



Dave Yost • Auditor of State

**TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Statements of Net Position.....	7
Statements of Revenues, Expenses, and Changes in Net Position.....	8
Statements of Cash Flows.....	10
Notes to the Basic Financial Statements	13
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	19

This page intentionally left blank.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Trumbull County Land Reutilization Corporation
Trumbull County
160 High Street NW, FL2A
Warren, Ohio 44481

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the Trumbull County Land Reutilization Corporation, Trumbull County, Ohio (the Corporation), a component unit of Trumbull County, as of and for the years ended December 31, 2014 and 2013, 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 those risks of financial statement material 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 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 Trumbull County Land Reutilization Corporation, Trumbull County, Ohio, as of December 31, 2014 and 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the years 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 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.



Dave Yost
Auditor of State
Columbus, Ohio

February 26, 2016

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(UNAUDITED)

The management's discussion and analysis of the Trumbull County Land Reutilization Corporation's (the "Corporation") financial performance provides an overall review of the Corporation's financial activities for the year ended December 31, 2014. 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 2014 are as follows:

- The total net position of the Corporation increased \$315,799 due to non-operating revenues of \$1,638,569 and operating revenues of \$524,815 exceeding expenses of \$1,847,585 during 2014.
- The Corporation had revenues of \$2,163,384 and expenses of \$1,847,585. The net increase in net position of the Corporation was \$315,799 or 42.38%.

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 statement of net position and statement of revenues, expenses and changes in net position 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.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements. The basic financial statements are comprised of the *statement of net position*, the *statement of revenues, expenses and change in net position*, the *statement of cash flows* and the *notes to the financial statements*.

- The *statement of net position* presents information on all of the Corporation's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these items reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating.
- The *statement of revenues, expenses and change in net position* presents information showing how the Corporation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.
- The *statement of cash flows* presents information showing in greater detail how the Corporation received and disbursed cash during the most recent fiscal year.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(UNAUDITED)

- The *notes to financial statements* provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The Corporation's financial statements consist of a single enterprise fund (a proprietary fund type), as the Corporation intends to recover all or a significant portion of its costs through user fees and charges (known as "business-type activities").

Financial Analysis

The net position of the Corporation is summarized for the purpose of determining the overall financial position. At December 31, 2014, the Corporation's assets exceeded liabilities by \$1,061,004, while at December 31, 2013, the Corporation's assets exceeded liabilities by \$745,205.

A comparative analysis of the data is presented below:

	Net Position		
	<u>Business-Type Activities</u>		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Assets</u>			
Current and other assets	\$ 1,036,377	\$ 744,705	\$ 357,688
Capital assets, net	27,077	2,950	0
Total assets	1,063,454	747,655	357,688
<u>Liabilities</u>			
Current and other liabilities	2,450	2,450	0
Total liabilities	2,450	2,450	0
<u>Net Position</u>			
Investment in capital assets	27,077	2,950	2,800
Unrestricted	1,033,927	742,255	357,688
Total net position	<u>\$ 1,061,004</u>	<u>\$ 745,205</u>	<u>\$ 360,488</u>

A portion of the Corporation's net position, \$27,077 or 2.55% at December 31, 2014, reflects its investment in capital assets. These assets are not available for future spending. Investment in capital assets at December 31, 2013 were \$2,950 which represents .40% of the Corporation's net position.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(UNAUDITED)

The table below shows the comparative analysis of changes in net position for 2014, 2013 and 2012.

	Change in Net Position		
	<u>Business-Type Activities</u>		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues			
Parcel sales and other revenue	\$ 524,815	\$ 389,267	\$ 44,329
Grants and contributions	<u>1,638,569</u>	<u>541,992</u>	<u>213,014</u>
Total revenues	2,163,384	931,259	257,343
Expenses	<u>1,847,585</u>	<u>546,542</u>	<u>110,895</u>
Change in net position	315,799	384,717	146,448
Net position at beginning of year	<u>745,205</u>	<u>360,488</u>	<u>214,040</u>
Net position at end of year	<u><u>\$ 1,061,004</u></u>	<u><u>\$ 745,205</u></u>	<u><u>\$ 360,488</u></u>

Business-Type Activities

Business-Type Activities net position increased by \$315,799 during 2014.

