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April 2, 2014

Board of Directors  
Newport Chemical Depot Reuse Authority  
259 Vine Street  
Clinton, IN 47842

We have reviewed the audit report prepared by Alerding CPA Group, Independent Public Accountants, for the period January 1, 2011 to December 31, 2011. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Newport Chemical Depot Reuse Authority, as of December 31, 2011 and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

# Newport Chemical Depot Reuse Authority

Vermillion County, Indiana

## FINANCIAL STATEMENTS

DECEMBER 31, 2011



**Alerding & Co., LLC**

Consultants • Certified Public Accountants

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

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DECEMBER 31, 2011

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Newport Chemical Depot Reuse Authority  
Clinton, Indiana

We have audited the accompanying statements of financial position of NEWPORT CHEMICAL DEPOT REUSE AUTHORITY ("NeCDRA") as of December 31, 2011, and the related statements of activities and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of NeCDRA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. Generally Accepted Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NeCDRA as of December 31, 2011, and the changes in its net assets and cash flows for the year then ended, in conformity with U.S. Generally Accepted Accounting Principles.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included on pages 13 through 15 is presented for purposes of additional analysis and is not a required part of the 2011 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with U.S. Generally Accepted Auditing Standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the 2011 financial statements taken as a whole.

A handwritten signature in black ink that reads "Alerding &amp; Co." with a stylized flourish at the end.

July 18, 2012

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2011

### ASSETS

#### **Current Assets:**

Cash	\$ 2,128,004
Accounts and contract receivables	131,162
Prepaid expenses	<u>28,695</u>
Total current assets	<u>2,287,861</u>

#### **Property and Equipment:**

Land	32,120,863
Buildings	1,337,663
Equipment	1,375,640
Automobiles	<u>57,449</u>
	34,891,615
Accumulated depreciation	<u>(62,154)</u>
Property and equipment, net	<u>34,829,461</u>
Total assets	<u>\$ 37,117,322</u>

### LIABILITIES AND NET ASSETS

#### **Current Liabilities:**

Accounts payable	\$ 115,514
Current portion of long-term debt	176,239
Accrued expenses	<u>9,851</u>
Total current liabilities	301,604

#### **Long-Term Debt**

Total liabilities	<u>2,823,761</u>
	<u>3,125,365</u>

#### **Net Assets:**

Unrestricted net assets	31,363,595
Temporarily restricted net assets	<u>2,628,362</u>
Total net assets	<u>33,991,957</u>
Total liabilities and net assets	<u>\$ 37,117,322</u>

See accompanying Notes to Financial Statements.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS YEAR ENDED DECEMBER 31, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenue and Other Support:</b>			
Federal and matching grants	\$ 2,410,047	\$ 659,131	\$ 3,069,178
Lease contracts	191,313	-0-	191,313
Contributions	<u>29,188,997</u>	<u>2,623,200</u>	<u>31,812,197</u>
	31,790,357	3,282,331	35,072,688
Net assets released from restrictions	<u>662,918</u>	<u>(662,918)</u>	<u>-0-</u>
Total revenue and other support	<u>32,453,275</u>	<u>2,619,413</u>	<u>35,072,688</u>
 <b>Expenses:</b>			
Personnel	422,253	-0-	422,253
Office and supplies	317,492	-0-	317,492
Travel	56,797	-0-	56,797
Contractual services	878,309	-0-	878,309
Other expenses	<u>174,803</u>	<u>-0-</u>	<u>174,803</u>
Total expenses	<u>1,849,654</u>	<u>-0-</u>	<u>1,849,654</u>
 Total change in net assets	 30,603,621	 2,619,413	 33,223,034
<b>Net Assets, Beginning of Year</b>	<u>759,974</u>	<u>8,949</u>	<u>768,923</u>
 <b>Net Assets, End of Year</b>	 <u>\$ 31,363,595</u>	 <u>\$ 2,628,362</u>	 <u>\$ 33,991,957</u>

See accompanying Notes to Financial Statements.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2011

