (DTACT) funding, the actual NIP grant money received during the year did not meet budgeted projections.

General fund original and final appropriations totaled \$3,741,540. The actual budget basis expenditures for 2015 totaled \$1,213,249, which is lower than the final budget appropriations by \$2,528,291. This decrease was the result of actual expenditures not meeting the budget projections related to the NIP grant.

Capital Assets

As of December 31, 2015, the Corporation does not have any capital assets.

Debt Administration

As of December 31, 2015, the Corporation does not have any debt.

Current Financial Related Activities

The County formed the Stark County Land Reutilization Corporation March 21, 2012 with the purpose of reclaiming, rehabilitating or reutilizing economically non-productive land throughout Stark County. The Corporation can potentially address parcels where the fair market value of the property has been greatly exceeded by the delinquent taxes and assessed liens and are therefore not economically feasible to initiate foreclosure actions upon. By establishing a land bank program the County can begin to address dilapidated housing issues in communities located in Stark County and also return properties to productive use. The Corporation's mission statement is to strategically acquire properties, return them to productive use, reduce blight, increase property values, support community goals and improve the quality of life for County residents.

The Corporation obtained a \$4,235,000 grant from the Ohio Housing Finance Agency to stabilize property values by removing and greening vacant and blighted properties in targeted areas in an effort to prevent future foreclosures for existing homeowners under the NIP grant. During 2015, the Corporation was granted an additional \$500,000 program reallocation to continue the program until October 31, 2017.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

General Expectations for 2016

The Corporation anticipates being involved in the following:

1. Program Expansion- It is anticipated that the Corporation's current programs will continue to expand and grow in the upcoming year, including the side lot program, the vacant lot program and the 50/50 demolition program (develop and adopt formal policies for this program). In addition, as the need arises within the County for new programs, the Regional Planning Commission will explore and make recommendations to the Corporation for inclusion of various programs. These may include an acquisition program, residential and non-residential demolition, etc.
2. Community Assistance -
 - a. The City of Alliance requested the assistance of the Corporation to obtain 3 vacant properties formerly owned by Penn Central (parcels 112740, 112742, and 112738) pursuant to the O.R.C. 5722.21(B). The 3 properties are tax delinquent properties near the triangle corner of Ely, Mechanic, and Hester Streets near downtown Alliance. With the acquisition through the tax foreclosure, the Corporation will then be able to convey clear title to the City of Alliance for the purpose of right-of-way access and creating a corner minipark. The properties are expected to transfer in mid-2016.
 - b. The City of Alliance requested the assistance of the Corporation to obtain additional properties for the purposes of redevelopment and future economic growth around the City's downtown. These properties are intended to be acquired and transferred in 2016.
 - c. As the need/opportunity arises, the Corporation will examine each community request for assistance with obtaining and conveying properties.
3. Property Management System- Proposals were sought for a property management software system at the beginning of 2016. If approved for purchase by the Corporation, it is anticipated that this program will be functional by the end of 2016.
4. Future Funding for Demolitions - As new funding for demolition becomes available to Land Banks, it is expected that the Corporation will continue their mission through their coordination with municipalities to strategically remove the influence of blight in the County.
5. In 2015, the City of Massillon formed a Housing Taskforce to address specific housing issues affecting the City. The Stark County Regional Planning Commission (the "RPC"), on behalf of the Corporation has been participating with at taskforce meetings and in 2016 hope to aid the City in their goals for demolition and rehabilitation of the City's vacant housing stock.
6. In 2015, the RPC on behalf of the Corporation, met with Habitat for Humanity, and discussed a partnership focused on the Corporation's assistance with acquisition of targeted properties in a Canton City neighborhood. Habitat has established a 4-year plan in the Harrisburg Royal (the "Boulevards") neighborhood and in 2016, the Corporation expects to provide assistance to facilitate their plan.

