

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION**  
**(A Component Unit of the City of Groveport)**  
**FRANKLIN COUNTY, OHIO**

***FINANCIAL STATEMENTS***  
***(AUDITED)***

FOR THE YEAR ENDED  
DECEMBER 31, 2014

**JEFF GREEN, FINANCE DIRECTOR**





# Dave Yost • Auditor of State

Board of Trustees  
Groveport Community Improvement Corporation  
655 Blacklick Street  
Groveport, Ohio 43125

We have reviewed the *Independent Auditor's Report* of the Groveport Community Improvement Corporation, Franklin County, prepared by Julian & Grube, Inc., for the audit period January 1, 2014 through December 31, 2014. 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 Groveport Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

June 2, 2015

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**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION**  
**(A Component Unit of the City of Groveport)**  
**Franklin County, Ohio**

BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014

TABLE OF CONTENTS

Independent Auditor's Report.....	1 - 2
Management's Discussion and Analysis.....	3 - 5
Basic Financial Statements:	
Statement of Net Position.....	6
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund.....	7
Statement of Cash Flows - Proprietary Fund.....	8
Notes to the Basic Financial Statements .....	9 - 11
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	12 - 13

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# Julian & Grube, Inc.

*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

## Independent Auditor's Report

Groveport Community Improvement Corporation  
Franklin County  
655 Blacklick Street  
Groveport, Ohio 43125

To the Board of Trustees:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the Groveport Community Improvement Corporation, Franklin County, Ohio, a component unit of the City of Groveport, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Groveport Community Improvement Corporation's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing those risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Groveport Community Improvement Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Groveport Community Improvement Corporation's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Groveport Community Improvement Corporation, Franklin County, Ohio, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2015, on our consideration of the Groveport Community Improvement 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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 Groveport Community Improvement Corporation's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
April 17, 2015



**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

The discussion and analysis of the Groveport Community Improvement Corporation, Franklin County (the Corporation) financial performance provides an overall review of the Corporation's financial activities for the year ended December 31, 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 basic financial statements and the notes to the basic financial statements to enhance their understanding of the Corporation's financial performance.

**Financial Highlights**

Key financial highlights for are as follows:

- The total net position of the Corporation increased \$4,514 to \$6,732 at December 31, 2014.
- Total revenues for 2014 were \$18,150 which represents an increase of \$4,723 from 2013. Expenses were \$13,636 which represents an increase of \$1,067. The increase in revenue is attributed to higher sponsorship and donation revenue while the increase in expenses is primarily attributed to higher materials and supplies and advertising costs.

**Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the Corporation as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Revenues, Expenses, and Change in Net Position provide information about the activities of the Corporation as a whole, presenting both an aggregate view of the Corporation's finances and a longer-term view of those finances.

**Reporting the Corporation as a Whole**

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

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position answer the question, "How did we do financially during 2014?" These statements present all assets and liabilities both financial and capital, and short-term and long-term, using the accrual basis of accounting and economic resource focus, which is similar to the accounting used by most private – sector companies. The accrual basis of accounting takes into account all revenues and expenses during the year, regardless of when the cash is 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 that, for the Corporation as a whole, the financial position of the Corporation has improved or diminished. The causes of this change may be the result of many factors, some financial, some not.

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Summary of Net Position**

The table below provides a summary of the Corporation's net position for 2014 and 2013:

	2014	2013
Assets		
Current assets	\$ 6,732	\$ 2,218
Total assets	6,732	2,218
<u>Net Position</u>		
Unrestricted	6,732	2,218
Total net position	\$ 6,732	\$ 2,218

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2014 and 2013, the Corporation's assets exceeded liabilities by \$6,732 and \$2,218, respectively. The balance of unrestricted net position may be used to meet the Corporation's ongoing obligations.