### **Cash Flows From Operating Activities:**

Change in net assets	\$ 33,223,034
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	62,110
Contributed property and equipment	(31,812,197)
Changes in operating assets and liabilities:	
Accounts and contract receivables	313,296
Prepaid expenses	(8,675)
Accounts payable	(215,244)
Accrued expenses	<u>9,851</u>
Net cash provided by operating activities	<u>1,572,175</u>

### **Cash Flows From Investing Activities:**

Property and equipment purchased	<u>(78,913)</u>
Net cash used in investing activities	<u>(78,913)</u>

**Net Increase in Cash** 1,493,262

**Cash, Beginning of Year** 634,742

**Cash, End of Year** \$ 2,128,004

### **Non-Cash Investing and Financing Activities:**

Acquisition of land under long-term debt	<u>\$ 3,000,000</u>
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See accompanying Notes to Financial Statements.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### Description of the Entity

NEWPORT CHEMICAL DEPOT REUSE AUTHORITY (“NeCDRA”) is a facility of 7,135 acres located in Vermillion County, Indiana. In late 2005, Congress approved the Department of Defense Base Realignment and Closure recommendations, which included the closure of the U.S. Department of the Army’s (the “Army”) Newport Chemical Depot in Vermillion County, Indiana. NeCDRA was created to complete a reuse master plan for the depot. Its primary purpose is community financial assistance through economic development.

NeCDRA comprises a board of five citizens appointed by the Vermillion County Commissioners. NeCDRA worked in conjunction with the local community of Vermillion County, the Army and government officials and contractors to create a plan and implementation strategy for conversion of the depot to civilian use. In providing a framework for evaluating proposed new uses for the depot, NeCDRA strives to acquire property at no cost to NeCDRA or the community, develop a reuse plan primarily for agricultural and industrial uses, ensure preservation of natural resources and maximize local jobs and investment for Vermillion County and the region.

Effective October 1, 2011, an agreement between the Army and NeCDRA for conveyance of certain real property, improvements and personal property located at the Newport Chemical Depot went into effect. Real property is to be transferred in two parcels. The first parcel of 6,750 acres was transferred effective October 1, 2011 and the second parcel of 385 acres is expected to be transferred in 2012. In addition to the land easements, mineral rights and water rights were also transferred. Also, one building on the premises is subject to a no-cost lease back to the Army.

Agricultural, natural areas and open space uses account for approximately one half of the site’s 7,135 acres, and business, highway-oriented commercial and conference and support facilities account for the other half. Revenue sources include grants from the Office of Economic Adjustment (“OEA”), “matching revenue” from the Vermillion County Economic Development Council, a Caretaker contract with the Army, agricultural leases and in 2011 the leasing of one building.

#### Future Plans

NeCDRA is eligible for tax increment financing for future development and operational expenditures.

A memorandum of Agreement has been signed by NeCDRA and the Army for the conveyance of the remaining acres, scheduled to occur sometime in 2012.

NeCDRA is currently in negotiations with a company for the potential development of a clean coal plant on a 1,500 acre section of the site.

It is anticipated that approximately 1,700 forested acres will be transferred to the Indiana Department of Natural Resources, though there is no time frame for this transfer.

Plans are also being considered to develop a park area on the site.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

The significant accounting policies followed by NeCDRA in the preparation of its financial statements are summarized below:

### Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Unrestricted net assets are net assets not subject to donor-imposed restrictions and are, therefore, available to support the general operations of NeCDRA. Temporarily restricted net assets are net assets subject to donor-imposed restrictions related to specific programs or the passage of time.

### Basis of Accounting

The accompanying basic financial statements and underlying supplemental schedules have been prepared on the accrual basis of accounting.

### Estimates

The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts in the financial statements and notes to the financial statements. Actual results could differ from those estimates.

### Receivables and Credit Policies

Accounts receivable represent amounts due under the OEA grant, NeCDRA's Caretaker contract with the United States Army, and agricultural and other lease contracts.

Under the OEA grant, NeCDRA is allowed advance funds for operational expenses, but it generally operates on a cost reimbursement basis. The annual grant totals are based on a budget submitted by NeCDRA. The grant agreement stipulates that a percentage of grant funds (approximately 10.70%) must come from nonfederal sources, which currently is the Vermillion County Economic Development Council. Receivables for these funds are not recorded, as they are paid directly to NeCDRA vendors and are treated as both revenue and expenses in the period in which they are incurred.

