CLARK COUNTY LAND REUTILIZATION CORPORATION
CLARK COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024

OHIO AUDITOR OF STATE
KEITH FABER

CLARK COUNTY LAND REUTILIZATION CORPORATION
CLARK COUNTY
DECEMBER 31, 2024

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OHIO AUDITOR OF STATE
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INDEPENDENT AUDITOR'S REPORT

Clark County Land Reutilization Corporation
Clark County
3130 East Main Street, Suite 1A
Springfield, Ohio 45505

To the Board of Directors:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Clark County Land Reutilization Corporation, Clark County, Ohio (the Corporation), a component unit of Clark County, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Clark County Land Reutilization Corporation, Clark County, Ohio as of December 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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 opinions.

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 opinions. 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 and analysis 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 May 5, 2025, 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.

Keith Faber
Auditor of State
Columbus, Ohio

May 5, 2025

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The management discussion and analysis of Clark County Land Reutilization Corporation's (the Corporation) financial performance provides an overall review of the financial activities for the year ended December 31, 2024. The Corporation began operations on April 23, 2014. The intent of this discussion and analysis is to look at the Corporation's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Corporation's financial performance.

Highlights

Key highlights for the year ended December 31, 2024 are as follows:

- The Corporation is focused on facilitating the transition of blighted, foreclosed and abandoned properties into viable, marketable properties by working collaboratively with public and private entities in a financially responsible and transparent manner with a long-term goal of returning these properties to the tax roll or other greater public purpose.
- The Corporation received $249,147 from Clark County under an arrangement to receive 2.5% of delinquent taxes collected and unclaimed funds. These funds are disbursed from the Delinquent Tax and Assessment Collection (DTAC) fund.
- The Corporation expended $19,677 of grant funds during 2024 from American Rescue Plan Act (ARPA) funds provided by Clark County for an Affordable Housing Project and from Local Assistance and Tribal Consistency Funds (LATCF) provided by Clark County for acquisition, assessment, remediation and demolition of blighted structures.

Overview of the Financial Statements

This annual report consists of financial statements and notes to the financial statements. These statements are organized so the reader can understand the Corporation's financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole Corporation and present a longer-term view of those assets. The Statement of Activities shows the change to net position of the Corporation. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

Reporting the Corporation's Financial Activities

Statement of Net Position and the Statement of Activities

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

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

The Statement of Net Position and the Statement of Activities are divided into the following categories:

- Assets
- Liabilities
- Net Position (Assets minus Liabilities)
- Program Expenses and Revenues
- General Revenues
- Net Position Beginning and End of Year

Reporting on the Corporation's Fund

Governmental Fund

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

The table below provides a summary of the Corporation's net position for 2024 and 2023:

TABLE 1
NET POSITION

	2024	2023
Assets:		
Current and Other Assets	$ 2,786,750	$ 2,589,746
Assets Held for Resale	1,281,649	1,228,378
Total Assets	4,068,399	3,818,124
Liabilities:		
Current and Other Liabilities	1,086,371	1,040,843
Total Liabilities	1,086,371	1,040,843
Net Position		
Unrestricted	2,982,028	2,777,281
Total Net Position	$ 2,982,028	$ 2,777,281

Cash collected by the Corporation is deposited into a checking account for operating purposes or into an insured cash sweep account. Cash balance at December 31, 2024 and 2023 was $2,779,440 and $2,557,416, respectively. Cash balance increased by $222,024 as of December 31, 2024 over previous year due in part to the receipt of a cash advance of $50,000 from Local Assistance and Tribal Consistency Funds (LATCF) for elimination of blighted structures during 2024.

Assets held for resale as of December 31, 2024 increased by $53,271 compared to 2023 primarily due to maintenance and improvements to properties held by the Corporation during 2024.

The increase in current liabilities of $45,528 was due to an increase in unearned revenue for the advance of LATCF blighted structures funding described above during 2024.

