



**GALION COMMUNITY IMPROVEMENT CORPORATION  
CRAWFORD COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2009-2008**



**Mary Taylor, CPA**  
Auditor of State



**GALION COMMUNITY IMPROVEMENT CORPORATION  
CRAWFORD COUNTY**

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Galion Community Improvement Corporation  
Crawford County  
106 Harding Way East  
Galion, Ohio 44833

To the Board of Trustees:

We have audited the accompanying basic financial statements of the Galion Community Improvement Corporation, Crawford County, Ohio (the Corporation), as of and for the years ended December 31, 2009 and 2008, as listed in the table of contents. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 the of Galion Community Improvement Corporation, Crawford County, Ohio, as of December 31, 2009 and 2008, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 23, 2010, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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**Mary Taylor, CPA**  
Auditor of State

April 23, 2010

**GALION COMMUNITY IMPROVEMENT CORPORATION  
CRAWFORD COUNTY**

**STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<b>Assets:</b>		
Cash	\$ 104,476	\$ 119,204
Prepaid Insurance	939	-
Fixed Assets (less accumulated depreciation)	<u>6,714</u>	<u>6,714</u>
Total Assets	<u>112,129</u>	<u>125,918</u>
<b>Liabilities:</b>		
Accounts Payable	403	811
<b>Net Assets:</b>		
Unrestricted Net Assets	<u>111,726</u>	<u>125,107</u>
Total Liabilities and Net Assets	<u>\$ 112,129</u>	<u>\$ 125,918</u>

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

**GALION COMMUNITY IMPROVEMENT CORPORATION  
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Revenue:</b>		
Local Grant	\$ -	\$ 5,000
Other Income	424	-
Earnings on Investments	<u>3,277</u>	<u>4,796</u>
 Total Revenue	 <u>3,701</u>	 <u>9,796</u>
<b>Expenses:</b>		
Meetings and Travel	119	146
Contractual Services	15,000	25,000
Telephone	14	429
Insurance	671	2,284
Professional Services	1,050	4,634
Property Taxes	<u>228</u>	<u>802</u>
 Total Expenses	 <u>17,082</u>	 <u>33,295</u>
 Net Operating Loss	 <u>(13,381)</u>	 <u>(23,499)</u>
<b>Other Income and Expense:</b>		
Other Income	-	1,233
Loss on Sale of Property	<u>-</u>	<u>(17,836)</u>
 Decrease in Unrestricted Net Assets	 (13,381)	 (40,102)
 Net Assets, Beginning of Year	 <u>125,107</u>	 <u>165,209</u>
 Net Assets, End of Year	 <u>\$ 111,726</u>	 <u>\$ 125,107</u>

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



**GALION COMMUNITY IMPROVEMENT CORPORATION  
CRAWFORD COUNTY**

**STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2009 and 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash Flows From Operating Activities</b>		
Decrease in net assets	\$ (13,381)	\$ (40,102)
Adjustments to reconcile decrease in net assets to net cash used by operating activities:		
Decrease in accounts payable	(408)	(235)
Increase in Prepaid Insurance	(939)	-
Loss on Sale of Property	-	17,508
	<b>(14,728)</b>	<b>(22,829)</b>
<b>Net Cash Used By Operating Activities</b>		
<b>Cash Flows From Capital and Related Activities</b>		
Proceeds from Disposition of Property	-	36,375
	<b>-</b>	<b>36,375</b>
<b>Net Cash Flows From Capital and Related Activities</b>		
Change in Cash and Cash Equivalents	(14,728)	13,546
<b>Cash, Beginning of Year</b>	<b>119,204</b>	<b>105,658</b>
<b>Cash, End of Year</b>	<b>\$ 104,476</b>	<b>\$ 119,204</b>

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

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**GALION COMMUNITY IMPROVEMENT CORPORATION  
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

**1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Galion Community Improvement Corporation (the Corporation), was incorporated in 1979. The Corporation is a nonprofit entity which was formed for the purpose of advancing, encouraging, and promoting the industrial, economic, commercial, and civic development of the City of Galion, Ohio, and the surrounding area.

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

**B. Basis of Accounting**

The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**C. Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of December 31, 2009, and 2008, net assets are unrestricted.

**D. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**E. Property**

Acquisitions of property in excess of \$50 are capitalized. Land is carried at cost. Depreciation is computed using the straight-line method over a useful life of 5-7 years for office equipment.

**F. Income Taxes**

The Corporation is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and Chapters 1702 and 1724 of the Ohio Revised Code.

**GALION COMMUNITY IMPROVEMENT CORPORATION  
CRAWFORD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**2. FIXED ASSETS**

The Galion CIC sold property in 2008 for \$36,375, which had a book value of \$53,883. The sale resulted in a loss on sale of property of \$17,836, which includes \$328 in fees.

A summary of fixed assets at December 31 follows:

	<u>2009</u>	<u>2008</u>
Land	\$ 6,714	\$ 6,714
Office Equipment	34,697	34,697
Less: Accumulated Depreciation	<u>(34,697)</u>	<u>(34,697)</u>
Net fixed assets	<u>\$ 6,714</u>	<u>\$ 6,714</u>

**3. RISK MANAGEMENT**

**Commercial Insurance**

The Corporation has obtained comprehensive property and general liability insurance through a private carrier.



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY CORPORATION AUDITING STANDARDS

Galion Community Improvement Corporation  
Crawford County  
106 Harding Way East  
Galion, Ohio 44833

To the Board of Trustees:

We have audited the financial statements of the Galion Community Improvement Corporation, Crawford County, Ohio, (the Corporation) as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated April 23, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Corporation's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Corporation's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the Corporation's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### Compliance and Other Matters

As part of reasonably assuring whether the 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, providing an opinion 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*.

Galion Community Improvement Corporation  
Crawford County  
Independent Accountants' Report On Internal Control Over  
Financial Reporting And On Compliance And Other Matters  
Required By *Corporation Auditing Standards*  
Page 2

We intend this report solely for the information and use of management, the Board of Trustees, and others within the Corporation. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

April 23, 2010



Mary Taylor, CPA  
Auditor of State

**GALION COMMUNITY IMPROVEMENT CORPORATION**

**CRAWFORD 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 8, 2010**