Caretaker receivables consist of a fixed amount (for taking care of the premises), utility reimbursements, water system compliance and other expenses. Payments on these accounts are allocated to specific invoices.

There is no provision to charge interest on any amounts considered past due. Management believes all receivables at December 31, 2011 are collectible and, accordingly, there have been no write-offs for uncollectible amounts and no allowance for uncollectible accounts is required as of December 31, 2011.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

### Property and Equipment

Property and equipment purchased and expenditures which substantially increase the useful lives of existing assets are recorded at cost. Cost of repairs and maintenance are expensed as incurred. Assets conveyed by the Army are stated at the estimated fair market value at the date of the transfer and proceeds from the sale of property are subject to certain terms contained in the conveyance agreement with the Army. Additionally, the Army conveyance agreement contains limitations regarding the use of certain acreage.

Property and equipment are depreciated using the straight-line method of depreciation. The estimated ranges of useful lives are as follows:

<u>Description</u>	<u>Ranges of Useful Lives</u>
Buildings	39 years
Equipment	3 – 7 years
Automobiles	5 years

### Revenue Recognition

NeCDRA records grant revenue for reimbursement-based grants in the period in which the expenses are incurred. Revenue relating to agricultural and building lease contracts is recorded in the period in which the revenue is earned. Cash received in advance of the rental period is recorded as deferred revenue.

### Government Grants

NeCDRA earns a portion of its revenues under grants from the Department of Defense, acting through the OEA. As such, it must comply with certain terms contained in the Grant Agreements, covering the periods January 1, 2010 through December 31, 2010 and January 1, 2011 through June 30, 2012. Grant activities are subject to audit and acceptance by the granting agency and, as a result, adjustments could be required.

### Contributions

NeCDRA does not receive contributions from the general public and it is not a charitable organization within the meaning of Section 501 of the Internal Revenue Code. On October 1, 2011, NeCDRA received a contribution from the Army including land, buildings and personal property. The fair market value, net of future required payments to the Army, was recorded as a contribution as of the date of transfer.

### Income Taxes

NeCDRA is organized as a sub-entity of Vermillion County, Indiana, and, accordingly, is exempt from Federal and state income taxes. Further, as an affiliate of a governmental entity, NeCDRA is not required to file Federal Form 990 or the related state filings.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

Management of NeCDRA evaluates all significant tax positions to ensure compliance with the exempt purposes of NeCDRA as required by U.S. Generally Accepted Accounting Principles, including consideration of any unrelated business income tax. As of December 31, 2011, Management does not believe NeCDRA has taken any tax positions that are not in compliance with its exempt purpose.

As detailed in an Indiana Department of Revenue advisory letter dated February 17, 2011, NeCDRA's purchases are also exempt from state sales and use tax.

### Subsequent Events

Subsequent events are disclosed in Note 9 and have been evaluated through July 18, 2012, which is the date the financial statements were available for issuance.

## 2. LONG-TERM DEBT

In consideration for the transfer of property from the Army, NeCDRA signed a Promissory Note dated September 27, 2011, for an amount not to exceed \$3,000,000. There is no stated interest rate and payments are required for a 10-year period (through September 30, 2021) based on the following four criteria:

1. NeCDRA will pay \$3,000 per acre to the Army for all land sold or land sales under contract;
2. Annually, NeCDRA will pay the Army the following share of gross revenues received from agriculture leases: 20% in years 1-3, 25% in years 4-6 and 30% in years 7-10;
3. Annually, NeCDRA will pay the Army 10% of gross revenues received from land and building leases, and;
4. Annually, NeCDRA will pay the Army 33% of net revenue received from the wetlands bank.

The Promissory Note is secured by a mortgage agreement. In accordance with the Promissory Note, the total cash consideration to be paid is reduced to \$2,750,000, and the mortgage is released, if NeCDRA makes payments totaling \$2,750,000 to the Army by the end of year 7 and it accepts the transfer of a Phase 2 parcel and any additional parcels required to transfer all of the property pursuant to the Army conveyance agreement.