The table below shows the changes in net position for years 2014 and 2013:

	2014	2013
<b>Revenues:</b>		
Sponsorship	\$ 10,050	\$ 4,575
Donations	7,000	5,977
Rental	1,100	2,600
Other	-	275
Total Revenues	18,150	13,427
<b>Expenses:</b>		
Purchased services	6,633	8,647
Materials and supplies	5,661	2,953
Advertising	1,205	609
Other	137	360
Total Expenses	13,636	12,569
Changes in net position/operating income (loss)	4,514	858
Beginning Net Position	2,218	1,360
Ending Net Position	\$ 6,732	\$ 2,218

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Total revenues for 2014 were \$18,150 which represents an increase of \$4,723 from 2013. Expenses were \$13,636 which represents an increase of \$1,067. The increase in revenue is attributed to higher sponsorship and donation revenue while the increase in expenses is primarily attributed to higher advertising costs.

**Economic Conditions and Outlook**

The Corporation will continue to be a vital asset as it relates to marketing and developing business within the Historic Downtown. Currently there are no immediate plans for business ventures or projects in the horizon.

**Contacting the Corporation's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives. If you have questions about this report or need additional financial information contact Jeff Green, Executive Director, 655 Blacklick Street, Groveport, Ohio 43125.

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

STATEMENT OF NET POSITION  
DECEMBER 31, 2014

**Assets:**

**Current assets:**

Cash and cash equivalents	\$ 6,732
Total current assets	<u>6,732</u>

Total assets	<u>6,732</u>
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**Net Position:**

Unrestricted	<u>6,732</u>
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Total net position	<u><u>\$ 6,732</u></u>
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SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

<b>Revenues:</b>	
Sponsorship	\$ 10,050
Donations	7,000
Rental	<u>1,100</u>
Total revenues	<u>18,150</u>
<b>Expenses:</b>	
Purchased services	6,633
Materials and supplies	5,661
Advertising	1,205
Other	<u>137</u>
Total expenses	<u>13,636</u>
Change in net position/operating income	<u>4,514</u>
<b>Net position at beginning of year</b>	<u>2,218</u>
<b>Net position at end of year</b>	<u><u>\$ 6,732</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS.

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

<b>Cash flows from operating activities:</b>	
Cash received from sponsorships	\$ 10,050
Cash received from donations	7,000
Cash received from rentals	1,100
Cash payments for supplies and goods and services	<u>(13,636)</u>
Net cash provided by operating activities	<u>4,514</u>
Net increase in cash and cash equivalents	4,514
<b>Cash and cash equivalents at beginning of year</b>	<u>2,218</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ 6,732</u></u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	<u>\$ 4,514</u>
Net cash provided by operating activities	<u><u>\$ 4,514</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS.

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**NOTE 1 - DESCRIPTION OF THE REPORTING ENTITY**

The Groveport Community Improvement Corporation (the "Corporation") was created in 2002 and incorporated as a not-for-profit corporation under Title XVII, Chapters 1702 and 1724 of the Ohio Revised Code for the purpose to advance, encourage, and promote industrial, economic, commercial and civic development for the City of Groveport (the "City"). The Corporation has been designated as the City's agent for industrial and commercial distributions and research development.

The Board of Trustees is to be comprised of ten members. The Trustees shall be chosen from two (2) categories in accordance with the following:

- A. Trustees who qualify for inclusion in Category A. shall be the following elected or appointed officials of the City of Groveport: Member of Council, Member of the City Planning Commission, Mayor, City Administrator, Law Director, Finance Director or Chief Building Officer.
- B. Those persons who qualify for inclusion in Category B shall be members of the Corporation who are not elected or appointed officials of the City of Groveport.

There shall always be three (3) Trustees selected from persons who qualify for this inclusion in Category A, and four (4) Trustees who qualify for inclusions in Category B.

The election of trustees shall take place at the first meeting of the Trustees in January. The elected and appointed officials of the City shall be elected for one (1) year and shall continue in the office until their successors are elected and qualified. All remaining Trustees shall be elected for two (2) years and shall continue in office until their successors are elected and qualified.