The table below shows the change in net position for the years ending December 31, 2024 and 2023:

TABLE 2
CHANGES IN NET POSITION

	2024	2023
Revenues		
Program Revenues:		
Charges for Services	$ 52,306	$ 497,663
Operating Grants	19,677	217,709
Total Program Revenues	71,983	715,372
General Revenues:		
Intergovernmental	249,147	288,074
Other	91,071	72,734
Total General Revenues	340,218	360,808
Total Revenues	412,201	1,076,180
Program Expenses		
Professional and Contract Services	128,811	142,356
Economic Development - Land Reutilization	43,090	247,176
Administration	35,549	17,646
Interest Expense	4	-
Total Expenses	207,454	407,178
Change in Net Position	204,747	669,002
Net Position Beginning of Year	2,777,281	2,108,279
Net Position End of Year	$ 2,982,028	$ 2,777,281

Governmental Activities

The Corporation's main revenue sources are property sales, an ODSA Demolition and Site Revitalization grant and 2.5% of delinquent taxes collected and distributed to the Corporation by the County Treasurer.

Revenues decreased by $663,979 primarily due to a decrease in the charges for services during 2024 as property sales activity decreased. Grant revenue also decreased due to completion of the Ohio Department of Development demolition grant project in the prior fiscal year.

The Corporation's expenses decreased by $199,724 during 2024 due to a decrease in the recognition of property costs, which is related to the decrease in property sales activity noted above.

The Corporation's General Fund

This fund is accounted for using the modified accrual basis of accounting. At December 31, 2024 the ending fund balance of the general fund was $2,982,028 which was an increase of $204,747 from the balance reported at the beginning of the year. Although grant revenue and charges for services decreased as described above, this was offset by decreased expenditures for economic development properties. As a result, total revenue for the Corporation was in excess of total expenses for the year, resulting in an increase in fund balance.

Capital Assets

As of December 31, 2024 and 2023, the Corporation did not have any capital assets.

Debt Obligations

As of December 31, 2024 and 2023, the Corporation did not have any debt obligations.

Current Financial Related Activities

The Corporation began operations on April 23, 2014. The Corporation is Clark County, Ohio's agent to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in Clark County. The purpose of the Corporation is to strengthen communities in Clark County by returning vacant and abandoned properties to productive use and by supporting strategic residential and commercial demolition activities. The principal operating revenues of the Corporation in the future will continue to be contributions from Clark County's Delinquent Tax and Assessment Collection fund.

Request for Information

This financial report is designed to provide users of the financial statements with a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Nancy Sowards, Fiscal Officer, Clark County Land Reutilization Corporation, 3130 East Main Street, Suite 1A, Springfield, Ohio 45505.

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CLARK COUNTY LAND REUTILIZATION CORPORATION
Component Unit of Clark County
Statement of Net Position
December 31, 2024

	Governmental Activities
Assets:	
Cash	$ 2,779,440
Prepaid Items	7,310
Assets Held for Resale	1,281,649
Total Assets	4,068,399
Liabilities:	
Accounts Payable	4,964
Unearned Revenue	1,081,407
Total Liabilities	1,086,371
Net Position:	
Unrestricted	2,982,028
Total Net Position	$ 2,982,028

See accompanying notes to the basic financial statements

CLARK COUNTY LAND REUTILIZATION CORPORATION
Component Unit of Clark County
Statement of Activities
For the Year Ended December 31, 2024

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position
Governmental Activities:				
Professional and Contract Services	$ 128,811	$ -	$ -	$ (128,811)
Economic Development - Land Reutilization	43,090	52,306	19,677	28,893
Administration	35,549	-	-	(35,549)
Interest Expense	4	-	-	(4)
Total	$ 207,454	$ 52,306	$ 19,677	(135,471)
General Revenues:				
Intergovernmental				249,147
Other				91,071
Total General Revenues				340,218
Change in Net Position				204,747
Net Position at the Beginning of Year				2,777,281
Net Position at the End of Year				$ 2,982,028

See accompanying notes to the basic financial statements

CLARK COUNTY LAND REUTILIZATION CORPORATION
Component Unit of Clark County
Balance Sheet
General Fund
December 31, 2024

Assets:		
Cash	$	2,779,440
Prepaid Items		7,310
Total current assets		2,786,750
Non-current assets:		
Assets Held for Resale		1,281,649
Total non-current assets		1,281,649
Total Assets	$	4,068,399
Liabilities:		
Accounts Payable	$	4,964
Unearned Revenue		1,081,407
Total Liabilities		1,086,371
Fund Balance:		
Nonspendable		1,288,959
Unassigned		1,693,069
Total Fund Balance		2,982,028
Total Liabilities and Fund Balance	$	4,068,399

