



OHIO AUDITOR OF STATE
KEITH FABER



**CLINTON COUNTY LAND REUTILIZATION CORPORATION
CLINTON COUNTY
DECEMBER 31, 2020**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Prepared by Management:	
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	7
Statement of Activities.....	8
Fund Financial Statements:	
Balance Sheet	
Governmental Fund.....	9
Reconciliation of Total Governmental Fund Balance to	
Net Position of Governmental Activities	10
Statement of Revenues, Expenditures and Change in Fund Balance	
Governmental Fund.....	11
Reconciliation of the Statement of Revenues, Expenditures	
and Change in Fund Balance of the Governmental Fund	
to the Statement of Activities.....	12
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>	21

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

Clinton County Land Reutilization Corporation
Clinton County
69 N. South Street
Wilmington, Ohio 45177

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Clinton County Land Reutilization Corporation, Clinton County, Ohio (the Corporation), a component unit of Clinton County, as of and for the year ended December 31, 2020, 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 such 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 major fund of the Corporation, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Efficient • Effective • Transparent

Emphasis of Matter

As discussed in Note 7 to the 2020 financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Corporation. We did not modify our opinion regarding this matter.

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 September 24, 2021, 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.



Keith Faber
Auditor of State
Columbus, Ohio
September 24, 2021

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Management's Discussion and Analysis
For the Year Ended December 31, 2020

The discussion and analysis of the Clinton 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, 2020. The intent of this discussion and analysis is to look at the Corporation's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Corporation's financial performance.

Financial Highlights

Key financial highlights for 2020 are as follows:

- The Corporation receives 5 percent of the delinquent taxes and assessment collections from Clinton County. The Corporation reported \$31,033 in 2020.
- Net position increased \$3,449 in 2020. Further details will be discussed in this analysis.

Using this Annual Financial Report

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole Corporation, presenting both an aggregate view of the Corporation's finances and a longer-term view of those assets. The Statement of Activities shows changes to net position related to each department of the Corporation. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

Reporting the Corporation as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the Corporation's net position and the changes in net position. The change in net position is important because it tells the reader whether, for the Corporation as a whole, the financial position of the Corporation has improved or diminished. However, in evaluating the overall position of the Corporation, non-financial information such as the condition of the Corporation's capital assets will also need to be evaluated.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Management's Discussion and Analysis
For the Year Ended December 31, 2020

Reporting the Corporation's Most Significant Fund

Fund Financial Statements

The presentation for the Corporation's only fund, the general fund, focuses on how resources flow into and out of it and the balance that is left at year end and available for spending in future periods. The general fund is reported using modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Corporation's general operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to the Corporation's government constituents. The relationship (or difference) between governmental activities (reported on the Statement of Net Position and the Statement of Activities) and the general fund is reconciled in the financial statements.

The Clinton County Land Reutilization Corporation as a Whole

Recall that the Statement of Net Position provides the perspective of the Corporation as a whole.

Table 1 provides a summary of the Corporation's net position for 2020 compared to 2019:

	2020	2019	Change
Assets			
Current and Other Assets	\$ 671,297	\$ 650,764	\$ 20,533
<i>Total Assets</i>	671,297	650,764	20,533
Liabilities			
Current and Other Liabilities	21,940	4,856	17,084
<i>Total Liabilities</i>	21,940	4,856	17,084
Net Position			
Unrestricted	649,357	645,908	3,449
<i>Total Net Position</i>	\$ 649,357	\$ 645,908	\$ 3,449

Current and other assets increased over 2019. Assets held for resale increased over 2019 as the Corporation acquired 16 additional properties. Current liabilities increased due to the timing of payments for mowing and demolition work completed in 2020, but not paid until 2021.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Management's Discussion and Analysis
For the Year Ended December 31, 2020

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2020 and 2019.

Table 2
Change in Net Position

	2020	2019	Change
Revenues			
<i>Program Revenues:</i>			
Operating Grants	\$ 88,290	\$ 79,773	\$ 8,517
<i>General Revenues:</i>			
Intergovernmental	31,033	30,401	632
Other	578	-	578
<i>Total General Revenues</i>	<u>31,611</u>	<u>30,401</u>	<u>1,210</u>
<i>Total Revenues</i>	<u>119,901</u>	<u>110,174</u>	<u>9,727</u>
Program Expenses			
<i>General Government:</i>			
Professional and Contract Services	67,739	32,136	35,603
Administration	48,713	40,351	8,362
<i>Total Program Expenses</i>	<u>116,452</u>	<u>72,487</u>	<u>43,965</u>
<i>Increase (Decrease) in Net Position</i>	3,449	37,687	(34,238)
<i>Net Position Beginning of Year</i>	<u>645,908</u>	<u>608,221</u>	<u>37,687</u>
<i>Net Position End of Year</i>	<u>\$ 649,357</u>	<u>\$ 645,908</u>	<u>\$ 3,449</u>

Operating grants increased slightly in 2020. Although the Corporation's Neighborhood Initiative Program ended December 31, 2019, they received additional grant funding from the City of Wilmington in 2020. Contract services expenses increased significantly in 2020 due to demolition projects that were funded by the grants from the City.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Management's Discussion and Analysis
For the Year Ended December 31, 2020

The Corporation's Fund

The Corporation's governmental fund is accounted for using the modified accrual basis of accounting.

