



Dave Yost • Auditor of State





# Dave Yost • Auditor of State

September 19, 2018

Union City Area Community Improvement Corporation  
Darke County  
419 East Elm Street  
Union City, Ohio 45390

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Union City Area Community Improvement Corporation, Darke County, (the Corporation) for the years ended December 31, 2017 and 2016.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Corporation's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Corporation's financial statements, transactions or balances for the years ended December 31, 2017 and 2016.

The Corporation's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

## Current Year Observations

1. We noted that the Corporation sold property on December 29, 2016, for \$24,033.16. This revenue was not deposited until January 9, 2017, and was therefore recorded as a sale of property on the 2017 annual financial report rather than the 2016 annual financial report. Due care should be taken when recording transactions in order to assure that revenues are recorded in the proper audit period. Failure to record revenues in the proper audit period could lead to over or understatement of revenues and possible audit adjustments.
2. We noted that the Corporation did not file the 2017 and 2016 annual financial reports timely within 120 days after fiscal year-end; the 2017 annual financial report was filed on August 29, 2018, and the 2016 annual financial report was filed on August 7, 2017. Additionally, the Corporation did not file financial statements in accordance with generally accepted accounting principles (GAAP).

Per Ohio Rev. Code Section 1724.05, Community Improvement Corporations are required to prepare an annual financial report using the generally accepted accounting principles (GAAP) basis and file the annual financial report within 120 days following the last day of the corporation's fiscal year.

Furthermore, per Ohio Rev. Code Section 1724.06, failure to file within 90 days of the prescribed filing date (i.e. 210 days following the last day of the corporation's fiscal year), requires the Auditor of State's Office to certify that fact to the Secretary of State, and for the Secretary of State to cancel the corporation's articles of incorporation.

It is the Corporation's responsibility to file GAAP basis financial statements in a timely manner.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

September 19, 2018



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UNION CITY AREA COMMUNITY IMPROVEMENT CORPORATION

DARKE 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  
OCTOBER, 2 2018