

**NEW ALBANY**  
**COMMUNITY IMPROVEMENT CORPORATION**  
**(A Component Unit of the City of New Albany)**  
**Franklin County, Ohio**

**BASIC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**CHAD FULLER, DIRECTOR OF FINANCE**





# Dave Yost • Auditor of State

Board of Trustees  
New Albany Community Improvement Corporation  
99 W. Main Street  
New Albany, Ohio 43054

We have reviewed the *Independent Auditor's Report* of the New Albany 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 New Albany 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

July 9, 2015

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**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)  
Franklin County, Ohio**

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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

New Albany Community Improvement Corporation  
Franklin County  
99 West Main Street  
New Albany, Ohio 43054

To the Board of Trustees:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the New Albany Community Improvement Corporation, Franklin County, Ohio, a component unit of the City of New Albany, as of and for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the New Albany 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 the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the New Albany 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 New Albany 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 New Albany Community Improvement Corporation, Franklin County, Ohio, as of December 31, 2014, and the changes in its financial position and its cash flows 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 May 28, 2015, on our consideration of the New Albany 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 New Albany Community Improvement Corporation's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
May 28, 2015

**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

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The discussion and analysis of the New Albany Community Improvement Corporation's (the "CIC") financial performance provides an overall review of the CIC's financial activities for the year ended December 31, 2014. The intent of this discussion and analysis is to look at the CIC's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the CIC's financial performance.

### **Financial Highlights**

Key financial highlights for 2014 are as follows:

- In total, net position was \$253,298 at December 31, 2014.
- The CIC had operating revenues of \$280,131 and operating expenses of \$543,151 for 2014. Total change in net position for the year was a decrease of \$263,020.

### **Using these Basic Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the CIC's financial activities. The *Statement of Net Position* and *Statement of Revenues, Expenses and Changes in Net Position* provide information about the activities of the CIC, including all short-term and long-term financial resources and obligations.

### **Reporting the CIC's Financial Activities**

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

These documents look at all financial transactions and ask the question, "How did we do financially during 2014?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the CIC's *net position* and changes in net position. This change in net position is important because it tells the reader that, for the CIC as a whole, the *financial position* of the CIC has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. These statements can be found on pages 7 and 8 of this report.

The Statement of Cash Flows provides information about how the CIC finances and meets the cash flow needs of its operations. The Statement of Cash Flows can be found on page 9 of this report.

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes to the basic financial statements can be found on pages 10-13 of this report.



**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

The table below provides a summary of the CIC's net position at December 31, 2014 and December 31, 2013.

<b>Net Position</b>		
	<b>2014</b>	<b>2013</b>
<b><u>Assets</u></b>		
Current assets	\$ 250,027	\$ 367,690
Capital assets, net	5,058	149,263
<b>Total assets</b>	<b>\$ 255,085</b>	<b>\$ 516,953</b>
<b><u>Liabilities</u></b>		
Current liabilities	1,787	635
<b>Total liabilities</b>	1,787	635
<b><u>Net Position</u></b>		
Investment in capital assets	5,058	149,263
Unrestricted	248,240	367,055
<b>Total net position</b>	<b>\$ 253,298</b>	<b>\$ 516,318</b>

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2014, the CIC's net position totaled \$253,298.

At year-end, capital assets represented 1.98% of total assets. Capital assets consisted of equipment. There is no debt related to these capital assets. Capital assets are used to provide services and are not available for future spending.

**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

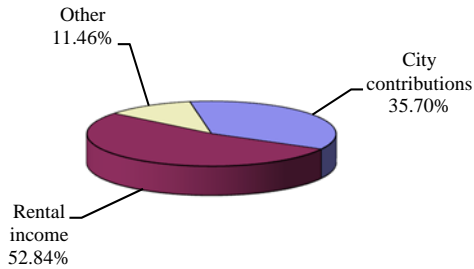
The table below shows the changes in net position for 2014 and 2013.