See accompanying notes to the basic financial statements

CLARK COUNTY LAND REUTILIZATION CORPORATION
Component Unit of Clark County
Statement of Revenues, Expenditures and Change in Fund Balance
General Fund
For the Year Ended December 31, 2024

Revenues:		
Intergovernmental	$	249,147
Operating Grants		19,677
Property Sales		52,306
Other		91,071
Total Revenues		412,201
Expenditures:		
Professional and Contract Services		128,811
Economic Development - Land Reutilization		43,090
Administration		35,549
Debt Service		4
Total Expenditures		207,454
Net Change in Fund Balance		204,747
Fund Balance Beginning of Year		2,777,281
Fund Balance End of Year	$	2,982,028

See accompanying notes to the basic financial statements

1. DESCRIPTION OF THE REPORTING ENTITY

The Clark County Land Reutilization Corporation (the Corporation) is a body corporate and politic authorized by the Board of County Commissioners of Clark County on April 23, 2014 and incorporated on May 13, 2014 under Chapter 1724 of the Ohio Revised Code.

The Corporation's governing body is a five-member Board of Directors, consisting of the County Treasurer, two County Commissioners, one representative of the City of Springfield, and one member representing the townships with populations in excess of 10,000.

The Corporation has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code. The Corporation is classified as a component unit of Clark County for reporting purposes, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 as amended by GASB Statement No. 39 and GASB Statement No. 61.

The financial statements include all agencies, divisions, and operations for which the Corporation is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization's governing board and is able to impose its will on that organization. Financial accountability may also be deemed to exist if there is a potential for the organization to provide financial benefits to, or impose financial burdens on, the primary government/component unit. On this basis, no governmental organization other than the Corporation itself is included in the financial reporting entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

Fund financial statements are designed to present financial information of the Corporation at this more detailed level. The Corporation's general fund is its only governmental fund.

B. Fund Accounting

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

For financial statement presentation purposes, the Corporation's only fund is classified as a governmental fund.

Governmental Funds

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

General Fund: The general fund accounts for all financial resources that are received from the County Treasurer from penalties collected on delinquent property taxes and interest on those delinquencies. The general fund balance is available to the Corporation for any purpose provided it is expended or transferred according to the general laws of Ohio.

C. Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

The general fund is accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and change in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared; therefore a brief reconciliation is typically presented for the differences between the government-wide statements and the statements for the general fund. There was no reconciliation required in 2024.

D. Basis of Accounting

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

Revenues - Exchange and Non-Exchange Transactions

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

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

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

Deferred Outflows/Inflows of Resources

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

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

For the year ended December 31, 2024 the Corporation reported no amounts which are classified as deferred inflows or outflows of resources.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, if any, are not recognized in governmental funds.

E. Budgetary Process

The Corporation is not bound by the budgetary laws prescribed by the Ohio Revised Code for taxing governmental entities.

F. Federal Income Tax

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

G. Cash

All monies received by the Corporation are deposited into demand deposit accounts or insured cash sweep account. The Corporation had no investments during the year or at the end of the year.

H. Prepaid Items

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

I. Assets Held for Resale

Assets held for resale represent properties purchased by or donated to the Corporation. These properties are valued based upon the purchase price plus any costs of maintenance, rehabilitation, or demolition of structures on the properties. The Corporation holds the properties until they are either sold or transferred to a private purchaser, non-profit, or public end-user. Properties may be merged with adjacent parcels for development or green space projects, or the Corporation may sell other lots to the owners of adjacent parcels for a nominal cost. Once the properties are sold or titled back to the community, the Corporation recognizes the accumulated expenses on the operating statement.

J. Accrued Liabilities

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

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

K. Net Position

Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. No restricted net position was reported at year end.

L. Intergovernmental Revenue and Operating Grants

The Corporation receives operating income through Clark County. This money represents the penalties and interest on current unpaid and delinquent property taxes once these taxes are paid. Pursuant to ORC 321.263, these penalty and interest monies are collected by the County when taxes are paid and then are paid to the Corporation.