If payments do not total \$2,750,000 by the end of year 7, then payments will continue for the remainder of the 10-year period (through September 30, 2021). Following the 10-year period, NeCDRA will have no obligation to continue making payments even if the full \$3,000,000 is not paid in full.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

Based on the above payment requirements and current revenue sources, and assuming no land sales over the next five years, estimated maturities of long-term debt as of December 31, 2011 are as follows:

Year Ending		
<u>June 30,</u>		
2012	\$	176,239
2013		187,053
2014		187,053
2015		233,696
2016		233,696
Thereafter		<u>1,982,263</u>
	\$	<u>3,000,000</u>

### 3. TEMPORARILY RESTRICTED NET ASSETS

Effective October 1, 2011, land, buildings and personal property were conveyed by the Army to NeCDRA. The transfer included land use restrictions related to the preservation of an endangered species. The terms of the conveyance provide for the eventual disposition of the land, and some additional acreage, in the form of a contribution to the Indiana Department of Natural Resources. The restriction on this portion of the land, which was estimated to have a fair market value on the date of transfer of \$2,623,000, has been recorded as temporarily restricted revenue. There were no transfers to the Indiana Department of Natural Resources during 2011, thus the balance of \$2,623,000 is included in temporarily restricted net assets as of December 31, 2011.

Additional temporarily restricted net assets totaled \$5,162 as of December 31, 2011 and related to grant funds restricted by the donor for specific purposes.

Following debt repayments to the Army as specified in Note 2, additional proceeds from the sale, lease or equivalent use of property must be reinvested as quickly as practicable to support the economic redevelopment of the property or economic redevelopment related to the property. The additional proceeds are restricted to twelve categories as defined in the Army conveyance agreement. As of December 31, 2011, there have been no additional proceeds.

### 4. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from temporary donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors. Net assets released from restrictions during the year ended December 31, 2011 totaled \$662,918.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

### 5. LEASES

#### NeCDRA as Lessor

Effective September 30, 2011, agricultural leases between the Army and farmer tenants located on the NeCDRA land site were terminated as a result of the transfer of land to NeCDRA. NeCDRA continued to honor the terms of the Army leases through December 2011, at which time new leases became effective with NeCDRA as the lessor. Revenue from the leases totaled approximately \$179,000 for the period October 1, 2011 through December 31, 2011.

Beginning in 2012, the leases are billed annually at a per acre rate. The annual rental rates range from \$200 per acre to \$336 per acre, and include approximately 3,080 acres of land. Total rental receipts due under the terms of the leases are \$932,853 for the year ending December 31, 2012. The rental agreements expire in February 2013, at which time they are subject to renewal.

Additionally, NeCDRA leases a building to an unrelated third party. The lease requires monthly payments based on the amount of space occupied (\$402 per month as of December 31, 2011). Total lease income was \$3,216 for the year ending December 31, 2011. The future minimum lease payments due under the terms of the building lease, assuming no changes in the amount of space occupied, are as follows:

Year Ending		
<u>June 30,</u>		
2012	\$	4,824
2013		4,824
2014		<u>1,608</u>
	\$	<u>11,256</u>

#### NeCDRA as Lessee

NeCDRA leases administrative office space in Clinton, IN from the United States of America. The office space is provided rent free through September 2016.

### 6. CONCENTRATION OF CREDIT RISK

#### Cash

NeCDRA maintains cash in three separate checking accounts with the same financial institution. As these deposits are held in non-interest bearing accounts, they are fully insured by the FDIC through December 31, 2012. If amounts exceed applicable FDIC insured limits, these deposits could constitute a credit risk subsequent to 2012.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

### Accounts and Contract Receivables and Revenues

At December 31, 2011, 59% and 37% of accounts and contract receivables represent amounts due under a caretaker contract with the Army and the OEA Grant, respectively.

The percentages of revenue by source for the year ended December 31, 2011 are as follows:

Office of Economic Adjustment	1.88%
U.S. Department of the Army (Caretaker contract)	6.87%
U.S. Department of the Army (Property conveyance)	90.70%
Agricultural Leases	0.51%
Building Lease	0.04%

## 7. RISK MANAGEMENT

NeCDRA 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. These risks are covered by commercial insurance from independent third parties. There were no settled claims from these risks during 2011.

