

***Community Improvement Corporation of Harrison
County, Ohio***

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023





65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Board of Trustees
Community Improvement Corporation of Harrison County
538 N. Main Street Ste. A
Cadiz, Ohio 43907

We have reviewed the *Independent Auditor's Report* of the Community Improvement Corporation of Harrison County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2023 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

October 01, 2025

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**COMMUNITY IMPROVEMENT CORPORATION OF
HARRISON COUNTY, OHIO**

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Charles E. Harris & Associates, Inc.

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Community Improvement Corporation of Harrison County
Harrison County
538 N. Main Street Ste. A
Cadiz, Ohio 43907

To the Board of Trustees:

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the financial statements of the cash balances, receipts and disbursements of the Community Improvement Corporation of Harrison County, Harrison County, Ohio (the CIC), as of and for the years ended December 31, 2024 and 2023, and related notes to the financial statements.

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on the Financial Statements as a Whole* section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the CIC, as of December 31, 2024 and 2023, or the changes in financial position, or its cash flows, thereof for the years then ended.

Basis for Adverse Opinion on Financial Statements as a Whole

As described in Note 2 of the financial statements, the financial statements are prepared by the CIC on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. However, Ohio Administrative Code Section 117-2-03(B) requires these statements to follow accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumably material and pervasive.

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 CIC, 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 adverse 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 the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit; 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 CIC'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 the financial audit standards in the Comptroller General of the United States' *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.

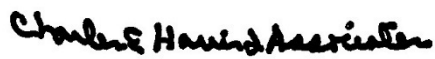
In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- 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 CIC'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 CIC'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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2025, on our consideration of the CIC'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 CIC'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 CIC's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
June 20, 2025

Community Improvement Corporation of Harrison County

Harrison County

*Statement of Receipts, Disbursements and
Changes in Fund Balance (Regulatory Cash Basis)*

General Fund

For the Year Ended December 31, 2024

	<u>General</u>
Cash Receipts	
Intergovernmental	\$ 290,000
Lease Revenue	9,687
Miscellaneous	<u>7,976</u>
<i>Total Cash Receipts</i>	307,663
Cash Disbursements	
Current Disbursements:	
Advertising	22
Audit Costs	5,030
Capital Outlay - Property Acquisition	132,111
Contract Labor	55,140
Payroll and Benefits	52,778
Legal Costs	11,810
Maintenance/Repairs	14,158
Miscellaneous	17,084
Office Supplies/Expenses	2,265
Memberships	2,263
Insurance	11,092
Travel and Training	<u>4,932</u>
<i>Total Cash Disbursements</i>	<u>308,685</u>
<i>Excess Receipts Over (Under) Disbursements</i>	(1,022)
Other Financing Receipts (Disbursements)	
Sale of Capital Assets - Land	<u>11,821</u>
<i>Total Other Financing Receipts (Disbursements)</i>	<u>11,821</u>
<i>Net Change in Fund Cash Balance</i>	10,799
<i>Fund Cash Balances, January 1</i>	<u>43,853</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 54,652</u></u>

The notes to the financial statements are an integral part of this statement.

Community Improvement Corporation of Harrison County

Harrison County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 1 - Reporting Entity

The Community Improvement Corporation of Harrison County (the CIC), Harrison County, is a not-for-profit corporation incorporated in 1966 under authority of Ohio Revised Code Section 1724. The CIC is directed by a 20-member Board of Trustees, comprised of business, professional, government and community leaders. The CIC was formed to advance, encourage and promote industrial, economic, commercial and civic development in Harrison County.

The CIC's management believes these financial statements present all activities for which the CIC is financially accountable.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The CIC's financial statements consist of a statement of receipts, disbursements and changes in fund balance (cash basis) for the General Fund.

Fund Accounting

The CIC uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The fund of the CIC is presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the CIC for any purpose provided it is expended or transferred according to the general laws of Ohio.

Basis of Accounting

Ohio Revised Code Section 1724.05 requires the CIC to file its annual financial report pursuant to accounting principles generally accepted in the United States of America, however the CIC chooses to prepare its financial statements on a cash basis of accounting. This basis of accounting is a comprehensive basis of accounting other than generally accepted accounting principles. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Management believes that these statements include adequate disclosure of material matters.

Capital Assets

The CIC records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

CIC employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Community Improvement Corporation of Harrison County

Harrison County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 2 - Summary of Significant Accounting Policies (continued)

Tax Status

The CIC is exempt from federal income taxes under Internal Revenue Code 501(c)(4) and therefore has made no provision for federal income taxes in the accompanying financial statements. By virtue of Ohio Law, the CIC is not subject to Ohio income taxes.

Note 3 – Deposits and Investments

The CIC maintains a deposit account. The carrying amount of deposits at December 31 was as follows:

	2024
Demand deposits	\$ 54,652

The CIC does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2024, the CIC has \$200 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Note 4 - Risk Management

Commercial Insurance

The CIC has obtained commercial insurance for the following risks:

- Comprehensive property and general liability; and
- Wrongful acts and dishonesty bond.

Note 5 – Contractual Services

The Harrison County Commissioners contract with the CIC to administer the following services:

1. Assist Regional Planning to update the annual plan every five years for the industrial, commercial, distribution and research development of Harrison County.
2. Discuss and provide information to the Harrison County Commissioners about potential and current projects, provided there are no legal restrictions and or Non-Disclosure Agreements.

Community Improvement Corporation of Harrison County

Harrison County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 5 – Contractual Services (continued)

3. Conduct business retention and expansion visits with existing Harrison County businesses to identify business needs. Take all actions available and necessary to assist County businesses.
4. Respond to site selection requests from businesses, individuals, and other entities either located in Harrison County or considering a location or relocation in Harrison County.
5. Manage, as the agent of the County, economic development opportunities and projects that develop within Harrison County.
6. Respond to and otherwise manage other specific and general inquiries from individuals or organizations concerning economic development opportunities in the County.
7. The Director or Board will provide the Harrison County Commissioners, at a public commissioner's meeting, formal updates of the activities of the CIC on a quarterly basis. In addition to the above reporting requirements, the Executive Director, or members of the CIC Board of Directors, shall initiate and maintain communications with the County Commissioner designated by the County's Board of Commissioners to serve as its voting representative to the CIC.

Note 6 – Rent

During 2017, the CIC entered into an agreement with the Harrison County Commissioners to lease its present office space for free.

Note 7 – Contingent Liabilities

The CIC may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the CIC's financial condition.

Amounts grantor agencies pay to the CIC are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 8 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

All CIC employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the CIC contributed an amount equaling 14% of participants' gross salaries for 2024. The CIC has paid all contributions required through December 31, 2024.

Community Improvement Corporation of Harrison County

Harrison County

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 9 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0% for members in the traditional pension plan and 2% for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4%; however, a portion of the health care rate was funded with reserves.

Community Improvement Corporation of Harrison County
Harrison County
Statement of Receipts, Disbursements and
Changes In Fund Balance (Regulatory Cash Basis)
General Fund
For the Year Ended December 31, 2023

	<u>General</u>
Cash Receipts	
Intergovernmental	\$ 59,842
Lease Revenue	23,310
Miscellaneous	<u>8,047</u>
<i>Total Cash Receipts</i>	91,199
Cash Disbursements	
Current Disbursements:	
Advertising	20
Audit Costs	7,500
Contract Labor	59,920
Payroll and Benefits	54,549
Legal Costs	9,650
Maintenance/Repairs	2,151
Miscellaneous	2,434
Office Supplies/Expenses	1,743
Memberships	2,605
Insurance	19,279
Travel and Training	<u>3,149</u>
<i>Total Cash Disbursements</i>	<u>163,000</u>
<i>Net Change in Fund Cash Balance</i>	(71,801)
<i>Fund Cash Balances, January 1</i>	<u>115,654</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 43,853</u></u>

The notes to the financial statements are an integral part of this statement.

Community Improvement Corporation of Harrison County

Harrison County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 1 - Reporting Entity

The Community Improvement Corporation of Harrison County (the CIC), Harrison County, is a not-for-profit corporation incorporated in 1966 under authority of Ohio Revised Code Section 1724. The CIC is directed by a 20-member Board of Trustees, comprised of business, professional, government and community leaders. The CIC was formed to advance, encourage and promote industrial, economic, commercial and civic development in Harrison County.

The CIC's management believes these financial statements present all activities for which the CIC is financially accountable.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The CIC's financial statements consist of a statement of receipts, disbursements and changes in fund balance (cash basis) for the General Fund.

Fund Accounting

The CIC uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The fund of the CIC is presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the CIC for any purpose provided it is expended or transferred according to the general laws of Ohio.

Basis of Accounting

Ohio Revised Code Section 1724.05 requires the CIC to file its annual financial report pursuant to accounting principles generally accepted in the United States of America, however the CIC chooses to prepare its financial statements on a cash basis of accounting. This basis of accounting is a comprehensive basis of accounting other than generally accepted accounting principles. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Management believes that these statements include adequate disclosure of material matters.

Capital Assets

The CIC records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

CIC employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Community Improvement Corporation of Harrison County

Harrison County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Tax Status

The CIC is exempt from federal income taxes under Internal Revenue Code 501(c)(4) and therefore has made no provision for federal income taxes in the accompanying financial statements. By virtue of Ohio Law, the CIC is not subject to Ohio income taxes.

Note 3 – Deposits and Investments

The CIC maintains a deposit account. The carrying amount of deposits at December 31 was as follows:

	2023
Demand deposits	\$ 43,853

The CIC does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the CIC does not have any unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Depository Insurance Corporation.

Note 4 - Risk Management

Commercial Insurance

The CIC has obtained commercial insurance for the following risks:

- Comprehensive property and general liability; and
- Wrongful acts and dishonesty bond.

Coverage limits were not decreased from last year and settled claims have not exceeded coverages for the past three years.

Note 5 – Contractual Services

The Harrison County Commissioners contract with the CIC to administer the following services:

1. Assist Regional Planning to update the annual plan every five years for the industrial, commercial, distribution, and research development of Harrison County.
2. Discuss and provide information to the Harrison County Commissioners about potential and current projects, provided there are no legal restrictions and or Non-Disclosure Agreements.
3. Conduct business retention and expansion visits with existing Harrison County businesses to identify business needs. Take all actions available and necessary to assist County businesses.
4. Respond to site selection requests from businesses, individuals, and other entities either located in Harrison County or considering a location or relocation in Harrison County.

Community Improvement Corporation of Harrison County

Harrison County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 5 – Contractual Services (continued)

5. Manage, as the agent of the County, economic development opportunities and projects that develop within Harrison County.
6. Respond to and otherwise manage other specific and general inquiries from individuals or organizations concerning economic development opportunities in the County.
7. The director or board will provide the Harrison County Commissioners, at a public commissioner's meeting, formal updates of the activities of the CIC on a quarterly basis. In addition to the above reporting requirements, the Executive Director, or members of the CIC Board of Directors, shall initiate and maintain communications with the County Commissioner designated by the County's Board of Commissioners to serve as its voting representative to the CIC.

Note 6 – Rent

During 2017, the CIC entered into an agreement with the Harrison County Commissioners to lease its present office space for free.

Note 7 – Contingent Liabilities

The CIC may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the CIC's financial condition.

Note 8 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

The CIC's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the CIC contributed an amount equaling 14% of participants' gross salaries for 2023. The CIC has paid all contributions required through December 31, 2023.

Community Improvement Corporation of Harrison County

Harrison County

Notes to the Financial Statements

For the Year Ended December 31, 2023

Note 9 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0% for members in the traditional pension plan and 2% for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4%; however, a portion of the health care rate was funded with reserves.

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

Community Improvement Corporation of Harrison County
Harrison County
538 N. Main Street Ste. A
Cadiz, Ohio 43907

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts and disbursements of the Community Improvement Corporation of Harrison County, Harrison County (the CIC) as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements and have issued our report thereon dated June 20, 2025, wherein we issued an adverse opinion on the CIC's financial statements because the CIC did not follow accounting principles generally accepted in the United States of America as required by Ohio Rev. Code Section 1724.05.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CIC's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CIC's internal control. Accordingly, we do not express an opinion on the effectiveness of the CIC'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 CIC'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CIC's financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that we must report under *Government Auditing Standards*, which is described in the accompanying Schedule of Findings as item 2024-001.

CIC's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the CIC's response to the finding identified in our audit and described in the accompanying Corrective Action Plan. The CIC's response was not subjected to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

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 CIC'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 CIC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris and Associates, Inc.
June 20, 2025

**COMMUNITY IMPROVEMENT CORPORATION
HARRISON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2024 AND 2023**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2024-001

Noncompliance

Ohio Rev. Code § 1724.05 provides, in part, that the CIC shall prepare an annual financial report according to generally accepted accounting principles (GAAP) and shall be filed with the Auditor of State within one hundred twenty days following the last day of the corporation's fiscal year.

The CIC filed financial statements with the Auditor of State, but those statements followed an accounting basis other than generally accepted accounting principles for the years ending December 31, 2024 and 2023. The accompanying financial statements and notes omit assets, liabilities, fund equities, and disclosures that, while material, cannot be determined at this time. The CIC is subject to fines and various other administrative remedies.

The Board of Trustees should review the standards and ensure preparation of its financial statements in accordance with US GAAP required by Ohio Rev. Code § 1724.05. Implementation of these procedures would help ensure accurate and timely financial statements in accordance with the above requirements are available to the CIC's community.

Official's Response:

See Corrective Action Plan.

**COMMUNITY IMPROVEMENT CORPORATION
HARRISON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS – PREPARED BY MANAGEMENT
FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023**

Finding Number	Finding Summary	Status	Additional Information
2022-001	ORC Section 1724.05 – Community Improvement Corporation must report in accordance with GAAP	Not corrected	See corrective action plan.

**COMMUNITY IMPROVEMENT CORPORATION
HARRISON COUNTY**

**CORRECTIVE ACTION PLAN
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2024-001	We understand that ORC 1724.05 states that Community Improvement Corporations should file annual financial reports pursuant to accounting principles generally accepted in the United States of America. The Harrison County Community Improvement Corporation, due to economics, chooses to prepare our financial statements on a cash basis of accounting. Until our financial situation changes, we will continue to prepare our financial statements on a cash basis of accounting.	N/A	Dale Arbaugh, President

OHIO AUDITOR OF STATE KEITH FABER



COMMUNITY IMPROVEMENT CORPORATION OF HARRISON COUNTY

HARRISON 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 10/14/2025

65 East State 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