The City is a charter municipal corporation incorporated under the laws of the State of Ohio. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39, *The Financial Reporting Entity* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, the City's primary government and basic financial statements include component units which are defined as legally separate organizations for which the City is financially accountable. Financial accountability is defined as the appointment of a voting majority of the organization's board and either: 1) the City's ability to impose its will over the organization, or 2) the possibility that the organization will provide a financial benefit or impose a financial burden to the City. The Corporation is a legally separate entity and is reported by the City as a discretely presented component unit in the City's basic financial statements. The Corporation does not have any component units and does not include any other organizations in its presentation. The Corporation's management believes these basic financial statements present all activities for which the Corporation is financially accountable.

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Corporation's significant accounting policies are described below.

**A. Basis of Accounting**

The basic financial statements of the Corporation are prepared using the accrual basis of accounting in conformity with GAAP. Revenues are recognized when earned and expenses are recognized when incurred.

**B. Basis of Presentation**

The Corporation's basic financial statements consist of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows.

**C. Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows, all cash in the Corporation's checking account is considered to be cash and cash equivalents. All monies received by the Corporation are deposited in a demand deposit account.

**D. Federal Income Tax**

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

**E. Net Position**

Net position represents the difference between assets and liabilities. The Corporation does not report restricted net position.

**F. Operating Revenue & Expenses**

Operating revenues consist primarily of fees for providing services and other income. Operating expenses include the cost of providing these services, including administrative expenses.

Nonoperating revenues and expenses are all revenues and expenses not meeting the definition of operating revenues and expenses. The Corporation did not have any nonoperating revenues or expenses for the year ended December 31, 2014.



**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**NOTE 3 - CASH AND CASH EQUIVALENTS**

At December 31, 2014, the carrying amount of the Corporation's deposits was \$6,732. Based on criteria described in GASB Statement No. 40, "*Deposits and Investment Risk Disclosures*," as of December 31, 2014 the entire bank balances were covered by the Federal Deposit Insurance Corporation. There are no significant statutory restrictions regarding the deposits of funds held by the Corporation.

**NOTE 4 - RISK MANAGEMENT**

The Corporation is not exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. There have been no claims filed the last three years.

**NOTE 5 - CONTINGENT LIABILITIES**

The Corporation is not involved in material litigation as either plaintiff or defendant.

**NOTE 6 – RELATED PARTY TRANSACTIONS**

The Corporation is a component unit of the City of Groveport. As described in Note 1, Trustees of the Corporation shall be the following elected or appointed officials of the City of Groveport: Member of Council, Member of the City Planning Commission, Mayor, City Administrator, Law Director, Finance Director or Chief Building Officer.

During 2014, the City of Groveport made payments to the Corporation totaling \$7,000 for purposes consistent with the Corporation's mission statement.



**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards***

Groveport Community Improvement Corporation  
Franklin County  
655 Blacklick Street  
Groveport, Ohio 43125

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Groveport Community Improvement Corporation, Franklin County, Ohio, a component unit of the City of Groveport, as of and for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the Groveport Community Improvement Corporation's basic financial statements and have issued our report thereon dated April 17, 2015.

**Internal Control Over Financial Reporting**

As part of our financial statement audit, we considered the Groveport Community Improvement Corporation's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Groveport Community Improvement Corporation's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Groveport Community Improvement Corporation's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Board of Trustees  
Groveport Community Improvement Corporation

### **Compliance and Other Matters**

As part of reasonably assuring whether the Groveport Community Improvement Corporation's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

### **Purpose of this Report**

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Groveport Community Improvement Corporation's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Groveport Community Improvement Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
April 17, 2015

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# Dave Yost • Auditor of State

**GROVEPORT COMMUNITY IMPROVEMENT CORPORATION**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JUNE 16, 2015**