Contacting the Corporation's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives. If you have questions about this report or need additional financial information please contact: Mr. Alexander A. Zumbar, Chairman, Stark County Land Reutilization Corporation, 110 Central Plaza S. Suite 250, Canton, OH 44702-1410.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

STATEMENT OF NET POSITION
DECEMBER 31, 2015

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and cash equivalents . .	\$ 1,151,041
Receivables:	
Accounts	9,417
Due from other governments.	294,933
Prepayments	17,695
Assets held for resale	<u>1,773,704</u>
Total assets	<u>3,246,790</u>
Liabilities:	
Accounts payable.	8,950
Due to other governments	<u>44,721</u>
Total liabilities.	<u>53,671</u>
Net position:	
Unrestricted	<u>3,193,119</u>
Total net position	<u><u>\$ 3,193,119</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Expenses</u>	<u>Program Revenues</u> <u>Operating Grants</u> <u>and Contributions</u>	<u>Net Revenue</u> <u>(Expense) and</u> <u>Changes in</u> <u>Net Position</u> <u>Governmental</u> <u>Activities</u>
Governmental activities:			
Current:			
General government:			
Advertising	\$ 47,887	\$ -	\$ (47,887)
Demolition reimbursements	73,670	-	(73,670)
Insurance	27,759	-	(27,759)
Professional services	437,307	-	(437,307)
OHFA NIP demolition program	518,055	677,691	159,636
Miscellaneous/other	68,974	-	(68,974)
	<u>1,173,652</u>	<u>677,691</u>	<u>(495,961)</u>
Total governmental activities	<u>\$ 1,173,652</u>	<u>\$ 677,691</u>	<u>(495,961)</u>
 General revenues:			
Grants and entitlements not restricted to specific programs			773,109
Contributions and donations not restricted to specific programs			1,615,200
Investment income			2,019
Miscellaneous			<u>52,832</u>
Total general revenues			<u>2,443,160</u>
Change in net position			1,947,199
Net position at beginning of year			<u>1,245,920</u>
Net position at end of year			<u>\$ 3,193,119</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	General
Assets:	
Equity in pooled cash and cash equivalents . . .	\$ 1,151,041
Receivables:	
Accounts	9,417
Due from other governments	294,933
Prepayments	17,695
Assets held for resale	1,773,704
 Total assets	 \$ 3,246,790
Liabilities:	
Accounts payable	\$ 8,950
Due to other governments	44,721
Total liabilities	53,671
Fund balances:	
Nonspendable:	
Prepayments	17,695
Assets held for resale	1,773,704
Unassigned	1,401,720
 Total fund balances.	 3,193,119
 Total liabilities and fund balances	 \$ 3,246,790

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	General
Revenues:	
Intergovernmental	\$ 773,109
Investment income	2,019
Contributions and donations	1,615,200
OHFA NIP reimbursement	677,691
Other	52,832
Total revenues	3,120,851
 Expenditures:	
Current:	
General government:	
Advertising	47,887
Demolition reimbursements	73,670
Insurance	27,759
Professional services	437,307
OHFA NIP demolition program	518,055
Miscellaneous/other	68,974
Total expenditures	1,173,652
Net change in fund balances	1,947,199
 Fund balances at beginning of year	 1,245,920
Fund balances at end of year	\$ 3,193,119

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 - DESCRIPTION OF THE REPORTING ENTITY

The Stark County Land Reutilization Corporation (the "Corporation") is a county land reutilization corporation that was formed on March 21, 2012 when the Stark County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code through resolution as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Corporation is for reclaiming, rehabilitating or reutilizing economically non-productive land throughout Stark County (the "County"). The Corporation can potentially address parcels where the fair market value of the property has been greatly exceeded by the delinquent taxes and assessed liens and are therefore not economically feasible to initiate foreclosure actions upon. By establishing the Corporation, the County can begin to address dilapidated housing issues in communities located in the County and also return properties to productive use. The Corporation has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code.