**Change in Net Position**

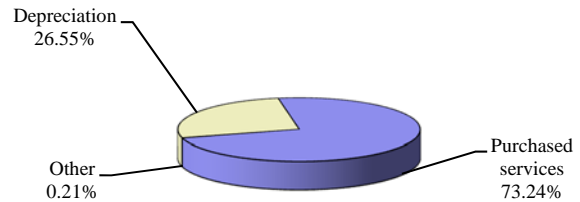
	<u>2014</u>	<u>2013</u>
<b><u>Operating revenues:</u></b>		
City contributions	\$ 100,000	\$ 100,000
Rental income	148,017	231,383
Other operating revenues	<u>32,114</u>	<u>364</u>
<b>Total operating revenues</b>	<b><u>\$ 280,131</u></b>	<b><u>\$ 331,747</u></b>
<b><u>Operating expenses:</u></b>		
Purchased services	397,800	366,699
Materials and supplies	-	691
Other	1,146	7,660
Depreciation	<u>144,205</u>	<u>285,039</u>
<b>Total operating expenses</b>	<b><u>\$ 543,151</u></b>	<b><u>\$ 660,089</u></b>
<b>Change in net position</b>	<b><u>\$ (263,020)</u></b>	<b><u>\$ (328,342)</u></b>
Net position at beginning of year	<u>516,318</u>	<u>844,660</u>
<b>Net position at end of year</b>	<b><u>\$ 253,298</u></b>	<b><u>\$ 516,318</u></b>

The charts below illustrate the revenues and expenses for the CIC during 2014 and 2013.

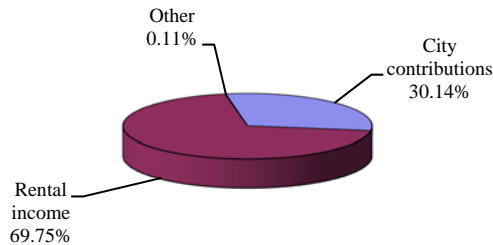
**2014 Revenues**



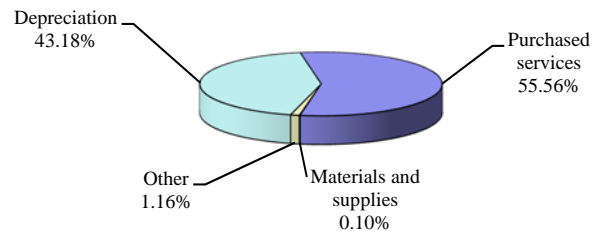
**2014 Expenses**



**2013 Revenues**



**2013 Expenses**



**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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**Capital Assets**

At December 31, 2014 and December 31, 2013, the CIC had \$5,058 and \$149,263, respectively, in equipment. See Note 4 to the basic financial statements for more detail on the capital assets.

**Current Financial Related Activities**

The CIC is sponsored by the City of New Albany. The CIC is reliant upon city contributions for its funding.

The CIC is the City of New Albany's agent for industrial and commercial distributions and research development. The purpose of the CIC is to advance, encourage, and promote industrial, economic, commercial and civic development of the City of New Albany.

**Contacting the CIC's Financial Management**

This financial report is designed to provide our clients and creditors with a general overview of the CIC's finances and to show the CIC's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Chad Fuller, Director of Finance, New Albany Community Improvement Corporation, 99 West Main Street, P.O. Box 188, New Albany, OH, 43054.

**BASIC  
FINANCIAL STATEMENTS**

**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

STATEMENT OF NET POSITION  
DECEMBER 31, 2014

**ASSETS**

Current assets:

Cash	\$ 91,799
Accounts receivable	34,762
Prepayments	<u>123,466</u>
Total current assets	<u>250,027</u>

Noncurrent assets:

Capital assets:

Capital assets, net	<u>5,058</u>
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Total non-current capital assets	<u>5,058</u>
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Total assets	<u>255,085</u>
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**LIABILITIES**

Accounts payable	1,775
Intergovernmental payable	<u>12</u>
Total liabilities	<u>1,787</u>