The Corporation had general fund revenues of \$106,611 and expenditures of \$116,452. Fund balance in the general fund decreased \$9,841 from 2019.

Budgeting

There are no budgetary requirements for the Corporation identified in the Ohio Revised Code. The Corporation's budget is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The budgetary process that is followed is for control purposes.

Current Financial Related Activities

The Corporation has been designated by Clinton County, Ohio as its agent for the reclamation, rehabilitation and reutilization of vacant, abandoned, tax-foreclosed and other real property in Clinton County. By strategically acquiring properties, the Corporation works to reduce blight, promote economic development, increase property values, and thereby improve the quality of life of all Clinton County residents. Principal operating revenues of the Corporation include contributions from Clinton County's delinquent tax and assessment collection fund. The Corporation participates in the Neighborhood Initiative Program which is being administered by the Ohio Housing Finance Agency. This award provides funds on a reimbursement basis to demolish abandoned, vacant and blighted residential properties. As of December 31, 2020, the Corporation owned 54 properties.

Contacting the Corporation's Financial Management

This financial report is designed to provide our citizens, taxpayers, 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 any questions about this report or need additional financial information, contact the Clinton County Treasurer, Chairman, Clinton County Land Reutilization Corporation, 69 N South Street, Wilmington, Ohio 45177.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Statement of Net Position
December 31, 2020

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 169,118
Intergovernmental Receivable	13,290
Prepaid Items	1,090
Assets Held for Resale	<u>487,799</u>
<i>Total Assets</i>	<u>671,297</u>
Liabilities	
Accounts Payable	<u>21,940</u>
Net Position	
Unrestricted	<u>649,357</u>
<i>Total Net Position</i>	<u><u>\$ 649,357</u></u>

See accompanying notes to the basic financial statements.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Statement of Activities
For the Year Ended December 31, 2020

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities			
General Government:			
Professional and Contract Services	\$ 67,739	\$ 88,290	\$ 20,551
Administration	48,713	-	(48,713)
<i>Total</i>	<u>\$ 116,452</u>	<u>\$ 88,290</u>	<u>\$ (28,162)</u>
General Revenues:			
Intergovernmental			31,033
Other			578
<i>Total General Revenues</i>			<u>31,611</u>
<i>Increase (Decrease) in Net Position</i>			3,449
<i>Net Position Beginning of Year</i>			<u>645,908</u>
<i>Net Position End of Year</i>			<u>\$ 649,357</u>

See accompanying notes to the basic financial statements.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Balance Sheet
Governmental Fund
December 31, 2020

	General Fund
Assets	
Cash and Cash Equivalents	\$ 169,118
Intergovernmental Receivable	13,290
Prepaid Items	1,090
Assets Held for Resale	487,799
<i>Total Assets</i>	\$ 671,297
Liabilities, Deferred Inflows of Resources and Fund Balances	
Liabilities	
Accounts Payable	\$ 21,940
Deferred Inflows of Resources	
Unavailable Revenue	13,290
Fund Balance	
Nonspendable	488,889
Unassigned	147,178
<i>Total Fund Balance</i>	636,067
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 671,297

See accompanying notes to the basic financial statements.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Reconciliation of Total Governmental Fund Balance to
Net Position of Governmental Activities
December 31, 2020

Total Governmental Fund Balance	\$ 636,067
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the fund.	
Operating Grants	<u>13,290</u>
Net Position of Governmental Activities	<u>\$ 649,357</u>

See accompanying notes to the basic financial statements.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Statement of Revenues, Expenditures and Change in Fund Balance
Governmental Fund
For the Year Ended December 31, 2020

	General
Revenues:	
Intergovernmental	\$ 31,033
Operating Grants	75,000
Other	578
<i>Total Revenues</i>	<i>106,611</i>
Expenditures:	
Current:	
General Government:	
Professional and Contract Services	67,739
Administration	48,713
<i>Total Expenditures</i>	<i>116,452</i>
<i>Net Change in Fund Balance</i>	<i>(9,841)</i>
 <i>Fund Balance at Beginning of Year</i>	 <i>645,908</i>
<i>Fund Balance at End of Year</i>	<i>\$ 636,067</i>

See accompanying notes to the basic financial statements.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
*Reconciliation of the Statement of Revenues, Expenditures and Change
in Fund Balance of the Governmental Fund to the Statement of Activities
For the Year Ended December 31, 2020*

Net Change in Fund Balance - Total Governmental Fund	\$	(9,841)
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund.		
Operating Grants		13,290
Change in Net Position of Governmental Activities	\$	3,449

See accompanying notes to the basic financial statements.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION

Clinton County Land Reutilization Corporation (the Corporation) is a not for profit community improvement corporation, organized in 2016 by the Board of County Commissioners of Clinton County under the authority of Chapter 1724, Ohio Revised Code.