This operating income also includes the payment of unclaimed funds to the Corporation. Pursuant to ORC 5721.20, these unclaimed funds are residual moneys from the sale or foreclosure of land that remain to be disbursed to the owner of the property but which are unclaimed by the owner within sixty days. These unclaimed funds are held by the County Treasurer for three years and, if not claimed by the owner in that time, are forfeited to the Delinquent Tax and Assessment Collection (DTAC) fund.

In addition, the Corporation receives State and local grant funding.

M. Estimates

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

N. Fund Balance

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

Non-spendable Fund Balance – The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

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

Committed Fund Balance – The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Corporation’s Board of Directors.

Assigned Fund Balance – Assigned fund balance includes amounts that are constrained by the Corporation's intent to be used for specific purposes but are neither restricted nor committed.

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

The Corporation has not adopted a formal fund balance policy.

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

Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

O. Grants Receivable

This asset accounts for reimbursements to be received from the Ohio Department of Development for the Demolition and Site Revitalization Program.

P. Unearned Revenue

Under both the accrual and the modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for unearned revenue. Unearned revenue can be found in government-wide financial reporting as well as in the governmental financial statements. At December 31, 2024, the Corporation reported $1,081,407 in unearned revenue for grant advances for which eligible expenditures have not yet been incurred.

3. DEPOSITS

At December 31, 2024, the Corporation's entire bank balance of $2,779,440 was covered by Federal Deposit Insurance Corporation (FDIC). Custodial credit risk is the risk that in the event of bank failure the Corporation's deposits may not be returned to it. The Corporation has no policy for custodial credit risk beyond the requirements of State statute.

4. DEBT

The Corporation has an available line of credit with a local financial institution in the amount of $400,000, with a variable interest rate indexed to the prime rate as reported in the Wall Street Journal. No amount has been drawn on this line of credit as of December 31, 2024.

5. RISK MANAGEMENT

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2024, the Corporation contracted with Wallace & Turner Insurance for various types of insurance as follows:

Type	Coverage	Provider
General Aggregate	$2,000,000	Cincinnati Insurance
Products & Completed Op Aggregate	2,000,000	Cincinnati Insurance
Personal & Advertising Injury	1,000,000	Cincinnati Insurance
Each Occurrence	1,000,000	Cincinnati Insurance
Damage to Rented Premises	100,000	Cincinnati Insurance
Medical Expense (any one person)	5,000	Cincinnati Insurance
Automobile Liability	1,000,000	Cincinnati Insurance
Umbrella Liability	4,000,000	Cincinnati Insurance
Directors & Officers	2,000,000	Cincinnati Insurance

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

6. TRANSACTIONS WITH CLARK COUNTY

Pursuant to and in accordance with Section 321.261 (B) of the Ohio Revised Code, the Corporation has been authorized by the Clark County Board of Commissioners to receive 2.5% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Tax and Assessment Collection (DTAC) fund and will be available for appropriation by the Corporation to fund operations. For 2024, this amount totaled $249,147. This total includes $51,243 in revenue from unclaimed funds pursuant to ORC 5721.20.

Pursuant to a Contract for Services Agreement approved by the Board of Directors, the Corporation incurred $107,189 in personnel and related charges to the Clark County Community and Economic Development department for the year ended December 31, 2024.

7. CONTINGENCIES

The Corporation received financial assistance from the State and Clark County in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreement and is subject to audit by the grantor agency. Any disallowed claims resulting from such audits could become a liability. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Corporation.

OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Clark County Land Reutilization Corporation
Clark County
3130 East Main Street, Suite1A
Springfield, Ohio 45505

To the Board of Directors:

We have audited, in accordance with the 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 *(Government Auditing Standards)*, the financial statements of the governmental activities and the major fund of the Clark County Land Reutilization Corporation, Clark County, Ohio (the Corporation), a component unit of Clark County, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated May 5, 2025.

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 purpose of expressing our opinions 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.

Keith Faber
Auditor of State
Columbus, Ohio

May 5, 2025

OHIO AUDITOR OF STATE
KEITH FABER

CLARK COUNTY LAND REUTILIZATION CORPORATION

CLARK 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 5/29/2025

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