

**YOUNGSTOWN CENTRAL AREA
COMMUNITY IMPROVEMENT CORPORATION
MAHONING COUNTY
Regular Audit
For the Years Ended June 30, 2013 and 2012**

Perry & Associates
Certified Public Accountants, A.C.



Dave Yost • Auditor of State

Board of Trustees
Youngstown Central Area Community Improvement Corporation
242 Federal Plaza West
Suite 404
Youngstown, Ohio 44503

We have reviewed the *Independent Auditors' Report* of the Youngstown Central Area Community Improvement Corporation, Mahoning County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period July 1, 2011 through June 30, 2013. 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 Youngstown Central Area Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

April 9, 2014

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**YOUNGSTOWN CENTRAL AREA
COMMUNITY IMPROVEMENT CORPORATION
MAHONING COUNTY**

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Perry & Associates

Certified Public Accountants, A.C.

www.perrycpas.com

MARIETTA

428 Second Street
Marietta, OH 45750
(740) 373-0056
(740) 373-2402 Fax

PARKERSBURG

1035 Murdoch Avenue
Parkersburg, WV 26101
(304) 422-2203
(304) 428-5587 Fax

ST. CLAIRSVILLE

121 E. Main Street
St. Clairsville, OH 43950
(740) 695-1569
(740) 695-5775 Fax

INDEPENDENT AUDITOR'S REPORT

March 7, 2014

Youngstown Central Area Community Improvement Corporation
Mahoning County
242 Federal Plaza West, Ste. 404
Youngstown, Ohio 44503

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the **Youngstown Central Area Community Improvement Corporation**, Mahoning County, Ohio (the Corporation) (a nonprofit organization), as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the 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 the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the 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 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 respective financial position of the Youngstown Central Area Community Improvement Corporation, Mahoning County, Ohio as of June 30, 2013 and 2012, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Supplementary and Other Information

Our audit was conducted to opine on the Corporation's basic financial statements taken as a whole.

The accompanying schedules of functional expenses present additional analysis and are not a required part of the basic financial statements.

The schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2014, 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. 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 Corporation's internal control over financial reporting and compliance.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2013 AND 2012

	2013	2012
CURRENT ASSETS		
Cash	\$ 170,699	\$ 171,134
State of Ohio DAS Ohio Center Project Trust Fund	1,107,711	991,531
Accounts Receivable	252,465	92,971
Accrued Receivables	5,116	118,758
Prepaid Expenses	25,087	9,846
TOTAL CURRENT ASSETS	1,561,078	1,384,240
 CAPITAL ASSETS		
Land	1,616,962	1,616,962
Land Improvements	29,856	29,856
Buildings	11,843,198	11,843,198
Building Improvements	672,593	672,593
Furniture, Fixtures and Equipment	11,503	11,503
Less: Accumulated Depreciation	(4,953,574)	(4,513,243)
NET CAPITAL ASSETS	9,220,538	9,660,869
 OTHER ASSETS		
Deferred Bond Issue Costs, Net of Accumulated Amortization	100,603	107,310
TOTAL OTHER ASSETS	100,603	107,310
 TOTAL ASSETS	\$ 10,882,219	\$ 11,152,419
 CURRENT LIABILITIES		
Accounts Payable	\$ 282,134	\$ 93,100
Bonds Payable	190,000	185,000
Accrued Bond Interest	120,513	124,795
Accrued Real Estate Taxes	135	140
Unearned Rent	2,896,036	3,027,368
TOTAL CURRENT LIABILITIES	3,488,818	3,430,403
 LONG-TERM LIABILITIES		
Bonds Payable, Net of Current Portion and Unamortized		
Bond Discount of \$75,259 and \$81,568		
in 2013 and 2012, respectively	4,989,741	5,173,432
TOTAL LONG TERM LIABILITIES	4,989,741	5,173,432
 TOTAL LIABILITIES	8,478,559	8,603,835
 NET ASSETS		
Unrestricted	2,403,660	2,548,584
TOTAL NET ASSETS	2,403,660	2,548,584
 TOTAL LIABILITIES AND NET ASSETS	\$ 10,882,219	\$ 11,152,419

