

**TROTWOOD COMMUNITY IMPROVEMENT CORPORATION  
MONTGOMERY COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**







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Columbus, Ohio 43215  
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(800) 282-0370

Board of Trustees  
Trotwood Community Improvement Corporation  
3034 Olive Road  
Trotwood, Ohio 45426

We have reviewed the *Independent Auditor's Report* of Trotwood Community Improvement Corporation, Montgomery County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2021 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Trotwood Community Improvement Corporation is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

September 13, 2023

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**TROTWOOD COMMUNITY IMPROVEMENT CORPORATION  
MONTGOMERY COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Management's Discussion and Analysis For the Year Ended December 31, 2022 .....	4
Statement of Financial Position As of December 31, 2022 .....	7
Statement of Financial Activities For the Year Ended December 31, 2022 .....	8
Statement of Cash Flow For the Year Ended December 31, 2022 .....	9
Notes to the Financial Statements – 2022 .....	10
Management's Discussion and Analysis For the Year Ended December 31, 2021 .....	15
Statement of Financial Position As of December 31, 2021 .....	18
Statement of Financial Activities For the Year Ended December 31, 2021 .....	19
Statement of Cash Flow For the Year Ended December 31, 2021 .....	20
Notes to the Financial Statements – 2021 .....	21
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	26

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**INDEPENDENT AUDITOR'S REPORT**

Trotwood Community Improvement Corporation  
Montgomery County  
3035 Olive Road  
Trotwood, Ohio 45426

To the Board of Trustees:

***Report on the Audit of the Financial Statements***

***Opinion***

We have audited the financial statements of the Trotwood Community Improvement Corporation, Montgomery County, Ohio (the Corporation), a not-for-profit corporation, which comprise the statement of financial position as of December 31, 2022 and 2021, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2022 and 2021, and the changes in its net position and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2023, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's 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.

*Charles E. Harris & Associates, Inc.*

*Charles E. Harris & Associates, Inc.*  
June 29, 2023

**Trotwood Community Improvement Corporation**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2022**  
(Unaudited)

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This discussion and analysis, along with the accompanying financial report, of the Trotwood Community Improvement Corporation (the "Corporation") is designed to provide our creditors and other interested parties with a general overview of the Corporation and its financial activities.

**Financial Highlights**

The total net position of the Corporation on December 31, 2022 was \$5,433,424. The Corporation's net position on December 31, 2021 was \$2,066,765.

The Corporation had Real Estate Held for Resale \$5,153,878 on December 31, 2022.

**Overview of Basic Financial Statements**

The Corporation is a single enterprise fund using proprietary fund accounting, similar to private sector business. The Basic Financial Statements are presented using the accrual basis of accounting.

The Statement of Net Position includes all of the Corporation's Assets and Liabilities. This statement provides information about the nature and amounts of investments in resources (assets) owned by the Corporation, and obligations owed by the Corporation (liabilities). The Corporation's net position (equity) is the difference between assets and liabilities.

The Statement of Revenues, Expenses and Changes in Net Position provides information on the Corporation's operations over the past year. Revenues are reported when earned and expenses are reported when incurred.

The Statements of Cash Flows provides information about the Corporation's cash receipts and cash disbursements. It summarizes the net changes in cash resulting from operating, investing and financing activities.

**Net Position**

Table 1 summarizes the Net Position of the Corporation.

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and Cash Equivalents	\$263,092	\$17,748
Restricted Cash	16,454	11,528
Receivables:		
Lease	0	1,800
Real Estate Held for Resale	<u>5,153,878</u>	<u>2,217,809</u>
Total Assets	<u>5,433,424</u>	<u>2,248,885</u>
Liabilities:		
Loans Payable	<u>0</u>	<u>182,120</u>
Total Liabilities	<u>0</u>	<u>182,120</u>
Net Position:		
Unrestricted	<u>5,433,424</u>	<u>2,066,765</u>
Total Net Position	<u><u>\$5,433,424</u></u>	<u><u>\$2,066,765</u></u>

During 2022, the loans payable was paid off, while real estate held for resale increased \$2,936,069 from 2021.

**Trotwood Community Improvement Corporation**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2022**  
(Unaudited)

**Statement of Revenues, Expenses, and Changes in Net Position**

Table 2 below summarizes the changes in revenues and expenses and the resulting change in net position.

	2022	2021
Operating Revenues:		
Contributions	\$120,000	\$105,550
Rent	0	9,676
Option Fees	25,000	0
Earnest Monies Received	6,000	0
Refund of Premiums	0	15
Miscellaneous	11,736	0
<b>Total Operating Revenues</b>	<b>162,736</b>	<b>115,241</b>
Operating Expenses:		
Real Estate Expenses	65,074	146,068
Professional and Consulting Fees	162,818	94,595
Bank Fees	3,000	0
Insurance	6,078	6,002
Marketing	9,351	3,089
Training Fees	0	1,325
Materials and Supplies	933	726
Miscellaneous	2,049	1,899
<b>Total Operating Expenses</b>	<b>249,303</b>	<b>253,704</b>
Operating (Loss)	(86,567)	(138,463)
Non-Operating (Expenses):		
Interest Income	1,844	530
Interest (Expense)	(4,893)	(6,246)
Fair Market Value Adjustment for Purchase of Real Estate	481,189	61,574
Gain (Loss) on Sale of Property	406,623	(19,151)
<b>Total Non-Operating (Expenses)</b>	<b>884,763</b>	<b>36,707</b>
Income (Loss) before Capital Contributions	798,196	(101,756)
Capital Contributions	2,568,463	302,069
Changes in Net Position	3,366,659	200,313
Net Position - Beginning of Year	2,066,765	1,866,452
Net Position - End of Year	<u>\$5,433,424</u>	<u>\$2,066,765</u>

Net Position increased from 2021 to 2022 mainly due to an increase in capital contributions mainly due to donations of properties to the Corporation during the year.

**Trotwood Community Improvement Corporation**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2022**  
(Unaudited)

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**Real Estate Held for Resale**

Table 3 summarizes the Capital Assets and Real Estate Held for Resale of the Corporation.

	<u>2022</u>	<u>2021</u>
Real Estate Held for Resale	\$5,153,878	\$2,217,809

Real Estate Held for Resale had an increase of \$2,936,069 from 2021 to 2022. For additional information regarding Real Estate Held for Resale, see note 4 of the notes to the basic financial statements.

**Debt-Line of Credit**

The Corporation had no loans payable at year end for 2022. The loan payable was paid off during 2022. For additional information regarding the loans payable, see note 5 of the notes to the financial statements.

**Contact Information**

Questions regarding this report and requests for additional information should be forwarded to Trotwood Community Improvement Corporation, 3035 Olive Road, Trotwood, Ohio 45426.

Trotwood Community Improvement Corporation  
Statement of Net Position  
December 31, 2022

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Current Assets:	
Cash and Cash Equivalents	\$263,092
Restricted Cash	<u>16,454</u>
Total Current Assets	<u>279,546</u>
Non-Current Assets:	
Real Estate Held for Resale	<u>5,153,878</u>
Total Non-Current Assets	<u>5,153,878</u>
Total Assets	<u>5,433,424</u>
Liabilities:	
Accounts Payable	<u>0</u>
Total Liabilities	<u>0</u>
Net Position:	
Unrestricted	<u>5,433,424</u>
Total Net Position	<u><u>\$5,433,424</u></u>

See accompanying notes to the financial statements.

Trotwood Community Improvement Corporation  
Statement of Revenues, Expenses and Changes in Net Position  
As of December 31, 2022

Operating Revenues:	
Contributions	\$120,000
Option Fees	25,000
Earnest Monies Received	6,000
Miscellaneous	11,736
Total Operating Revenues	<u>162,736</u>
Operating Expenses:	
Real Estate Expenses	65,074
Professional and Consulting Fees	162,818
Bank Fees	3,000
Insurance	6,078
Marketing	9,351
Materials and Supplies	933
Miscellaneous	2,049
Total Operating Expenses	<u>249,303</u>
Operating Income (Loss)	<u>(86,567)</u>
Non-Operating Revenues (Expenses):	
Interest Income	1,844
Interest (Expense)	(4,893)
Fair Market Value Adjustment for Purchase of Real Estate	481,189
Gain (Loss) on Sale of Property	406,623
Total Non-Operating Revenues (Expenses)	<u>884,763</u>
Income (Loss) Before Capital Contributions	798,196
Capital Contributions	<u>2,568,463</u>
Change in Net Position	3,366,659
Net Position - Beginning of Year	<u>2,066,765</u>
Net Position - End of Year	<u>\$5,433,424</u>

See accompanying notes to the financial statements.

Trotwood Community Improvement Corporation  
Statement of Cash Flows  
As of December 31, 2022

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Cash Flows from Operating Activities:	
Cash Received from Contributions	\$120,000
Cash Received from Rent	1,200
Other Operating Cash Receipts	12,336
Cash Received from Option Fees	25,000
Cash Received from Earnest Monies Received	6,000
Cash Payments for Real Estate Expenses	(65,074)
Cash Payments for Professional and Consulting Fees	(162,818)
Cash Payments for Marketing	(9,351)
Cash Payments for Insurance	(6,078)
Cash Payments for Materials and Supplies	(933)
Cash Payments for Miscellaneous Expenses	(2,049)
Cash Payments for Bank Fees	(3,000)
Net Cash (Used) by Operating Activities	<u>(84,767)</u>
Cash Flows from Non-Capital and Related Financing Activities:	
Interest Payments	(4,893)
Principal Payments	<u>(182,120)</u>
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	<u>(187,013)</u>
Cash Flows from Investing Activities:	
Earnings on Investments	1,844
Payment for the Purchase of Property	(2,910)
Proceeds from the Sale of Property	116,493
Gain on Sale of Property	<u>406,623</u>
Net Cash Provided Provided fom Investing Activities	<u>522,050</u>
Net Increase in Cash and Cash Equivalents	250,270
Cash and Cash Equivalents - Beginning of Year	<u>29,276</u>
Cash and Cash Equivalents - End of Year	<u><u>279,546</u></u>
Reconciliation of Operating (Loss) to Net Cash (Used) by Operating Activities	
Operating (Loss)	(86,567)
Changes in Assets and Liabilities:	
Increase (Decrease) in Receivables	<u>1,800</u>
Net Cash Provided (Used) by Operating Activities	<u><u>(\$84,767)</u></u>
<u>Schedule of Noncash Capital Activities:</u>	
During the fiscal year, these amounts were received representing noncash contributions of:	
Real Estate Held for Resale	<u><u>\$2,568,463</u></u>

See accompanying notes to the financial statements.

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Note 1 – Nature of Organization and Reporting Entity**

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The Trotwood Community Improvement Corporation, Montgomery County (the “Corporation”), a 501(c)3 nonprofit formed under Ohio Revised Code 1724, was formed for the purpose of advancing, encouraging, and promoting the industrial, economic, housing, commercial and civic development with the City of Trotwood. The relationship between the City of Trotwood and the Corporation is to promote development in the City. The financial statements of the Corporation are not material to the financial statements of the City of Trotwood.

The Corporation’s management believes the financial statements present all activities for which the Corporation is financially accountable.

**Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the Corporation are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Corporation. For Trotwood Community Improvement Corporation, there are no other boards and agencies other than the Corporation. 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 to 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 for which the Corporation approves the budget, the issuance of debt or levying of taxes. The Corporation has no component units.

**Note 2 – Summary of Significant Accounting Policies**

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A summary of the significant accounting policies consistently applied in preparation of the accompanying financial statements is as follows:

**Basis of Presentation**

The financial statements of the Corporation have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to special-purpose governments.

The Corporation reports a single enterprise fund using proprietary fund accounting, similar to private sector business. The Basic Financial Statements are presented using the accrual basis of accounting, which recognizes revenues when earned and expenses when incurred.

**Measurement Focus and Basis of Accounting**

The Corporation’s operations are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation are included on the statement of net position. The operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net position. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. The Corporation uses the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred.



**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Tax Exempt Status**

The Corporation is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

**Real Estate Held for Resale**

The Corporation, acting as a County Land Reutilization/Community Improvement Corporation utilizes the Tax Foreclosure process through the State of Ohio to acquire delinquent abandoned residential and commercial real estate. At the point of acquisition, the Corporation stabilizes these structures and prepares them for resale and redevelopment.

The Corporation, as the City's "land reutilization corporation," receives surplus property from the City of Trotwood to position for development or redevelopment. These properties include residential lots/parcels, commercial land, or industrial land. In some instances, the City will transfer surplus, underutilized properties/structures for development.

Real estate held for resale is measured at current fair market value, which approximates the Corporation's current asking price for the property. Real estate held for resale that is a gift is recorded at estimated fair market value at the date of gift, if donated.

**Contributions**

During 2022, the Corporation received \$120,000 from the City of Trotwood. The funds received are used to purchase and maintain properties, as well as administrative expenses of the Corporation.

**Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalents include all highly liquid investments with initial maturities of three months or less. The Corporation only had an interest bearing checking account and a savings account for December 31, 2022.

**Restricted Cash**

The Corporation, on occasion, will receive deposits from applicants to tax foreclose on eligible, vacant properties or lots to acquire them and transfer these properties to the applicant. The applicant will then take ownership and redevelop or maintain the property to the benefit of the community. The Corporation places these deposits (typically \$1,500 per property) in the Corporation's savings account until the funds are needed to complete the foreclosure process by paying the associated fees to the Montgomery County Clerk of Courts.

As of December 31, 2022, the Corporation had \$9,046 in its savings account, of which, \$9,000 of these funds are restricted for depositors and the remaining \$46 is earned interest (which is not considered restricted cash). Of this earned interest, \$8 was earned in 2020, \$27 was earned in 2021 and \$11 was earned in 2022. The funds are restricted to paying fees related to the properties the depositors requested through the application process. The \$9,000 consist of the following items:

- \$1,500 for Mr. James C. Powers (deposit made December 13, 2019) for 8910 Old Dayton Road,
- \$1,500 is for Ms. Cheryl McNeil (deposit made February 29, 2020) for the vacant lot adjacent to her residence,
- \$3,000 is for Richard Thomas for Parcels "0073, 0074, and 0143" which are vacant lots adjacent to his property (deposit made August 2, 2022),
- \$1,500 is for Daniel L. Elliot for parcel H3330091300273, a vacant lot adjacent to his residence (deposit made on August 2, 2022),
- \$1,500 is for Christian Brislen for a deposit on a vacant lot adjacent to his property.

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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Mr. Charles Ihenacho’s deposit made on February 29, 2020, was withdrawn on February 23, 2021 to be paid to him. However, Mr. Ihenacho took a trip outside of the United States and will receive his reimbursement upon his return. These funds are now sitting in the Corporation’s checking account.

Additionally, the Corporation co-hosted an “Electric Vehicle Drive-In & Green Expo” event on September 11, 2021 to educate residents on EVs and similar green technologies. The Corporation utilized its 501(c)3 status to accept donations from community organizations to fund the costs of the event. After accounting for the costs of the event, there were remaining funds that the donating organizations requested be used for the following year’s event. These funds are have been retained in the organizations checking account throughout 2022. In 2023, the organization plans to issue these funds to another nonprofit organization (Drive Electric Dayton) so the funds can be used for that programming. Permission from the primary donor (Sisters of the Precious Blood) has been given and will be on file.

**Green Expo Event Overview**

Donations:		Expenses:	
A-Abel Electric	\$300	Insurance	\$100
Sisters of the precious blood	6,000	Rumpke/Bathrooms	450
U1 Credit Union	250	Miscellaneous	<u>1,972</u>
Solar Power & Light	1,000		<u>\$2,522</u>
Electrify America	<u>2,000</u>		
	<u>\$9,550</u>		
Difference/Remaining	\$7,028		

On December 15 2022, the Corporation issued a payment of \$1,073.93 to Mr. Rap Hankins. Mr. Hankins was the organizer of the original “Electric Vehicle Drive-In & Green Expo” event on September 11, 2021. Since there were funds remaining, her requested permission from the primary donor, Sisters of the Precious Blood, to use these funds to acquire equipment in line with the mission of the event and designation of the funds. A letter was provided by the Sisters of the Precious Blood to verify this approval.

With this payment of \$1,073.93 and the \$1,500.00 still being held to reimburse Mr. Ihenacho, the Corporation had a total of \$7,454.07 of restricted funds in the checking account as of December 31, 2022.

**Operating Revenues and Expenses**

Operating revenues are those that are generated directly from the primarily activity of the Corporation. For the Corporation, these revenues are rental properties, refunds of taxes and penalties, City of Trotwood contributions and other miscellaneous revenue. Operating expenses are necessary cost incurred to provide the service that is the primary activity of the Corporation. All revenues and expenses not meeting this definition are reported as non-operating.

**Recognition of Donations and Contributions**

The Corporation reports gifts of cash and other assets at their estimated fair market value as of the date of contribution.

**Estimates**

Management uses estimates and assumptions in preparing the financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Net Position**

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Corporation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Corporation applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. None of the Corporation's net position was restricted by enabling legislation.

**Note 3 – Deposits**

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The Corporation maintains its cash account in one Federal Credit Union in Ohio. Custodial credit risk is the risk that in the event of a bank failure, the Corporation's deposits may not be returned to it. The Corporation's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2022, \$20,500 of the Corporation's bank balance of \$279,546 was exposed to custodial risk because it was not insured by the Federal Deposit Insurance Corporation.

At December 31, 2022, The Corporation had no investments.

**Note 4 – Real Estate Held for Resale**

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Real Estate Held for Resale activity as of December 31, 2022 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Real Estate Held for Resale	\$2,217,809	\$3,093,014	\$156,945	\$5,153,878

The Corporation has real estate held for resale with the intent to sell these properties in the near future. The total amount of real estate held for resale as of year-end was \$5,153,878.

**Note 5 – Loans Payable**

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Originally, the Corporation entered into a line of credit (loan payable) agreement with County Corp in 2017 to finance acquisition, clean-out and security expenses for residential properties the Corporation acquires. The "line of credit" was approved for a total amount up to \$160,000 and the collateral on each individual property is paid back as each property is sold and returned to the revolving loan for continued use. As of July 2, 2019 the Corporation and County Corp entered into an agreement to amend the "Housing Program Revolving Loan." This amendment extended the term an additional two years, until July of 2021. Additionally, the amount available to the Corporation through the loan extended from \$160,000 to \$200,000. The interest rate increased from 4.00% per annum to 4.75% per annum. The Corporation will pay 4% interest each year on the loan balance they owe. The Corporation and CountyCorp executed a 1-year extension agreement for the terms outlined in the July 2, 2019 agreement. The extended term ends on June 30, 2022.

	Beginning Balance	Addition	Deletion	Ending Balance
Loans Payable:				
County Corp	\$182,150	\$0	\$182,150	\$0

The loan balance was paid in full on December 1, 2022, after the Corporation received the final payoff documents from the lender.

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

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**Note 6 – Leases**

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During 2021, the Corporation entered into a monthly lease with Alliance Torque Converter for rental empty space in the “former Sears building” located at 5200 Salem Ave., Trotwood, Ohio. The Corporation received \$600 a month in rental income. This lease started on January 1, 2021 and ended on June 30, 2021, however the contract allows for 3 month extensions which were implemented for an addition 6 month, until December 31, 2021. The tenant and the Corporation executed an addendum to the contract to provide additional extensions of 3 month periods into 2022.

In 2022, Alliance Torque Converter made two additional lease payments for a total \$1,200. The lease ended in February 2022, due to serious health issues of the owner related to COVID-19. The Corporations accepted the end of the lease in February 2022 without penalty.

**Note 7 – Implementation of New Accounting Principles**

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For fiscal year 2022, the Corporation implemented GASB Statement No. 87, Leases and related guidance from (GASB) Implementation Guide No. 2019-3.

GASB Statement No. 87 sets out to improve the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The implementation of GASB Statement No. 87 did not have an effect on the financial statements of the Corporation.

**Note 8 – COVID-19**

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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 may 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.

**Note 9 – Subsequent Event**

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On January 24, 2023, the Corporation reimbursed Mr. James C. Powers \$1,500 for his deposit as the property was no longer eligible for tax foreclosure.

**Trotwood Community Improvement Corporation**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2021**  
(Unaudited)

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This discussion and analysis, along with the accompanying financial report, of the Trotwood Community Improvement Corporation (the "Corporation") is designed to provide our creditors and other interested parties with a general overview of the Corporation and its financial activities.

**Financial Highlights**

The total net position of the Corporation on December 31, 2021 was \$2,066,765. The Corporation's net position on December 31, 2020 was \$1,866,452.

The Corporation had a loans payable of \$182,120 on December 31, 2021.

The Corporation had Real Estate Held for Resale \$2,217,809 on December 31, 2021.

**Overview of Basic Financial Statements**

The Corporation is a single enterprise fund using proprietary fund accounting, similar to private sector business. The Basic Financial Statements are presented using the accrual basis of accounting.

The Statement of Net Position includes all of the Corporation's Assets and Liabilities. This statement provides information about the nature and amounts of investments in resources (assets) owned by the Corporation, and obligations owed by the Corporation (liabilities). The Corporation's net position (equity) is the difference between assets and liabilities.

The Statement of Revenues, Expenses and Changes in Net Position provides information on the Corporation's operations over the past year. Revenues are reported when earned and expenses are reported when incurred.

The Statements of Cash Flows provides information about the Corporation's cash receipts and cash disbursements. It summarizes the net changes in cash resulting from operating, investing and financing activities.

**Net Position**

Table 1 summarizes the Net Position of the Corporation.

	2021	2020
Assets:		
Cash and Cash Equivalents	\$17,748	\$162,148
Restricted Cash	11,528	0
Receivables:		
Notes	0	2,703
Lease	1,800	0
Real Estate Held for Resale	2,217,809	1,891,266
<b>Total Assets</b>	<b>2,248,885</b>	<b>2,056,117</b>
Liabilities:		
Loans Payable	182,120	189,665
<b>Total Liabilities</b>	<b>182,120</b>	<b>189,665</b>
Net Position:		
Unrestricted	2,066,765	1,866,452
<b>Total Net Position</b>	<b>\$2,066,765</b>	<b>\$1,866,452</b>

From 2020 to 2021, loans payable decreased by \$7,545.

**Trotwood Community Improvement Corporation**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2021**  
(Unaudited)

**Statement of Revenues, Expenses, and Changes in Net Position**

Table 2 below summarizes the changes in revenues and expenses and the resulting change in net position.

	<u>2021</u>	<u>2020</u>
Operating Revenues:		
Contributions	\$105,550	\$0
Rent	9,676	7,000
Refund of Premiums	15	657
Miscellaneous	0	11,810
Total Operating Revenues	<u>115,241</u>	<u>19,467</u>
Operating Expenses:		
Real Estate Expenses	146,068	299,870
Professional and Consulting Fees	94,595	66,691
Bank Fees	0	686
Insurance	6,002	5,525
Marketing	3,089	0
Training Fees	1,325	0
Materials and Supplies	726	892
Membership Dues	0	465
Miscellaneous	1,899	0
Total Operating Expenses	<u>253,704</u>	<u>374,129</u>
Operating (Loss)	(138,463)	(354,662)
Non-Operating (Expenses):		
Interest Income	530	325
Interest (Expense)	(6,246)	(5,123)
Fair Market Value Adjustment for Purchase of Real Estate	61,574	(296,559)
Gain (Loss) on Sale of Property	(19,151)	239,520
Total Non-Operating (Expenses)	<u>36,707</u>	<u>(61,837)</u>
Income (Loss) before Capital Contributions	(101,756)	(416,499)
Capital Contributions	<u>302,069</u>	<u>7,837</u>
Changes in Net Position	200,313	(408,662)
Net Position - Beginning of Year	<u>1,866,452</u>	<u>2,275,114</u>
Net Position - End of Year	<u><u>\$2,066,765</u></u>	<u><u>\$1,866,452</u></u>

Net Position increased from 2020 to 2021 mainly due to an increase in capital contributions mainly due to donations of properties to the Corporation during the year.

**Real Estate Held for Resale**

Table 3 summarizes the Capital Assets and Real Estate Held for Resale of the Corporation.

	<u>2021</u>	<u>2020</u>
Real Estate Held for Resale	\$2,217,809	\$1,891,266

Real Estate Held for Resale had an increase of \$326,543 from 2020 to 2021. For additional information regarding Real Estate Held for Resale, see note 4 of the notes to the basic financial statements.

**Trotwood Community Improvement Corporation**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2021**  
**(Unaudited)**

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**Debt-Line of Credit**

The Corporation had \$182,120 of loans payable at year end. For additional information regarding the loans payable, see note 5 of the notes to the financial statements.

**Contact Information**

Questions regarding this report and requests for additional information should be forwarded to Trotwood Community Improvement Corporation, 3035 Olive Road, Trotwood, Ohio 45426.

Trotwood Community Improvement Corporation  
Statement of Net Position  
December 31, 2021

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Current Assets:	
Cash and Cash Equivalents	\$17,748
Restricted Cash	11,528
Receivables:	
Lease	<u>1,800</u>
Total Current Assets	<u>31,076</u>
Non-Current Assets:	
Real Estate Held for Resale	<u>2,217,809</u>
Total Non-Current Assets	<u>2,217,809</u>
Total Assets	<u>2,248,885</u>
Liabilities:	
Loans Payable	<u>182,120</u>
Total Liabilities	<u>182,120</u>
Net Position:	
Unrestricted	<u>2,066,765</u>
Total Net Position	<u><u>\$2,066,765</u></u>

See accompanying notes to the financial statements.



Trotwood Community Improvement Corporation  
Statement of Revenues, Expenses and Changes in Net Position  
As of December 31, 2021

Operating Revenues:	
Contributions	\$105,550
Rent	9,676
Refund of Premiums	15
Total Operating Revenues	<u>115,241</u>
Operating Expenses:	
Real Estate Expenses	146,068
Professional and Consulting Fees	94,595
Insurance	6,002
Marketing	3,089
Training Fees	1,325
Materials and Supplies	726
Miscellaneous	1,899
Total Operating Expenses	<u>253,704</u>
Operating Income (Loss)	<u>(138,463)</u>
Non-Operating Revenues (Expenses):	
Interest Income	530
Interest (Expense)	(6,246)
Fair Market Value Adjustment for Purchase of Real Estate	61,574
Gain (Loss) on Sale of Property	(19,151)
Total Non-Operating Revenues (Expenses)	<u>36,707</u>
Income (Loss) Before Capital Contributions	(101,756)
Capital Contributions	<u>302,069</u>
Change in Net Position	200,313
Net Position - Beginning of Year	<u>1,866,452</u>
Net Position - End of Year	<u><u>\$2,066,765</u></u>

See accompanying notes to the financial statements.

Trotwood Community Improvement Corporation  
Statement of Cash Flows  
As of December 31, 2021

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Cash Flows from Operating Activities:	
Cash Received from Contributions	\$105,550
Cash Received from Rent	10,579
Cash Received from Refund of Premiums	15
Cash Payments for Real Estate Expenses	(146,068)
Cash Payments for Professional and Consulting Fees	(94,595)
Cash Payments for Marketing	(3,089)
Cash Payments for Training Fees	(1,325)
Cash Payments for Insurance	(6,002)
Cash Payments for Materials and Supplies	(726)
Cash Payments for Miscellaneous Expenses	(1,899)
Net Cash (Used) by Operating Activities	<u>(137,560)</u>
Cash Flows from Non-Capital and Related Financing Activities:	
Interest Payments	(6,246)
Principal Payments	(7,545)
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	<u>(13,791)</u>
Cash Flows from Investing Activities:	
Earnings on Investments	530
Loss on Sale of Property	(19,151)
Proceeds from the Sale of Property	37,100
Net Cash Provided Provided fom Investing Activities	<u>18,479</u>
Net Increase in Cash and Cash Equivalents	(132,872)
Cash and Cash Equivalents - Beginning of Year	<u>162,148</u>
Cash and Cash Equivalents - End of Year	<u><u>29,276</u></u>
Reconciliation of Operating (Loss) to Net Cash (Used) by Operating Activities	
Operating (Loss)	(138,463)
Changes in Assets and Liabilities:	
Increase (Decrease) in Receivables	903
Net Cash Provided (Used) by Operating Activities	<u><u>(\$137,560)</u></u>
<u>Schedule of Noncash Capital Activities:</u>	
During the fiscal year, these amounts were received representing noncash contributions of:	
Real Estate Held for Resale	<u><u>\$302,069</u></u>

See accompanying notes to the financial statements.

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**Note 1 – Nature of Organization and Reporting Entity**

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The Trotwood Community Improvement Corporation, Montgomery County (the “Corporation”), a 501(c)3 nonprofit formed under Ohio Revised Code 1724, was formed for the purpose of advancing, encouraging, and promoting the industrial, economic, housing, commercial and civic development with the City of Trotwood. The relationship between the City of Trotwood and the Corporation is to promote development in the City. The financial statements of the Corporation are not material to the financial statements of the City of Trotwood.

The Corporation’s management believes the financial statements present all activities for which the Corporation is financially accountable.

**Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the Corporation are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Corporation. For Trotwood Community Improvement Corporation, there are no other boards and agencies other than the Corporation. 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 to 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 for which the Corporation approves the budget, the issuance of debt or levying of taxes. The Corporation has no component units.

**Note 2 – Summary of Significant Accounting Policies**

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A summary of the significant accounting policies consistently applied in preparation of the accompanying financial statements is as follows:

**Basis of Presentation**

The financial statements of the Corporation have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to special-purpose governments.

The Corporation reports a single enterprise fund using proprietary fund accounting, similar to private sector business. The Basic Financial Statements are presented using the accrual basis of accounting, which recognizes revenues when earned and expenses when incurred.

**Measurement Focus and Basis of Accounting**

The Corporation’s operations are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation are included on the statement of net position. The operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net position. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. The Corporation uses the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred.

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**Tax Exempt Status**

The Corporation is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

**Real Estate Held for Resale**

The Corporation, acting as a County Land Reutilization/Community Improvement Corporation utilizes the Tax Foreclosure process through the State of Ohio to acquire delinquent abandoned residential and commercial real estate. At the point of acquisition, the Corporation stabilizes these structures and prepares them for resale and redevelopment.

The Corporation, as the City's "land reutilization corporation," receives surplus property from the City of Trotwood to position for development or redevelopment. These properties include residential lots/parcels, commercial land, or industrial land. In some instances, the City will transfer surplus, underutilized properties/structures for development.

Real estate held for resale is measured at current fair market value, which approximates the Corporation's current asking price for the property. Real estate held for resale that is a gift is recorded at estimated fair market value at the date of gift, if donated.

**Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalents include all highly liquid investments with initial maturities of three months or less. The Corporation only had an interest bearing checking account and a savings account for December 31, 2021.

**Restricted Cash**

The Corporation, on occasion, will receive deposits from applicants to tax foreclose on eligible, vacant properties or lots to acquire them and transfer these properties to the applicant. The applicant will then take ownership and redevelop or maintain the property to the benefit of the community. The Corporation places these deposits (typically \$1,500 per property) in the Corporation's savings account until the funds are needed to complete the foreclosure process by paying the associated fees to the Montgomery County Clerk of Courts.

As of December 31, 2021, the Corporation had \$3,035 in its savings account, of which, \$3,000 of these funds are restricted for depositors and the remaining \$35 is earned interest (which is not considered restricted cash). Of this earned interest, \$8 was earned in 2020 and \$27 was earned in 2021. The funds are restricted to paying fees related to the properties the depositors requested through the application process. The \$3,000 is made up of \$1,500 for Mr. James C. Powers (deposit made December 13, 2019) for 8910 Old Dayton Road. The remaining \$1,500 is for Ms. Cheryl McNeil (deposit made February 29, 2020) for the vacant lot adjacent to her residence.

The Corporation conducted two transactions in 2021 related to restricted deposits into the savings account, both of which are reimbursements/returns of the deposits due to the properties being identified as ineligible for the tax foreclosure program after the title search. The \$1,500 deposit for Mr. Shinda Sitawi, made on October 11, 2019, was withdrawn from the savings account on July 20, 2021 and paid back to the depositor on July 27, 2021 (via check # 1933). Similarly, Mr. Charles Ihenacho's deposit made on February 29, 2020, was withdrawn on February 23, 2021 to be paid to him. However, Mr. Ihenacho took a trip outside of the United States and will receive his reimbursement upon his return. These funds are now sitting in the Corporation's checking account.

Additionally, the Corporation co-hosted an "Electric Vehicle Drive-In & Green Expo" event on September 11, 2021 to educate residents on EVs and similar green technologies. The Corporation utilized its 501(c)3 status to accept

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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donations from community organizations to fund the costs of the event. After accounting for the costs of the event, there were remaining funds that the donating organizations requested be used for the following year’s event. These funds are scheduled to be transferred and held in the Corporation’s savings account in 2022.

**Green Expo Event Overview**

Donations:		Expenses:	
A-Abel Electric	\$300	Insurance	\$100
Sisters of the precious blood	6,000	Rumpke/Bathrooms	450
U1 Credit Union	250	Miscellaneous	1,972
Solar Power & Light	1,000		\$2,522
Electrify America	2,000		
	\$9,550		

Difference/Remaining \$7,028

**Operating Revenues and Expenses**

Operating revenues are those that are generated directly from the primarily activity of the Corporation. For the Corporation, these revenues are rental properties, refunds of taxes and penalties, City of Trotwood contributions and other miscellaneous revenue. Operating expenses are necessary cost incurred to provide the service that is the primary activity of the Corporation. All revenues and expenses not meeting this definition are reported as non-operating.

**Recognition of Donations and Contributions**

The Corporation reports gifts of cash and other assets at their estimated fair market value as of the date of contribution.

**Estimates**

Management uses estimates and assumptions in preparing the financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

**Net Position**

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Corporation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Corporation applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. None of the Corporation’s net position was restricted by enabling legislation.

**Note 3 – Deposits**

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The Corporation maintains its cash account in one Federal Credit Union in Ohio. Custodial credit risk is the risk that in the event of a bank failure, the Corporation’s deposits may not be returned to it. The Corporation’s policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2021, none of the Corporation’s bank balance of \$29,276 was exposed to custodial risk because it was insured by the Federal Deposit Insurance Corporation.

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**Note 4 – Real Estate Held for Resale**

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Real Estate Held for Resale activity as of December 31, 2021 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Real Estate Held for Resale	\$1,891,266	\$367,677	\$41,134	\$2,217,809

The Corporation owns real estate held for resale with the intent to sell these properties in the near future. The total amount of real estate held for resale as of year-end was \$2,217,809.

**Note 5 – Loans Payable**

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Originally, the Corporation entered into a line of credit (loan payable) agreement with County Corp in 2017 to finance acquisition, clean-out and security expenses for residential properties the Corporation acquires. The “line of credit” was approved for a total amount up to \$160,000 and the collateral on each individual property is paid back as each property is sold and returned to the revolving loan for continued use. As of July 2, 2019 the Corporation and County Corp entered into an agreement to amend the "Housing Program Revolving Loan." This amendment extended the term an additional two years, until July of 2021. Additionally, the amount available to the Corporation through the loan extended from \$160,000 to \$200,000. The interest rate increased from 4.00% per annum to 4.75% per annum. The Corporation will pay 4% interest each year on the loan balance they owe. The Corporation and CountyCorp executed a 1-year extension agreement for the terms outlined in the July 2, 2019 agreement. The extended term ends on June 30, 2022.

As of year-end the loans payable amount was \$182,120.

	Beginning Balance	Addition	Deletion	Ending Balance
Loans Payable:				
County Corp	\$189,665	\$0	\$7,545	\$182,120

**Note 6 – Notes Receivable**

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Notes receivable consists of the following as of December 31, 2021:

A mortgage note receivable of \$8,109 from William and Dianne Maunsell with interest rate of 2.5% per annum; payable in twelve monthly installments of \$675.73 through April 2021. This note shall be secured by a mortgage granting to Lender a security interest in the premises. This mortgage note was paid off in April 2021 and the mortgage note release was recorded in August 2021.

**Note 7 – Leases**

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During 2021, the Corporation entered into a monthly lease with Alliance Torque Converter for rental empty space in the “former Sears building” located at 5200 Salem Ave., Trotwood, Ohio. The Corporation received \$600 a month in rental income. This lease started on January 1, 2021 and ended on June 30, 2021, however the contract allows for 3 month extensions which were implemented for an addition 6 month, until December 31, 2021. The tenant and the Corporation executed an addendum to the contract to provide additional extensions of 3 month periods into 2022. As of year-end the lease receivable was \$1,800.

**Trotwood Community Improvement Corporation**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2021**

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**Note 8 – COVID-19**

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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.

During 2021, the Corporation did not receive any Coronavirus Relief funds.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Trotwood Community Improvement Corporation  
Montgomery County  
3035 Olive Road  
Trotwood, Ohio 45426

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Trotwood Community Improvement Corporation, Montgomery County, Ohio (the Corporation) as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Corporation's financial statements and have issued our report thereon dated June 29, 2023.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation's financial statements will not be prevented, or detected and corrected, on a timely basis. *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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.




***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



*Charles E. Harris & Associates, Inc.*  
June 29, 2023

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# OHIO AUDITOR OF STATE KEITH FABER



**TROTWOOD COMMUNITY IMPROVEMENT CORPORATION**

**MONTGOMERY 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 9/26/2023**

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](http://www.ohioauditor.gov)