Pursuant to Section 1724.03 (B) of the Ohio Revised Code, the Board of Directors of the Corporation shall be composed of five members including, (1) the County Treasurer, (2) at least two members of the County Board of Commissioners, (3) one member who is a representative of the largest municipal corporation, based on the population according to the most recent federal decennial census, that is located in the County, (4) one member who is a representative of a township with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census, and (5) any remaining members selected by the County Treasurer and the County Commissioners who are members of the Corporation board. The term of office of each ex officio director runs concurrently with the term of office of that elected official. The term of office of each appointed director is two years.

The Corporation is a political subdivision of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organization Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus", the Corporation's primary government and basic financial statements include components units which are defined as 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 (1) the Corporation is able to significantly influence the programs or services performed or provided by the organization; or impose its will over the organization; or (2) the Corporation is legally entitled to or can otherwise access the organization's resources; or (3) the Corporation is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Corporation is obligated for the debt of organization. The Corporation does not have any component units and does not include any organizations in its presentation. The Corporation's management believes these basic financial statements present all activities for which the Corporation is financially accountable. The Corporation is a component unit of Stark County, Ohio.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The Corporation's significant accounting policies are described below.

Basis of Presentation

The Corporation's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Corporation as a whole. These statements include the financial activities of the primary government, except for the fiduciary funds. These statements usually distinguish between those activities of the Corporation that are governmental and those that are business-type. The Corporation, however, does not have any business-type activities or fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the Corporation at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Corporation's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Corporation, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Corporation.

Fund Financial Statements

During the year, the Corporation segregates transactions related to certain Corporation functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Corporation at this more detailed level. The Corporation's general fund is its only governmental fund.

Fund Accounting

The Corporation uses fund accounting to segregate cash and investments that are restricted as to use. A fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and attaining certain objectives in accordance with special regulations, restrictions or limitations. For financial statement presentation purposes, the Corporation's fund is classified as governmental.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be repaid. The difference between governmental fund assets plus deferred outflows of resources less liabilities plus deferred inflows of resources is reported as fund balance. The following is the Corporation's only governmental fund:

General Fund - The general fund accounts for all financial resources that are received from the County Treasurer from penalties collected on delinquent property taxes and interest on those delinquencies. The general fund receives 5% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Tax Assessment and Collection Tax (DTACT) fund. The general fund balance is available to the Corporation for any purpose provided it is expended or transferred according to the general laws of Ohio. In addition, the fund receives State grant revenues.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets, all deferred outflows of resources, all liabilities and all deferred inflows of resources associated with the operation of the Corporation are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

The general fund is accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows of resources, current liabilities and current deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the general fund.

Basis of Accounting

Basis of accounting determines when transactions are recorded on the financial records and reported on the financial statements. Government-wide statements are prepared using the accrual basis of accounting. The general fund uses the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflow of resources and in the presentation of expenses versus expenditures.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenues - Exchange and Nonexchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Corporation, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the Corporation receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Corporation must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Corporation on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, intergovernmental revenue and operating grant sources are considered to be both measurable and available at year-end.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

Budgetary Process

The Corporation is not bound by the budgetary laws prescribed by the Ohio Revised Code for purely governmental entities. The Board of Directors of the Corporation adopts an annual budget prior to the beginning of the fiscal year. Appropriations and subsequent amendments are approved by the Board of Directors during the year as required. See supplemental information.

Federal Income Tax

The Corporation is exempt from federal income tax under Section 115(1) of the Internal Revenue Code.

Cash and Cash Equivalents

All monies received by the Corporation are deposited in demand deposit accounts. During 2015, the Corporation invested in STAR Plus, a cash management program set up by the State Treasurer's Office that provides the Corporation with access to multiple Federal Deposit Insurance Corporation (FDIC) insured banks via one convenient depository account.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents.

Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. At year end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

Assets Held for Resale

Assets held for resale represent properties purchased by or donated to the Corporation. These properties are valued based upon the purchase price plus any costs of maintenance, rehabilitation, or demolition of homes on the properties. For donated properties, the asset is reported at fair value which is based on the taxable land value as determined by the County Auditor. The Corporation holds the properties until the home is either sold to a new homeowner, sold to an individual who will rehabilitate the home, or the home on the property is demolished. Properties with demolished homes could be transferred to the city or township they are in after demolition; parcels may be merged with adjacent parcels for development or green space projects; or the Corporation may sell other lots to the owners of adjacent parcels for a nominal cost.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

Governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the fund.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Corporation had no restricted net position at December 31, 2015.

Intergovernmental Revenue

The Corporation receives operating income through Stark County. This money represents 5% of all collections on current unpaid and delinquent property taxes once these taxes are paid. Pursuant to ORC 321.263, these penalty and interest monies are collected by the County when taxes are paid and then are paid to the Corporation upon the Corporation's written request. In addition, the Corporation receives State grant funding.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Corporation is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable Fund Balance - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories, prepaid amounts and property acquired for resale, unless the use of the proceeds from the collection of the sale of those properties is restricted, committed or assigned.

Restricted Fund Balance - The restricted classification is used when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Corporation's Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board of Directors remove or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance - Assigned fund balance includes amounts that are constrained by the Corporation's intent to be used for specific purposes, but are neither restricted nor committed. In the general fund, assigned amounts represent intended uses established by policies of the Board of Directors. The Board of Directors have by resolution authorized the Treasurer to assign fund balance. The Board of Directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The Corporation applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Corporation Administration and that are either unusual in nature or infrequent in occurrence. The Corporation had no extraordinary or special items during 2015.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For 2015, the Corporation implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27", and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68".

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 had no effect on the Corporation.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities. The implementation of GASB Statement No. 71 had no effect on the Corporation.

NOTE 4 - DEPOSITS AND INVESTMENTS

Deposits with Financial Institutions

At December 31, 2015, the carrying amount of all Corporation deposits was \$1,151,041, including \$1,003,035 in deposits with STAR Plus. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2015, all of the Corporation's bank balance of \$1,157,341 was covered by the Federal Deposit Insurance Corporation (FDIC).

NOTE 5 - RECEIVABLES

Receivables at December 31, 2015, consisted of accounts receivable of \$9,417 and intergovernmental grants receivable in the amount of \$294,933 due from the Ohio Housing Finance Agency (OHFA). These amounts are expected to be collected in the subsequent year.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 6 - RISK MANAGEMENT

Commercial General Liability and Products/Completed Operations Liability

The Corporation is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2015, the Corporation contracted with United National Insurance Company for Commercial General Liability and Darwin National Assurance Company for Public Officials Liability and Employment Practices Liability.

The limitations of coverages are as follows:

Commercial General Liability - Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000
Products - Completed Operations Limit	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Fire Legal Liability	\$50,000
Medical Expense	\$2,000
Public Officials Liability	\$2,000,000
Non-monetary Coverage - Defense Only	\$50,000-\$100,000
Employment Practices and Third Party	\$2,000,000
Policy Aggregate	\$2,000,000
Public Officials Crisis Management	\$25,000

There has been no reduction in coverage from the prior year and settled claims have not exceeded the Corporation's coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

NOTE 7 - TRANSACTIONS WITH STARK COUNTY

Pursuant to and in accordance with Section 321.261 (B) of the Ohio Revised Code, the Corporation has been authorized by the Stark County Board of Commissioners to receive 5% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Tax Assessment and Collection Tax (DTACT) fund and will be available for appropriation by the Corporation to fund operations. At December 31, 2015, the Corporation recognized revenues of \$773,109 for these fees that were collected by the County in 2015.

During 2015, the Corporation also entered into an agreement with the Stark County Regional Planning Commission to provide the necessary services for the overall administration and coordination of the Corporation's Land Reutilization program as well as other County departments for various services. During 2015, the Corporation paid \$453,024 in administration fees to the Stark County Regional Planning Commission and other County departments.

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 750,000	\$ 750,000	\$ 773,109	23,109
Investment income	2,040	2,040	2,019	(21)
OHFA NIP reimbursement	2,959,500	2,959,500	383,158	(2,576,342)
Other	30,000	30,000	43,163	13,163
Total revenues	<u>3,741,540</u>	<u>3,741,540</u>	<u>1,201,449</u>	<u>(2,540,091)</u>
Expenditures:				
Current:				
General government:				
Acquisition costs	65,500	65,500	-	65,500
Advertising	-	-	45,717	(45,717)
Demolition reimbursements	80,000	80,000	73,670	6,330
Insurance	9,298	9,298	40,095	(30,797)
Professional services	530,900	530,900	469,599	61,301
OHFA NIP demolition program	2,875,000	2,875,000	518,056	2,356,944
Miscellaneous/other	180,842	180,842	66,112	114,730
Total expenditures	<u>3,741,540</u>	<u>3,741,540</u>	<u>1,213,249</u>	<u>2,528,291</u>
Net change in fund balances	-	-	(11,800)	(11,800)
Fund balances at beginning of year	1,162,841	1,162,841	1,162,841	-
Fund balance at end of year	<u>\$ 1,162,841</u>	<u>\$ 1,162,841</u>	<u>\$ 1,151,041</u>	<u>\$ (11,800)</u>

SEE ACCOMPANYING NOTES TO THE SUPPLEMENTARY INFORMATION

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 - BUDGETARY BASIS OF ACCOUNTING

Budgetary Process

The budgetary process that is followed by the Corporation is for control purposes and is set forth in its Code of Regulations. At least thirty days prior to the end of each fiscal year, the Chairman shall present to the Board of Directors the annual budget of the Corporation for the next succeeding fiscal year. The Board of Directors shall, at a regular or special meeting, conduct a public hearing on such budget and shall, at such meeting or at another meeting called for the purpose, adopt the annual budget which shall govern the expenditures of the Corporation during the fiscal year to which such budget applies. On and after the commencement of a fiscal year, the annual budget adopted for such fiscal year may be amended or supplemented by the Board of Directors as circumstances warrant. No binding monetary obligation of the Corporation shall be entered into unless there exists at the time in the applicable budget line item an unencumbered balance in an amount no less than lesser of (a) the amount of the monetary obligation to be incurred without either the amendment or supplement of such budget and line item by the Board of Directors and (b) the amount of the monetary obligation that will be due and payable in the fiscal year in which the monetary obligation is incurred. Nothing in this budgetary process shall be construed as prohibiting the Chairman from approving the transfer of an unencumbered balance from any line item, account, or fund to a line item, account, or fund with respect to which an insufficient unencumbered balance exists when it is in the best interests of the Corporation to enter into the binding monetary obligation. In the event that due to unforeseen circumstances the annual budget has not been adopted and is not ready for adoption by the last day of the fiscal year immediately preceding the year of which such budget is to be effective, the Board of Directors may adopt a temporary budget governing fiscal matters for the first three months of the new fiscal year.

Budgetary Basis of Accounting

While the Corporation is reporting financial position, results of operations and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (non-GAAP Budgetary Basis) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (non-GAAP budgetary basis) as opposed to when susceptible to accrual (GAAP basis), and
- (b) Expenditures and other financing uses are recorded when paid in cash (non-GAAP budgetary basis) as opposed to when the liability is incurred (GAAP basis).

STARK COUNTY LAND REUTILIZATION CORPORATION
STARK COUNTY, OHIO
(A Component Unit of Stark County)

NOTES TO SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis schedule for all governmental funds for which a budgetary basis schedule is presented:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (11,800)
Net adjustment for revenue accruals	1,919,402
Net adjustment for expenditure accruals	<u>39,597</u>
GAAP basis	<u>\$ 1,947,199</u>

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Dave Yost • Auditor of State

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

Stark County Land Reutilization Corporation
Stark County
110 Central Plaza South, Suite 250
Canton, Ohio 44702-1410

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities and the major fund of Stark County Land Reutilization Corporation, Stark County, (the Corporation), a component unit of Stark County, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated June 3, 2016.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Corporation's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Corporation's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Corporation's 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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

June 3, 2016



Dave Yost • Auditor of State

STARK COUNTY LAND REUTILIZATION CORPORATION

STARK 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 28, 2016**