**NET POSITION**

Investment in capital assets	5,058
Unrestricted	<u>248,240</u>
Total net position	<u>\$ 253,298</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

**OPERATING REVENUES**

City contributions	\$ 100,000
Rental income	148,017
Other operating revenues	<u>32,114</u>
Total operating revenues	<u>280,131</u>

**OPERATING EXPENSES**

Purchased services	397,800
Other	1,146
Depreciation	<u>144,205</u>
Total operating expenses	<u>543,151</u>

OPERATING LOSS / CHANGE IN NET POSITION (263,020)

Net position at beginning of year 516,318

**NET POSITION AT END OF YEAR** \$ 253,298

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash received from city contributions	\$	100,000
Cash received from rental income		154,115
Cash received from other operations		28,269
Cash payments for purchased services		(349,689)
Cash payments for other expenses		(1,146)
		(68,451)
Net cash used in operating activities		(68,451)
NET DECREASE IN CASH		(68,451)
Cash at beginning of year		160,250
<b>CASH AT END OF YEAR</b>	<b>\$</b>	<b>91,799</b>

**RECONCILIATION OF OPERATING LOSS  
TO NET CASH USED IN OPERATING ACTIVITIES**

Operating loss	\$	(263,020)
Adjustments:		
Depreciation		144,205
Changes in assets and liabilities:		
Decrease in Accounts receivable		2,253
Decrease in Prepayments		46,959
Increase in Accounts payable		1,140
Increase in Intergovernmental payable		12
		12
Net cash used in operating activities	<b>\$</b>	<b>(68,451)</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

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

The New Albany Community Improvement Corporation (the "CIC") was formed pursuant to Ordinance O-15-2006 passed April 4, 2006 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 of the City of New Albany (the "City"). The CIC 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 nine members. The following four elected or appointed officials of the City of New Albany ("City Representatives") constitute four of the members of the Board of Trustees: Mayor (or appointed permanent designee), Council President Pro Tempore (or permanent designee), City Administrator and the City Director of Development. The City Representatives hold office for as long as they hold their position at the City. In addition to the four City Representatives, there are five members appointed by a majority vote of City Council ("Trustees at Large"). Three of the Trustees at Large will serve a term of three years. The two remaining Trustees at Large will serve a term of two years.

The City is a charter municipal corporation incorporated under the laws of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, 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 CIC 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 CIC is reported as a component unit of the City due to the City's ability to impose its will on the operations of the CIC. The CIC does not have any component units and does not include any other organizations in its presentation. The CIC's management believes these basic financial statements present all activities for which the CIC is financially accountable.

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

The basic financial statements of the CIC 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 CIC's significant accounting policies are described below.

**A. Basis of Accounting**

The basic financial statements of the CIC are prepared using the accrual basis of accounting in conformity with GAAP.

**B. Basis of Presentation**

The CIC'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.



**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The CIC distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the CIC's principal ongoing operation. The principal operating revenues of the CIC are contributions from the City and real estate rental income. Operating expenses for the CIC primarily include depreciation expense on capital assets purchased by the CIC and purchased services. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses. The CIC did not have any nonoperating revenues or expenses in 2014.

**C. Federal Income Tax**

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

**D. Cash and Cash Equivalents**

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

**E. Capital Assets and Depreciation**

The CIC's capital assets consist of equipment which is recorded at cost. The CIC maintains a capitalization threshold of \$5,000. Improvements are capitalized; however, the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

The CIC's equipment is depreciated using the straight-line method over an estimated useful life of five years.

**F. Accrued Liabilities**

The CIC has recognized certain expenses due, but unpaid as of December 31, 2014. These expenses are reported as accrued liabilities in the accompanying financial statements.

**G. Prepayments**

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in the Statement of Net Position. These items are reported as assets on the Statement of Net Position using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expense is reported in the year in which services are consumed.

**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**H. Net Position**

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The CIC has no restricted net position.