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

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	2013	2012
UNRESTRICTED REVENUES AND OTHER SUPPORT		
Rental Income	\$ 1,186,549	\$ 1,184,689
Interest Income	817	1,117
Other	797,425	683,218
TOTAL UNRESTRICTED REVENUES AND OTHER SUPPORT	1,984,791	1,869,024
 EXPENSES		
Program	2,105,715	1,762,608
General and Administrative	24,000	24,000
TOTAL EXPENSES	2,129,715	1,786,608
 INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	(144,924)	82,416
 UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	2,548,584	2,466,168
 UNRESTRICTED NET ASSETS, END OF YEAR	\$ 2,403,660	\$ 2,548,584

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

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (144,924)	\$ 82,416
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	440,330	439,268
Amortization of Bond Issue Costs	6,707	6,707
Amortization of Original Issue Discount on Bonds	6,308	6,308
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(159,494)	(59,865)
Accrued Receivables	113,642	74,435
Prepaid Expenses	(15,241)	(420)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	189,034	(49,764)
Accrued Bond Interest	(4,280)	(3,631)
Accrued Real Estate Taxes	(5)	(3)
Unearned Rent	(131,332)	(130,877)
Net Cash Provided by Operating Activities	300,745	364,574
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Bonds Payable	(185,000)	(160,000)
Net Cash Flows Used In Financing Activities	(185,000)	(160,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Capital Assets	-	(255,455)
Increase in State of Ohio DASOCP Trust Fund	(116,180)	(6,726)
Net Cash Used in Investing Activities	(116,180)	(262,181)
Net Increase (Decrease) in Cash	(435)	(57,607)
Cash, Beginning of Year	171,134	228,741
Cash, End of Year	\$ 170,699	\$ 171,134
SUPPLEMENTARY INFORMATION		
Cash Paid for Interest	\$ 276,345	\$ 285,628

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

**YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Business

The Youngstown Central Area Community Improvement Corporation (the "Corporation") is a nonprofit community improvement organization which was formed on April 25, 1988, with the primary purpose of promoting industrial and economic development within the central area of the City of Youngstown.

B. Basis of Accounting

The Corporation has prepared its financial statements on the accrual basis in conformity with accounting principles generally accepted in the United States of America.

C. Cash and Cash Equivalents

The Corporation maintains its cash balances in various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Corporation's deposits may at times exceed the insured limit.

D. Accounts Receivable and Accrued Receivables

Accounts receivable and accrued receivables are stated at the amount management expects to collect from balances outstanding at year-end. The potential risk is limited to the amount recorded in the financial statements. Receivables are written off when they are determined to be uncollectible. Based on management's assessment of the credit history with organizations having outstanding balances, it has concluded that all receivables at June 30, 2013 and 2012 are collectible.

E. Grants and Deferred Revenue

Governmental grants are deferred and are not recognized as revenue until expenditures are incurred.

F. Property and Equipment

Property and equipment purchased and real estate given by or transferred from the City of Youngstown to the Corporation are recorded at cost. Donated assets are recorded at fair market value at the date of the gift. No formal appraisal has been done on the donated properties and no reasonable method has been available to value the property.

Renewals and replacements of a routine nature are expensed, while those that extend or improve the life of existing properties are capitalized.

Assets are depreciated by the straight-line method over their estimated useful lives. The following is a summary of the useful lives.

Land and Building Improvements	7-20 years
Buildings	20-30 years
Furniture and Equipment	5 years

G. Unearned Rent

The Corporation has a rent agreement with the county of Mahoning for the 7th District of Appeals (COA) for a 30 year period. The COA has the option to purchase the building for \$1 at anytime during the lease period. Rent was prepaid in 2006. The rent will be recognized over the period of the agreement. Rental income received during the years ended June 30, 2013 and 2012 was \$131,332 per year.

H. Program Services

For financial statement purposes, the Corporation is involved with one program service, which is to promote industrial and economic development within the central business district of the city of Youngstown.