## 8. CONTINGENCIES

NeCDRA is located on the site of the former Newport Chemical Depot where hazardous substances and contaminants were located and stored. At the time of the conveyance of this land to NeCDRA, a Remediation Plan was completed. However, certain areas have not been remediated to levels suitable for unrestricted use, and the deed transferring the property lists restrictions, such as prohibitions against residential or agricultural uses in some areas, prohibitions against soil excavations and prohibitions against groundwater use. These restrictions result from the potential environmental impact associated with the restricted areas. The Army has agreed to pay for any additional environmental remediation. No assets or accruals have been recognized for remediation obligations or reimbursements as the amount cannot be reasonably estimated.

A contingency gain exists in relation to the \$3,000,000 Promissory Note (Note 2). Should NeCDRA remit \$2,750,000 to the Army according to the terms of the agreement within seven years, and comply with the other terms of the agreement, it will not be required to pay the remaining \$250,000. Additionally, if the revenue sources on which the payments are based are not sufficient to require total payments of \$3,000,000 over 10 years, any shortfall will be forgiven. If either of these events occurs, a gain equal to the amount of debt forgiven will be recorded at that date.

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

### 9. SUBSEQUENT EVENTS

#### Subsequent Events

In February 2012, revised lease contracts for the agricultural use property were signed (Note 5).

Effective March 31, 2012, NeCDRA entered into an option agreement with a company for the sale of 100 acres. In accordance with the agreement, NeCDRA will receive quarterly payments of \$3,000 beginning April 1, 2012 and continuing until March 31, 2017. The purchasing company can exercise the options or cancel the agreement at any time.

**SUPPLEMENTAL INFORMATION**

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## STATEMENT OF FINANCIAL POSITION BY FUND DECEMBER 31, 2011

### ASSETS

	<u>OEA Grant and Matching</u>	<u>Caretaker Contract</u>	<u>Building Lease</u>	<u>Economic Development Conveyance</u>	<u>Eliminations</u>	<u>Total</u>
<b>Current Assets:</b>						
Cash	\$ 15,091	\$ 1,930,904	\$ 3,191	\$ 178,818	\$ -0-	\$ 2,128,004
Accounts and contract receivables	48,636	77,581	4,945	-0-	-0-	131,162
Interfund receivables	-0-	19,315	-0-	-0-	(19,315)	-0-
Prepaid expenses	9,545	19,150	-0-	-0-	-0-	28,695
Total current assets	<u>73,272</u>	<u>2,046,950</u>	<u>8,136</u>	<u>178,818</u>	<u>(19,315)</u>	<u>2,287,861</u>
<b>Property and Equipment:</b>						
Land	-0-	-0-	-0-	32,120,863	-0-	32,120,863
Buildings	-0-	-0-	-0-	1,337,663	-0-	1,337,663
Equipment	3,244	18,724	-0-	1,353,672	-0-	1,375,640
Automobiles	-0-	57,449	-0-	-0-	-0-	57,449
	<u>3,244</u>	<u>76,173</u>	<u>-0-</u>	<u>34,812,198</u>	<u>-0-</u>	<u>34,891,615</u>
Accumulated depreciation	(750)	(2,521)	-0-	(58,883)	-0-	(62,154)
Property and equipment, net	<u>2,494</u>	<u>73,652</u>	<u>-0-</u>	<u>34,753,315</u>	<u>-0-</u>	<u>34,829,461</u>
 Total assets	 <u>\$ 75,766</u>	 <u>\$ 2,120,602</u>	 <u>\$ 8,136</u>	 <u>\$ 34,932,133</u>	 <u>\$ (19,315)</u>	 <u>\$ 37,117,322</u>