Expenses for 2014 totaled \$1,847,585. The largest expense of the Corporation consists of reimbursement payments to cities and townships of Trumbull County for demolition costs in the amount of \$1,489,693 which represents 80.62% of total expenses. These costs were partially funded by grant money received from the Moving Ohio Forward grant program in the amount of \$1,193,342 which represents 72.83% of revenue from grants and contributions.

The remaining revenues from grants and contributions total \$445,227 which represents 27.17% of the total amount of \$1,638,569. The primary source of this revenue comes from 5% of all collections of delinquent property taxes in Trumbull County. This amounted to \$431,515 or 26.33% of total grant and contribution revenues during 2014. Revenue of \$13,712 (.84%) was received from donations.

In 2013, demolition costs totaled \$223,210 and represented 40.84% of the total expenses which were \$546,542. Grant money received from the Moving Ohio Forward grant program was \$319,082, or 58.87% of 2013 revenues from grants. The source of the remaining 41.13% of the \$541,992 of grant revenues came from 5% of all collections of delinquent property taxes in Trumbull County and totaled \$222,910. There were no donations in 2013.

**TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(UNAUDITED)**

Capital Assets

Capital assets are comprised of computers and the related software, a vehicle and miscellaneous furniture and equipment.

Other Assets

Other assets consist of the Corporation's share of delinquent tax receivable and receivables from land contract parcel sales.

Debt Administration

As of December 31, 2014, the Corporation does not have any debt.

Current Financial Related Activities

Trumbull County formed the Trumbull County Land Reutilization Corporation on November 10, 2010. The Corporation is a component unit of Trumbull County, Ohio. The purpose of the Corporation is for the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed or other real property in the county.

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. Sam Lamancusa, Treasurer, Trumbull County, 160 High Street NW, Warren, OH 44481.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO

STATEMENTS OF NET POSITION
DECEMBER 31, 2014 AND 2013

ASSETS	2014	2013
CURRENT ASSETS		
Cash and cash equivalents	\$ 222,471	\$ 370,648
Due from other governments	623,059	341,544
Land contracts receivable	41,915	0
Inventory asset	148,932	32,513
TOTAL CURRENT ASSETS	1,036,377	744,705
CAPITAL ASSETS		
Computers	747	747
Computer software	37,560	0
Vehicles	3,500	3,500
Furniture & equipment	315	315
	42,122	4,562
Less: accumulated depreciation	(15,045)	(1,612)
NET CAPITAL ASSETS	27,077	2,950
TOTAL ASSETS	\$ 1,063,454	\$ 747,655
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Escrow deposits payable	\$ 2,450	\$ 2,450
TOTAL CURRENT LIABILITIES	2,450	2,450
TOTAL LIABILITIES	2,450	2,450
NET POSITION		
Investment in capital assets	27,077	2,950
Unrestricted	1,033,927	742,255
TOTAL NET POSITION	1,061,004	745,205
TOTAL LIABILITIES AND NET POSITION	\$ 1,063,454	\$ 747,655

See accompanying notes.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
OPERATING REVENUES		
Parcel sales	\$ 520,659	\$ 389,267
Fee offsets	800	0
Salvage income	3,356	0
TOTAL OPERATING REVENUES	524,815	389,267
OPERATING EXPENSES		
Cost of sales	1,544,349	361,953
Asbestos inspections	61,669	0
Board up supplies	382	0
Court services	237	100
Deed preparation	8,570	6,395
Facilitator fees	90,000	67,500
Filing fees	533	606
Program fees	12,965	0
Property inspections	13,550	34,570
Property maintenance	9,179	3,384
Publications	30,793	16,893
Real estate taxes	573	652
Security	3,206	0
Surveying	3,250	3,500
Utilities	4,456	439
Advertising & marketing	507	2,747
Automobile	6,853	9,757
Bank fees	522	564
Books, subscriptions, reference	60	60
Computer & internet expense	717	2,793
Depreciation	13,432	912
Donations	0	15,000
Insurance	11,759	3,786
Postage & delivery	171	22
Printing & copying	490	0
Professional fees - accounting	14,400	7,400
Professional fees - legal	10,218	1,730
Supplies	2,600	4,408
Telephone	587	360
Travel - conference & meetings	737	380
Travel expenses	820	631
TOTAL OPERATING EXPENSES	1,847,585	546,542
OPERATING INCOME (LOSS)	(1,322,770)	(157,275)