The Corporation's governing body is a five member Board of Directors, consisting of the County Treasurer, two representatives of the Board of County Commissioners, a representative of the City of Wilmington and a representative of the Village of Midland.

The Corporation is classified as a component unit of Clinton County for reporting purposes, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 as amended by GASB Statement No. 39 and GASB Statement No. 61.

The Corporation is dedicated to strategically acquiring tax foreclosed property and other foreclosed property from Common Pleas Court proceedings, Board of Revision proceedings, Sheriff's Sale, Bank Real Estate Owned, County Auditor, third parties, and through donations. The Corporation then strives to put the properties back to productive use.

The reporting entity for the Corporation is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Corporation and any other organizations that would need to be included to ensure the financial statements of the Corporation are not misleading.

Component units are legally separate organizations for which the Corporation is financially accountable. The Corporation is financially accountable for an organization if the Corporation appoints a voting majority of the organization's governing board; and 1) the Corporation is able to significantly influence the programs or services performed or provided by the organization; or 2) the Corporation is legally entitled to or can otherwise access the organization's resources; the Corporation is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Corporation is obligated for the debt of the organization. Component units may also include organizations include organizations for which the Corporation authorizes the issuance of debt, or the levying of taxes or determines the budget. There are no component units included as part of this report.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Corporation's accounting policies are described below.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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. These statements usually distinguish between those activities of the Corporation that are governmental and those that are considered business-type. The Corporation, however, does not have business-type activities.

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 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 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.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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 and deferred outflows of resources and liabilities and 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 Auditor from penalties collected on delinquent property taxes and interest on those delinquencies. 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.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and 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 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 and deferred outflows of resources and current liabilities and 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 reconciliation with brief explanations to better identify the relationship between government-wide statements and the statements for the general fund.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial 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, in the recording of deferred inflows/outflows of resources, and in the presentation of expenses versus expenditures.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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 resources to be used for a specified purpose, and expenditure requirements, in which the resources 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, interest and grants revenue sources are considered to be both measurable and available at year-end.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

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. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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 year. Appropriations and subsequent amendments are approved by the Board of Directors during the year as required.

Cash and Cash Equivalents

To improve cash management, cash received by the Corporation is pooled. Individual fund integrity is maintained through the Corporation's records. The Corporation had no investments during the year or at the end of the year.

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

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 or estimated fair market value at the date of donation plus any costs of maintenance, rehabilitation, or demolition of structures on the properties for an amount not to exceed the net realizable value of each property. The Corporation holds the properties until the real estate is either sold to a new owner or an individual who will reuse the property.

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.

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:

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or 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. It also includes the long-term amount of interfund loans, loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board. Those committed amounts cannot be used for any other purpose unless the Board removes 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 committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the Corporation for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board or a Corporation official delegated that authority, or by State Statute. The Corporation has, by resolution, authorized the Executive Director to assign fund balance.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications.

The Corporation applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are 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.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Corporation applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Intergovernmental Revenue

The Corporation receives operating income through Clinton County. This money represents the penalties and interest 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.

Operating Grants

The Corporation currently participates in the Neighborhood Initiative Program which is administered by the Ohio Housing Finance Agency. Revenues received from the program are recognized as operating revenues in the accounting period in which all eligibility requirements have been met.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from these 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 2020.

NOTE 3 - DEPOSITS AND INVESTMENTS

Custodial credit risk is the risk that in the event of bank failure, the Corporation's deposits may not be returned to it.

Deposits - At December 31, 2020, the carrying amount of the Corporation's deposits was \$169,118. The Corporation's bank balance of \$169,118 was covered by the Federal Deposit Insurance Corporation.

The Corporation has no investments.

NOTE 4 - RECEIVABLES

Receivables at December 31, 2020 consisted of intergovernmental receivables related to grant funding from the City of Wilmington. Allowance for doubtful accounts were not recorded because all receivables are expected to be collected.

NOTE 5 - RISK MANAGEMENT

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2020, the Corporation maintained suitable insurance coverage.

Clinton County Land Reutilization Corporation
Clinton County, Ohio
(A Component Unit of Clinton County, Ohio)
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three years and there was no significant change in insurance coverage from the prior year.

NOTE 6 – FUND BALANCE

Fund balance can be classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Corporation is bound to observe constraints imposed upon the use of the resources in governmental funds.

Fund Balance	General Fund
Nonspendable:	
Assets Held for Resale	\$ 487,799
Prepays	1,090
Total Nonspendable	488,889
Unassigned	147,178
<i>Total Fund Balance</i>	\$ 636,067

NOTE 7 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June of 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Corporation. The impact on the Corporation’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

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

Clinton County Land Reutilization Corporation
Clinton County
69 N. South Street,
Wilmington, Ohio 45177

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 major fund of the Clinton County Land Reutilization Corporation, Clinton County, (the Corporation) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated September 24, 2021. We also noted the financial impact of COVID-19 and the continuing emergency measures, which may impact subsequent periods of the Corporation.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing 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 financial statements. 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 report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
September 24, 2021

OHIO AUDITOR OF STATE KEITH FABER



CLINTON COUNTY LAND REUTILIZATION CORPORATION

CLINTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 11/4/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov