

# Montgomery County Land Reutilization Corporation

## Montgomery County, Ohio

### Annual Financial Report for 2012

The Montgomery County Land Reutilization Corporation (MCLRC) was incorporated On August 26, 2011. From the beginning, the MCLRC pledged to start small and evolve. During 2012, MCLRC continued the process of building the operational capacity to fulfill its mission as stated below:

The mission of the Montgomery County Land Bank is to facilitate the transition of blighted, foreclosed, and abandoned properties into viable, marketable properties by working collaboratively with public and private entities in a financially responsible, transparent manner with a long term goal of returning these properties to the tax roll.

The list below summarizes the highlight of activities the MCLRC experienced during 2012:

- January 2012- Montgomery County's operational changes completed and agencies were ready to work with MCLRC. Insurance policies were approved.
- February 2012- MCLRC entered into its first Memorandum of Understanding (MOU) with the City of Dayton. The board approved the first three property acquisitions requested by the City of Dayton.
- March 2012- The board approved the first acquisition of a property on the Auditor's forfeiture list.
- April 2012- The MCLRC established a banking account with US Bank, and acquired QuickBooks software to manage its financial records. Treasurer Carolyn Rice transferred \$100,000 from her office's Delinquent Tax and Assessment Collection (DTAC) fund to the MCLRC for its start-up funding. The three properties in Dayton approved for acquisition were adjudicated through the expedited foreclosure process and entered into a 45-day redemption period.
- May 2012- The City of Trotwood requested three properties be acquired by the MCLRC. Moving Ohio Forward (MOF) program for demolition was formally announced by Ohio Attorney General Mike DeWine. Montgomery County was allocated \$4.2m.
- June 2012- The board authorized Treasurer Rice, Chair and Interim Executive Director of the MCLRC, to act on behalf of the board to file an application for the MOF program and enter into sub-recipient agreements with municipal corporations and townships in the county. The MOU with the City of Trotwood was approved.
- July 2012- Montgomery County's MOF application was approved by Ohio Attorney General Mike DeWine. The application involved thirteen jurisdictions within Montgomery County with the City of Dayton signing up to complete 70% of the demolitions.
- August 2012- The MCLRC board approved an agreement with CountyCorp to act as the reimbursement agent to the jurisdictions for processing MOF demolition claims. CountyCorp will review invoices and documentation and send the completed packages to the MCLRC Chair for final approval and submission to the MOF office. Harrison Township MOU is finalized, and

the first two properties requested by the City of Dayton in February 2012 are acquired and passed through the land bank.

- September 2012- Five of the thirteen subrecipient agreements for the MOF program are in place. The MOU with Riverside is completed.
- October 2012- The board approved the first three property acquisitions from the City of Trotwood. An MOU is signed with the City of Kettering. Two additional subrecipient agreements for the MOU program finalized. A meeting of community stakeholders was convened at the bequest of Mary Petrus of the Federal Reserve Bank of Cleveland and Frank Ford, Vice President of the National Vacant Properties Campaign to discuss the possibility of forming a Vacant and Abandoned Properties Action Council (VAPAC) and integrative property information database similar to NEOCANDO in Montgomery County.
- November 2012- The board approved submitting a resolution to the Board of County Commissioners (BCC) for sustainable funding of the land bank. The funding options included in the resolution were 1) 5 % increase in DTAC, 2) increase to 12% interest on delinquent property taxes, and c) the ability to accept donations and apply for grants. Only the 5% DTAC increase option was envisioned for implementation in early 2013. The board also approved a transfer from Auditor's forfeiture list to the City of Dayton.
- December 2012- The staff of the Ohio Attorney General DeWine's MOF Program visited demolition sites in the City of Dayton and Harrison Township.

No financial audit was conducted of the MCLRC for 2012. Michael A. Botkin, the regional representative for Auditor of State David Yost, expressed the State Auditor's opinion that the MCLRC's limited financial activity in 2012 did not warrant an audit. The land bank is scheduled for an audit covering the two-year period starting in January 2012 and ending December 31, 2013.

The Balance Sheet as of December 31, 2012 (Attachment 1) shows Total Assets of \$87,633.55 and Total Liabilities and Equity of \$87,633.55. The Profit and Loss Statement (Attachment 2) covering January 1, 2012 through December 31, 2012 shows Total Income of \$113,708.93 and Net Income of \$75,150.25. The Statement of Cash Flows (Attachment 3) for January 1, 2012 through December 31, 2012 shows cash on hand of \$87,633.55.