See accompanying notes.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
NON-OPERATING REVENUES/(EXPENSES)		
Moving Ohio Forward grant	1,193,342	319,082
DTAC share	431,515	222,910
Donations	13,712	0
TOTAL NON-OPERATING REVENUES/(EXPENSES)	1,638,569	541,992
CHANGE IN NET POSITION	315,799	384,717
NET POSITION BEGINNING OF YEAR	745,205	360,488
NET POSITION END OF YEAR	\$ 1,061,004	\$ 745,205

See accompanying notes.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from parcel sales	\$ 478,744	\$ 389,267
Other cash receipts	4,156	2,450
Cash payments for inventory	(1,660,768)	(394,466)
Other cash payments	(289,804)	(183,677)
	(1,467,672)	(186,426)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating grants received	1,193,342	319,082
DTAC share received	150,001	219,999
Donations received	13,712	0
	1,357,055	539,081
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash used to purchase capital assets	(37,560)	(1,062)
	(37,560)	(1,062)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(148,177)	351,593
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	370,648	19,055
CASH AND CASH EQUIVALENTS AT END OF YEAR	222,471	370,648

See accompanying notes.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Operating income (loss)	\$ (1,322,770)	\$ (157,275)
Adjustments		
Depreciation	13,432	912
(Increase) decrease in assets		
Land contracts receivable	(41,915)	0
Inventory asset	(116,419)	(32,513)
Increase (decrease) in liabilities		
Escrow deposits payable	0	2,450
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(1,467,672)	(186,426)

See accompanying notes.

This page intentionally left blank.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 1 – DESCRIPTION OF THE REPORTING ENTITY

The Trumbull County Land Reutilization Corporation (the “Corporation”) is a county land reutilization corporation that was formed on November 10, 2010, when the Trumbull County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code to exercise the powers and perform the duties of a county with respect to land reutilization under Chapter 5722 of the Ohio Revised Code. The purpose of the Corporation is for the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed or other real property in the county. The Corporation is a component unit of Trumbull 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. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Corporation’s significant accounting policies are described below.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Corporation uses a single proprietary or enterprise fund to account for and report its financial activities, which are limited to *business-type activities* – i.e., activities that are financed in whole or in part by fees charged to external parties and are operated in a manner similar to private business where the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. Operating expenses include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property sales associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenues of the current fiscal period.

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.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating and Non-operating Revenues and Expenses

As a business-type activity, the Corporation distinguishes operating revenues and expenses from non-operating items. Operating revenues are mostly comprised of revenues from the sales of property. Operating expenses generally result from the acquisition, demolition and renovation of properties, and general and administrative expenses in accordance with the Corporation's mission. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Assets, Liabilities, and Net Position

Cash and cash equivalents

All monies received by the Corporation are deposited in a demand deposit account, with the exception of some deposits being made for the purchase of real estate which are placed into an interest on trust accounts (IOTA) escrow account to be held until the completion of certain objectives. The balance in the IOTA account at December 31, 2014, was \$87,287. There was no balance in the IOTA account at December 31, 2013. Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. The Corporation had no investments during the years of or at the end of the years of 2014 or 2013.

Restricted assets

Certain amounts of cash are classified as restricted because their use is restricted by grant agreements. There are no restricted cash balances at December 31, 2014 or 2013.

Due from other governments

Amounts due from other governments are receivables stated at their outstanding balance. The Corporation considers all amounts to be fully collectible. If collection becomes doubtful, the Corporation will either set up an allowance for doubtful accounts, or if deemed completely uncollectible, the amounts will be charged against income in the current period. Management does not believe a reserve for uncollectible receivables is necessary at December 31, 2014 or 2013.

Land contracts receivable

Land contracts receivable are receivables from parcel sales and are stated at their outstanding balance. The Corporation considers all amounts to be fully collectible. If amounts become uncollectible, the Corporation will identify them and record them as bad debt in the period that they become uncollectible. There was no bad debt in 2014 or 2013.

Inventory asset

The Corporation's inventory consists of any unsold parcels that have been transferred into the name of the Corporation. The values placed on these parcels are based solely on the expense incurred by the Corporation that directly pertains to said parcels. Inventory value was \$148,932 and \$32,513 at December 31, 2014 and 2013, respectively.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

The Corporation follows the practice of capitalizing expenses for property and equipment whose cost is in excess of \$250. The costs of additions and improvements which substantially extend the useful life of a particular asset are capitalized. Routine repair and maintenance costs are expensed in the period they are incurred.

The Corporation's equipment and vehicles are depreciated primarily using the straight-line method.

Estimated useful lives of assets are as follows:

Equipment	7 years
Computer equipment	5 years
Vehicles	5 years

Depreciation expenses were \$13,432 and \$912 for the years ended December 31, 2014 and 2013, respectively.

Net Position

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Corporation has no borrowings as of December 31, 2014 or 2013.
- b. Restricted net position - net position with constraints placed on their use either by (1) external groups such as creditors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Corporation does not have restricted net position at December 31, 2014 or 2013.
- c. Unrestricted net position - all other assets that do not meet the definition of net investment in capital assets or restricted net position.

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 and that are either unusual in nature or infrequent in occurrence. The Corporation had no extraordinary or special items during 2014 or 2013.

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits with Financial Institutions

The Corporation maintains cash balances at Huntington National Bank, located in the Northeastern Ohio area. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2014, the Corporation's uninsured cash balances totaled \$0. At December 31, 2013, the Corporation's uninsured cash balances totaled \$120,648.

NOTE 4 – RECEIVABLES

Amounts due from other governments at December 31, 2014 and 2013, consist of the Corporation's share of Trumbull County's Delinquent Tax Assessment and Collection (DTAC) fund. At December 31, 2014 and 2013, amounts due from other governments are \$623,059 and \$341,544, respectively.

As of December 31, 2014, there were three separate land contract agreement receivables totaling \$41,915. There were no outstanding land contracts receivable at December 31, 2013.

NOTE 5 – CAPITAL ASSETS

Capital assets at December 31, 2014, consisted of:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computers	\$ 747	\$ 299	\$ 448
Computer Software	\$ 37,560	\$ 12,520	\$ 25,040
Vehicles	\$ 3,500	\$ 2,100	\$ 1,400
Furniture & Equipment	<u>\$ 315</u>	<u>\$ 126</u>	<u>\$ 189</u>
	\$ 42,122	\$ 15,045	\$ 27,077

Plant, property and equipment at December 31, 2013, consisted of:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computers	\$ 747	\$ 149	\$ 598
Vehicles	\$ 3,500	\$ 1,400	\$ 2,100
Furniture & Equipment	<u>\$ 315</u>	<u>\$ 63</u>	<u>\$ 252</u>
	\$ 4,562	\$ 1,612	\$ 2,950

TRUMBULL COUNTY LAND REUTILIZATION CORPORATION
TRUMBULL COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 6 – COST OF SALES

Cost of sales for 2014 and 2013 consists of:

	2014	2013
Demolition	\$ 1,489,693	\$ 223,210
Parcel rehab - building	25,428	63,582
Parcel rehab - landscaping	2,778	1,250
Title searches	26,450	73,911
	\$ 1,544,349	\$ 361,953

NOTE 7 – TRANSACTIONS WITH TRUMBULL COUNTY

Pursuant to and in accordance with Section 321.621 (B) of the Ohio Revised Code, the Corporation has been authorized by the Trumbull 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 (DTAC) fund and will be available for appropriation by the Corporation to fund operations. At December 31, 2014, the Corporation recognized revenues of \$431,515 for these fees that were collected by the County in 2014 and \$222,910 for these fees that were collected by the County in 2013. The Corporation received \$150,001 of the DTAC amounts receivable in 2014 and \$219,999 of the DTAC amounts receivable in 2013.

This page intentionally left blank.



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

Trumbull County Land Reutilization Corporation
Trumbull County
160 High Street NW, FL2A
Warren, Ohio 44481

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 Trumbull County Land Reutilization Corporation, Trumbull County, (the Corporation), a component unit of Trumbull County, as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated February 26, 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 opinions 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 Entity'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

February 26, 2016



Dave Yost • Auditor of State

TRUMBULL COUNTY LAND REUTILIZATION

TRUMBULL 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
MARCH 31, 2016