### LIABILITIES AND NET ASSETS

<b>Current Liabilities:</b>						
Accounts payable	\$ 53,796	\$ 61,718	\$ -0-	\$ -0-	\$ -0-	\$ 115,514
Interfund payables	16,808	-0-	2,507	-0-	(19,315)	-0-
Current portion of long-term debt	-0-	-0-	-0-	176,239	-0-	176,239
Accrued expenses	-0-	9,851	-0-	-0-	-0-	9,851
Total current liabilities	<u>70,604</u>	<u>71,569</u>	<u>2,507</u>	<u>176,239</u>	<u>(19,315)</u>	<u>301,604</u>
<b>Long-Term Debt</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>2,823,761</u>	<u>-0-</u>	<u>2,823,761</u>
Total liabilities	<u>70,604</u>	<u>71,569</u>	<u>2,507</u>	<u>3,000,000</u>	<u>(19,315)</u>	<u>3,125,365</u>
<b>Net Assets:</b>						
Unrestricted net assets	-0-	2,049,033	5,629	29,308,933	-0-	31,363,595
Temporarily restricted net assets	5,162	-0-	-0-	2,623,200	-0-	2,628,362
Total net assets	<u>5,162</u>	<u>2,049,033</u>	<u>5,629</u>	<u>31,932,133</u>	<u>-0-</u>	<u>33,991,957</u>
 Total liabilities and net assets	 <u>\$ 75,766</u>	 <u>\$ 2,120,602</u>	 <u>\$ 8,136</u>	 <u>\$ 34,932,133</u>	 <u>\$ (19,315)</u>	 <u>\$ 37,117,322</u>

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS BY FUND YEAR ENDED DECEMBER 31, 2011

	Unrestricted					Temporarily Restricted			
	OEA Grant and <u>Matching</u>	Caretaker <u>Contract</u>	Building <u>Lease</u>	Economic Development <u>Conveyance</u>	Total <u>Unrestricted</u>	OEA Grant and <u>Matching</u>	Economic Development <u>Conveyance</u>	Total Temporarily <u>Restricted</u>	<u>Total</u>
<b>Revenue and Other Support:</b>									
Federal and matching grants	\$ -0-	\$ 2,410,047	\$ -0-	\$ -0-	\$ 2,410,047	\$ 659,131	\$ -0-	\$ 659,131	\$ 3,069,178
Lease contracts	-0-	-0-	12,310	179,003	191,313	-0-	-0-	-0-	191,313
Contributions	-0-	-0-	-0-	29,188,997	29,188,997	-0-	2,623,200	2,623,200	31,812,197
	-0-	2,410,047	12,310	29,368,000	31,790,357	659,131	2,623,200	3,282,331	35,072,688
Net assets released from restrictions	662,918	-0-	-0-	-0-	662,918	(662,918)	-0-	(662,918)	-0-
Total revenue and other support	<u>662,918</u>	<u>2,410,047</u>	<u>12,310</u>	<u>29,368,000</u>	<u>32,453,275</u>	<u>(3,787)</u>	<u>2,623,200</u>	<u>2,619,413</u>	<u>35,072,688</u>
<b>Expenses:</b>									
Personnel	247,965	174,288	-0-	-0-	422,253	-0-	-0-	-0-	422,253
Office and supplies	22,453	288,174	6,681	184	317,492	-0-	-0-	-0-	317,492
Travel	18,072	38,725	-0-	-0-	56,797	-0-	-0-	-0-	56,797
Contractual services	373,720	504,589	-0-	-0-	878,309	-0-	-0-	-0-	878,309
Other expenses	708	115,212	-0-	58,883	174,803	-0-	-0-	-0-	174,803
Total expenses	<u>662,918</u>	<u>1,120,988</u>	<u>6,681</u>	<u>59,067</u>	<u>1,849,654</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,849,654</u>
Total change in net assets	-0-	1,289,059	5,629	29,308,933	30,603,621	(3,787)	2,623,200	2,619,413	33,223,034
<b>Net Assets, Beginning of Year</b>	<u>-0-</u>	<u>759,974</u>	<u>-0-</u>	<u>-0-</u>	<u>759,974</u>	<u>8,949</u>	<u>-0-</u>	<u>8,949</u>	<u>768,923</u>
<b>Net Assets, End of Year</b>	<u>\$ -0-</u>	<u>\$ 2,049,033</u>	<u>\$ 5,629</u>	<u>\$ 29,308,933</u>	<u>\$ 31,363,595</u>	<u>\$ 5,162</u>	<u>\$ 2,623,200</u>	<u>\$ 2,628,362</u>	<u>\$ 33,991,957</u>