Although the MCLRC had limited funding in place for 2012, the land bank was able to have a very productive year as the list of accomplishments demonstrates. A solid foundation for operations has been built, and the MCLRC is financially sound. With the approval of sustained funding in 2013, MCLRC will be poised to ramp up its operations and activities and more robustly pursue its mission in the years ahead.

Respectfully submitted,



Carolyn Rice  
Chair of Montgomery County Land Reutilization Corporation  
April 16, 2013

**Montgomery County Land Reutilization Corporation**  
**Balance Sheet**  
As of December 31, 2012

	<u>Dec 31, 12</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
US Bank	87,633.55
<b>Total Checking/Savings</b>	<u>87,633.55</u>
<b>Total Current Assets</b>	<u>87,633.55</u>
<b>TOTAL ASSETS</b>	<b><u>87,633.55</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	12,483.30
<b>Total Accounts Payable</b>	<u>12,483.30</u>
<b>Total Current Liabilities</b>	<u>12,483.30</u>
<b>Total Liabilities</b>	12,483.30
Equity	
Net Income	75,150.25
<b>Total Equity</b>	<u>75,150.25</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>87,633.55</u></b>

**Montgomery County Land Reutilization Corporation**  
**Profit & Loss**  
January 1 through December 31, 2012

	Jan - Dec 12
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Investments</b>	
Checking Account Interest	5.83
<b>Total Investments</b>	5.83
<b>Moving Ohio Forward-Receiveable</b>	
Attorney General Reimbursement	8,467.50
<b>Total Moving Ohio Forward-Receiveable</b>	8,467.50
<b>Other Types of Income</b>	
Miscellaneous Revenue	100,000.00
<b>Total Other Types of Income</b>	100,000.00
<b>Reimbursements</b>	
Foreclosure - Clerk of Courts	5,235.60
<b>Total Reimbursements</b>	5,235.60
<b>Total Income</b>	113,708.93
<b>Gross Profit</b>	113,708.93
<b>Expense</b>	
<b>Banking Services</b>	
Monthly Service Charge	144.65
<b>Total Banking Services</b>	144.65
<b>Contract Services</b>	
Moving Ohio Forward Admin	1,153.81
<b>Total Contract Services</b>	1,153.81
<b>Foreclosure Expenses</b>	
Clerk of Courts Expenses	15,719.90
Sheriff's Deed	1,007.00
<b>Total Foreclosure Expenses</b>	16,726.90
<b>Information Technology</b>	
Software	138.14
<b>Total Information Technology</b>	138.14
<b>Insurance</b>	
Crime	458.00
Directors & Officers	2,696.00
Employment	1,302.00
Liability & Hazard	527.77
<b>Total Insurance</b>	4,983.77
<b>Meetings &amp; Workshops (Hosted)</b>	
Catering	330.95
Room Rental Fee	200.00
<b>Total Meetings &amp; Workshops (Hosted)</b>	530.95
<b>Moving Ohio Forward - Payable</b>	
Program Reimbursement	8,467.50
<b>Total Moving Ohio Forward - Payable</b>	8,467.50
<b>Operations</b>	
Supplies	109.90
<b>Total Operations</b>	109.90
<b>Property Transactions</b>	
Deed Recording Fees	28.00
Settlement / Closing Fees	125.00
Title Exam Fees	300.00
<b>Total Property Transactions</b>	453.00

**Montgomery County Land Reutilization Corporation**  
**Profit & Loss**  
January 1 through December 31, 2012

	<u>Jan - Dec 12</u>
<b>Travel and Meetings</b>	
<b>Airline</b>	1,007.09
<b>Lodging</b>	2,297.47
<b>Meals</b>	472.42
<b>Mileage</b>	762.58
<b>Other Transportation</b>	134.00
<b>Parking</b>	83.50
<b>Registration - Conference</b>	1,093.00
<b>Total Travel and Meetings</b>	<u>5,850.06</u>
<b>Total Expense</b>	<u>38,558.68</u>
<b>Net Ordinary Income</b>	<u>75,150.25</u>
<b>Net Income</b>	<u><u>75,150.25</u></u>

**Montgomery County Land Reutilization Corporation**  
**Statement of Cash Flows**  
January 1 through December 31, 2012

	<u>Jan - Dec 12</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	75,150.25
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Payable	<u>12,483.30</u>
Net cash provided by Operating Activities	<u>87,633.55</u>
Net cash increase for period	<u>87,633.55</u>
Cash at end of period	<u><u>87,633.55</u></u>