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012
(CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Restriction Policy

The Corporation has no donor imposed restrictions which need to be classified as temporary or permanently restricted assets.

J. Net Assets

The Corporation is required to present information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Net assets with voluntary designations by the governing board are considered unrestricted. The Corporation has funds designated for the purpose of transactions related to the construction and rental of the Voinovich Center. These funds are shown on the Statement of Financial Position under the description of "State of Ohio DAS Ohio Center Project Trust Fund".

K. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosure. Actual results could differ from those estimates.

M. Federal Income Taxes

The Corporation is a nonprofit organization and is exempt from federal income taxes under section 501 (c)(3) of the Internal Revenue Code. By virtue of Ohio law, the Corporation is not subject to Ohio income taxes. As of November 15, 2010, the Corporation's federal tax exemption status has been automatically revoked for its failure to file a Form 990 for three consecutive years.

2. STATE OF OHIO DAS OHIO CENTER PROJECT TRUST FUND

FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of value hierarchy under FASB ASC Topic 820 are described as follows:

Level 1 Fair Value Measurements

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012
(CONTINUED)

2. STATE OF OHIO DAS OHIO CENTER PROJECT TRUST FUND (Continued)

Level 2 Fair Value Measurements

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are delivered principally from or corroborated by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Fair Value Measurements

Inputs to the valuation methodology are unobservable and significant to the fair value measurements.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used to maximize the use of observable inputs and minimize the use of unobservable measurements.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2013 and 2012.

The investments of the Corporation are valued at the closing price reported in the active markets in which they are traded.

The preceding method described may produce fair value calculations that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Corporation believes its valuation is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value could result in a different fair value measurement at the reporting date.

Cost and fair value of U.S. Treasury Money Market accounts, within the fair value hierarchy, at June 30, 2013 and 2012 are as follows:

	2013		2012	
	Quoted Prices in Active Markets for Identical Assets (Level 1) Fair Market Value	Cost	Quoted Prices in Active Markets for Identical Assets (Level 1) Fair Market Value	Cost
U.S. Treasury Money Market	\$ 1,107,711	\$ 1,107,711	\$ 991,531	\$ 991,531

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012
(CONTINUED)

3. LONG TERM DEBT

Long-term debt consisted of the following:

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Bond obligations, interest rates from 4.05% to 5.0%, due at various dates until 2028	\$ 5,255,000	\$ 5,440,000
Less: Unamortized Discount	(75,259)	(81,568)
Less: Current Portion	<u>(190,000)</u>	<u>(185,000)</u>
Net Long-Term Debt	<u>\$ 4,989,741</u>	<u>\$ 5,173,432</u>

Amortization of future debt payments is scheduled as follows:

<u>Year Ending June 30:</u>	<u>Amount</u>
2014	\$ 190,000
2015	-
2016	-
2017	-
2018	-
Thereafter	<u>5,065,000</u>
Total	<u><u>\$5,255,000</u></u>

4. RENTALS UNDER OPERATING LEASES

The Corporation is the lessor of office space under operating leases with the State of Ohio with renewal options extending through 2029. The State of Ohio is able to exercise its option to purchase the building for \$1 at any time after the certificates of participation have been completed pursuant to the provisions of the trust agreement. Management expects these leases will be renewed. Including renewals, minimum future rentals to be received on these noncancelable leases as of June 30, 2013 for each of the next five years and in the aggregate are:

<u>Year Ending June 30:</u>	<u>Amount</u>
2014	\$ 990,696
2015	990,696
2016	1,020,813
2017	1,020,813
2018	1,050,992
Thereafter	<u>12,549,734</u>
Total Minimum Future Rentals	<u><u>\$17,623,744</u></u>

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012
(CONTINUED)

4. RENTALS UNDER OPERATING LEASES (Continued)

The following is a summary of office space held for lease:

	June 30, 2013	June 30, 2012
Building	\$ 7,802,229	\$ 7,802,229
Less: Accumulated Depreciation	(3,581,023)	(3,320,949)
	\$ 4,221,206	\$ 4,481,280

5. SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events through March 7, 2014, the date which the financial statements were available to be issued. No events occurred subsequent to March 7, 2014 that would require adjustment or disclosure in the financial statements.

6. CONTINGENT LIABILITIES

The Corporation participates in several state and federal assisted grants that are subject to financial and compliance audits by grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The Corporation believes that disallowed claims, if any, will not have a material adverse effect on the Corporation's financial condition.

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
SCHEDULES OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	Program		General and Administrative		Totals	
	2013	2012	2013	2012	2013	2012
EXPENSES						
Depreciation	\$ 440,330	\$ 439,268	\$ -	\$ -	\$ 440,330	\$ 439,268
Contracted Services	205,729	206,479	24,000	24,000	229,729	230,479
Legal and Professional	28,096	17,912	-	-	28,096	17,912
Occupancy and Maintenance	1,145,142	807,914	-	-	1,145,142	807,914
Marketing	582	421	-	-	582	421
Bond Expense	276,345	285,628	-	-	276,345	285,628
Real Estate Expense	135	140	-	-	135	140
Other	9,356	4,846	-	-	9,356	4,846
TOTAL EXPENSES	\$ 2,105,715	\$ 1,762,608	\$ 24,000	\$ 24,000	\$ 2,129,715	\$ 1,786,608

The accompanying notes are an integral part of these financial statements

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Certified Public Accountants, A.C.

www.perrycpas.com

MARIETTA

428 Second Street
Marietta, OH 45750
(740) 373-0056
(740) 373-2402 Fax

PARKERSBURG

1035 Murdoch Avenue
Parkersburg, WV 26101
(304) 422-2203
(304) 428-5587 Fax

ST. CLAIRSVILLE

121 E. Main Street
St. Clairsville, OH 43950
(740) 695-1569
(740) 695-5775 Fax

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

March 7, 2014

Youngstown Central Area Community Improvement Corporation
Mahoning County
242 Federal Plaza West, Ste. 404
Youngstown, Ohio 44503

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 **Youngstown Central Area Community Improvement Corporation**, Mahoning County, Ohio (the Corporation) (a nonprofit organization), as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated March 7, 2014.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the 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 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 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.

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, 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 an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of audit findings as item 2013-01.

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 Corporation's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION
MAHONING COUNTY**

**SCHEDULE OF AUDIT FINDINGS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2013-01

Noncompliance

The Corporation did not file its 2013 and 2012 financial reports with the Auditor of State within 120 days of fiscal year end and the 2013 and 2012 annual reports were not available on the Corporation's web site or that of Mahoning County, nor has a notice been published in the local newspapers. No waivers were requested or granted for the report filing.

Ohio Rev. Code Section 1724.05 and Auditor of State Bulletin 2001-003 lists the following requirements for community improvement corporations regarding annual reporting:

1. The annual unaudited financial report is to be submitted to the Auditor of State, Local Government Services Division, unless the Auditor of State has granted a specific waiver.
2. The report must be prepared in accordance with generally accepted accounting principles, including footnote disclosures, and be certified by the Board of Directors or its Treasurer or other Chief Fiscal Officer.
3. The report should be filed with the Auditor of State within 120 days of fiscal year end.
4. The report shall be published on the corporation's web site, or if the corporation does not have a web site, on the web site of the county in which the corporation is located.

Ohio Revised Code Section 1724.06 outlines the repercussions to noncompliance. The Auditor of State must certify corporations to the Secretary of State if 1) a corporation files its annual report more than 90 days delinquent (i.e., does not file its annual GAAP financial statement report within 120 days of its fiscal year end) and if 2) a corporation does not present auditable records within 90 days of a determination by the Auditor of State that a corporation is unauditible. Upon certification, the Secretary of State is to cancel the corporation's articles of incorporation until the deficiency is remedied.

We recommend that the Corporation prepare annual accrual basis financial statements and timely remit the required reports to the Auditor of State.

Management's Response – We did not receive a response from officials to this finding.

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Dave Yost • Auditor of State

YOUNGSTOWN CENTRAL AREA COMMUNITY IMPROVEMENT CORPORATION

MAHONING 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
APRIL 22, 2014**