**I. Estimates**

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

**NOTE 3 - DEPOSITS**

At December 31, 2014, the carrying amount of the CIC's deposits was \$91,799. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of December 31, 2014, the entire bank balance of \$97,126 was covered by the Federal Deposit Insurance Corporation. There are no significant statutory restrictions regarding the deposits and investments of funds held by the not-for-profit corporation.

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2014, was as follows:

	Balance <u>12/31/13</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>12/31/14</u>
<i>Capital assets, being depreciated:</i>				
Equipment	\$ 1,316,860	\$ -	\$ -	\$ 1,316,860
Total capital assets, being depreciated	<u>1,316,860</u>	<u>-</u>	<u>-</u>	<u>1,316,860</u>
<i>Less: accumulated depreciation:</i>				
Equipment	(1,167,597)	(144,205)	-	(1,311,802)
Total accumulated depreciation	<u>(1,167,597)</u>	<u>(144,205)</u>	<u>-</u>	<u>(1,311,802)</u>
Total capital assets, net	<u>\$ 149,263</u>	<u>\$ (144,205)</u>	<u>\$ -</u>	<u>\$ 5,058</u>

**NOTE 5 - LITIGATION**

The CIC is involved in no material litigation as either plaintiff or defendant.

**NEW ALBANY  
COMMUNITY IMPROVEMENT CORPORATION  
(A Component Unit of the City of New Albany)**

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

**NOTE 6 - CONTRIBUTIONS FROM CITY OF NEW ALBANY**

The CIC received \$100,000 in contributions from the City during the year.

**NOTE 7 - RISK MANAGEMENT**

The CIC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to contracted personnel; and natural disasters. For 2014, the CIC had property and casualty insurance through Westfield Insurance.

Settled claims have not exceeded commercial coverage in the past three years. There was no significant reduction in coverage from the prior year.

**NOTE 8 - ACCOUNTS RECEIVABLE**

The CIC is the lessee of a building located at 8000 Walton Parkway, New Albany which includes Phase I and Phase II space. As the lessee, the CIC entered into an operating lease in January 2011 and makes monthly payments of \$4,480 and \$5,739. The lease is effective until July 31, 2017. The CIC subleases office space in the building to start-up businesses in the City. As a lessor, the CIC charges rent and internet subscription fees to tenants. The CIC also receives a quarterly revenue sharing amount with Bluemile, Inc. There was \$34,762 in accounts receivable as of December 31, 2014.

**NOTE 9 - AGREEMENT WITH TECHCOLUMBUS**

On July 15, 2012, the CIC entered into an agreement with TechColumbus, a non-profit organization of technology based companies, higher education and research organizations and local governments in the Central Ohio region. TechColumbus will help the City facilitate entrepreneurship and improve the chances of establishing successful technology enterprises. TechColumbus agrees to provide the following: service territory definition, staffing, “deal flow” stimulation; access to entrepreneurial assistance programs and TechColumbus relationships; access to funding/capital and budget. During 2014, the CIC paid \$100,000 to TechColumbus for services.

**NOTE 10 - CHANGE IN ACCOUNTING PRINCIPLES**

For 2014, the CIC has implemented GASB Statement No. 69, *Government Combinations and Disposals of Government Operations* and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the CIC.

GASB Statement No. 70 improves the recognition, measurement, and disclosures for state and local governments that have extended or received financial guarantees that are nonexchange transactions. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the CIC.



**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***

New Albany Community Improvement Corporation  
Franklin County  
99 West Main Street  
New Albany, Ohio 43054

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 New Albany Community Improvement Corporation, Franklin County, Ohio, a component unit of the City of New Albany, as of and for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the New Albany Community Improvement Corporation's basic financial statements and have issued our report thereon dated May 28, 2015.

**Internal Control Over Financial Reporting**

As part of our financial statement audit, we considered the New Albany 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 New Albany 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 New Albany 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  
New Albany Community Improvement Corporation

### **Compliance and Other Matters**

As part of reasonably assuring whether the New Albany 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 New Albany 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 New Albany 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.  
May 28, 2015

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# Dave Yost • Auditor of State

**NEW ALBANY 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  
JULY 23, 2015**