# NEWPORT CHEMICAL DEPOT REUSE AUTHORITY

## SCHEDULE OF EXPENSES BY FUND YEAR ENDED DECEMBER 31, 2011

	OEA Grant and <u>Matching</u>	Caretaker <u>Contract</u>	Building <u>Lease</u>	Economic Development <u>Conveyance</u>	<u>Total</u>
Personnel:					
Office manager	\$ 29,496	\$ -0-	\$ -0-	\$ -0-	\$ 29,496
Deputy Director	10,000	-0-	-0-	-0-	10,000
Salaries and wages	51,742	109,848	-0-	-0-	161,590
Fringe benefits	33,258	42,240	-0-	-0-	75,498
Payroll tax	5,148	9,734	-0-	-0-	14,882
Contract labor - Executive Director	<u>118,321</u>	<u>12,466</u>	<u>-0-</u>	<u>-0-</u>	<u>130,787</u>
Total personnel	<u>247,965</u>	<u>174,288</u>	<u>-0-</u>	<u>-0-</u>	<u>422,253</u>
Office and Supplies:					
Equipment lease	2,716	-0-	-0-	-0-	2,716
Office supplies	2,504	3,838	-0-	184	6,526
Rent and utilities	7,200	200,765	6,681	-0-	214,646
Office cleaning	2,570	-0-	-0-	-0-	2,570
Telephone	5,936	81,861	-0-	-0-	87,797
Postage	49	-0-	-0-	-0-	49
Publications	460	-0-	-0-	-0-	460
Training, dues and subscriptions	1,018	1,502	-0-	-0-	2,520
Miscellaneous office expense	<u>-0-</u>	<u>208</u>	<u>-0-</u>	<u>-0-</u>	<u>208</u>
Total office and supplies	<u>22,453</u>	<u>288,174</u>	<u>6,681</u>	<u>184</u>	<u>317,492</u>
Travel	<u>18,072</u>	<u>38,725</u>	<u>-0-</u>	<u>-0-</u>	<u>56,797</u>
Contractual Services:					
Community outreach	20,073	1,357	-0-	-0-	21,430
Surveying support	12,791	14,762	-0-	-0-	27,553
Legal services	197,100	-0-	-0-	-0-	197,100
Accounting services	4,560	26,360	-0-	-0-	30,920
Other professional services	55,578	-0-	-0-	-0-	55,578
Geographic Information System Services	21,970	-0-	-0-	-0-	21,970
Website services	15,873	-0-	-0-	-0-	15,873
Environmental	-0-	54,653	-0-	-0-	54,653
Infrastructure	18,858	97,895	-0-	-0-	116,753
Business plan	-0-	-0-	-0-	-0-	-0-
Economic Development Conveyance	-0-	-0-	-0-	-0-	-0-
Strategic marketing plan	9,809	-0-	-0-	-0-	9,809
Contract labor - special project	7,442	-0-	-0-	-0-	7,442
Contract labor - property administration	<u>9,666</u>	<u>309,562</u>	<u>-0-</u>	<u>-0-</u>	<u>319,228</u>
Total contractual services	<u>373,720</u>	<u>504,589</u>	<u>-0-</u>	<u>-0-</u>	<u>878,309</u>
Other Expenses:					
Uniforms	-0-	88	-0-	-0-	88
Insurance	-0-	17,136	-0-	-0-	17,136
Fuel	-0-	11,255	-0-	-0-	11,255
Repair and maintenance	-0-	84,212	-0-	-0-	84,212
Depreciation	<u>708</u>	<u>2,521</u>	<u>-0-</u>	<u>58,883</u>	<u>62,112</u>
Total other expenses	<u>708</u>	<u>115,212</u>	<u>-0-</u>	<u>58,883</u>	<u>174,803</u>
 Total expenses	 <u>\$ 662,918</u>	 <u>\$ 1,120,988</u>	 <u>\$ 6,681</u>	 <u>\$ 59,067</u>	 <u>\$ 1,849,654</u>