

**BIG WALNUT AREA COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY, OHIO**

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

MATT CRAMBLIT, SECRETARY/TREASURER



Dave Yost • Auditor of State

Board of Trustees
Big Walnut Area Community Improvement Corporation
4175 Alum Creek Drive
Obetz, Ohio 43207

We have reviewed the *Independent Auditor's Report* of the Big Walnut Area Community Improvement Corporation, Franklin County, prepared by Julian & Grube, Inc., for the audit period January 1, 2012 through December 31, 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 Big Walnut 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

June 25, 2014

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**BIG WALNUT AREA COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY, OHIO**

**BASIC FINANCIAL STATEMENTS
FOR YEARS ENDED DECEMBER 31, 2013 AND 2012**

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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

Big Walnut Area Community Improvement Corporation
Franklin County
4175 Alum Creek Drive
Obetz, Ohio 43207

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the Big Walnut Area Community Improvement Corporation, Franklin County, Ohio, as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the Big Walnut Area Community Improvement Corporation's 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 Big Walnut Area 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 Big Walnut Area 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 respective financial position of the Big Walnut Area Community Improvement Corporation, Franklin County, Ohio, as of December 31, 2013 and 2012, and the respective changes in financial position and its cash flows, for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2014, on our consideration of the Big Walnut Area 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 Big Walnut Area Community Improvement Corporation's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc." with a stylized flourish at the end.

Julian & Grube, Inc.
June 3, 2014

Big Walnut Area Community Improvement Corporation
Statement of Financial Position
As of December 31, 2013 and 2012

	2013	2012
ASSETS		
Current Assets:		
Cash	\$ 35,900	\$ 52,180
Accounts Receivable	10,000	5,000
Total Current Assets	45,900	57,180
Capital Assets:		
Land Improvements	9,125	9,125
Building	431,051	431,051
Building Improvements	18,000	-
Total Fixed Assets	458,176	440,176
Accumulated Depreciation	(440,350)	(437,942)
Total Capital Assets, Net	17,826	2,234
TOTAL ASSETS	\$ 63,726	\$ 59,414
NET ASSETS:		
Unrestricted	\$ 63,726	\$ 59,414

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

Big Walnut Area Community Improvement Corporation
Statement of Activities
For the Years Ended December 31, 2013 and 2012

	2013	2012
REVENUES:		
Rent	\$ 27,360	\$ 27,360
Interest	100	106
Other Revenue	5,000	5,000
TOTAL REVENUES	32,460	32,466
EXPENSES:		
Administrative and general operating	2,923	16,099
Facility operating and maintenance	8,300	6,194
Economic development	14,517	8,423
Depreciation	2,408	608
TOTAL EXPENSES	28,148	31,324
Change in Net Assets	4,312	1,142
Net Assets, beginning of year	59,414	58,272
Net Assets, end of year	\$ 63,726	\$ 59,414

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

Big Walnut Area Community Improvement Corporation
Statement of Cash Flows
For the Years Ended December 31, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities:		
Change in net assets	\$ 4,312	\$ 1,142
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Accounts Receivable	(5,000)	12,060
Depreciation	2,408	608
Net Cash Provided by (Used for) Operating Activities	1,720	13,810
Cash Provided by (Used for) Capital and Related Financing Activities	(18,000)	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(18,000)	-
Net increase/(decrease) in cash	(16,280)	13,810
Cash at Beginning of Year	52,180	38,370
Cash at End of Year	\$ 35,900	\$ 52,180

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**BIG WALNUT AREA COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

1. Purpose and Nature of Operations

Big Walnut Area Community Improvement Corporation of Franklin County, Ohio (the Corporation) is a not-for-profit corporation formed pursuant to Chapter 1724 of the Ohio Revised Code to facilitate the economic development process in the Village of Obetz and the surrounding area. Any person, partnership or corporation being a resident of Obetz or its surrounding territory or being engaged in business in Obetz or its surrounding territory may become a member of the Corporation. The Corporation encourages the interaction of member communities and businesses therein, markets and/or promotes development within southeastern Franklin County, and proposes policies and makes recommendations to assist in local economic development activities.

The Corporation operates under the direction of a seven member board of trustees which is comprised of four trustees elected at large and the Mayor, Council President Pro Tem and Administrator of the Village of Obetz. The at large trustees serve three year terms and are elected by the membership at the annual meeting of the trustees.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles general accepted in the United States of America. Revenues are recognized when earned and expenses are recognized when incurred.

Cash

Cash consists of deposits held by a credit union in interest and non-interest bearing accounts.

Income Taxes

The Corporation is a not-for-profit organization that is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code.

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. Actual results could differ from those estimates.

Property and Depreciation

The Corporation's only significant assets are a building donated to the Corporation in 1998 (See Note 4), building improvements and land improvements. Assets are reported at cost or estimated cost. Depreciation is provided on the straight-line method over the estimated remaining useful lives of the respective assets, 10 years for the building and building improvements and 15 years for the land improvements.

**BIG WALNUT AREA COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Summary of Significant Accounting Policies - (Continued)

Contributions

Donated property is recorded as a contribution at its fair market value on the date donated. The Corporation did not receive any contributions in 2013 and 2012.

Net Assets

Net assets are classified based on the existence or absence of imposed restrictions.

3. Cash

The carrying value of cash deposits at December 31, 2013 and 2012 was \$35,900 and \$52,180, respectively. Deposits are fully insured by the National Credit Union Administration.

4. Contributed Building

In 1998, the Corporation received as a donation a building with a fair market value of \$431,051. The building is currently leased to Team Columbus Soccer, LLC and serves as the practice facility of the Columbus Crew (See Note 6).

5. Lease Commitment

The Corporation leases the land from the Village of Obetz upon which the Columbus Crew practice facility is situated. The annual lease payment is \$1. Upon expiration of the lease or upon vacancy of the building by its tenant, the building and all equipment are to be sold by the Corporation to the Village of Obetz for \$1.

6. Building Lease Income

The Corporation (lessor) entered into a renewable five year lease agreement, beginning January 1, 1997, with Team Columbus Soccer, LLC (lessee) to lease the building known as the Columbus Crew Training Facility as well as adjacent land. The current lease provides for rental payments of \$2,280 per month through December 31, 2014.

**BIG WALNUT AREA COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

7. Capital Assets

Capital asset activity for the years ended December 31, 2013 and 2012 is as follows:

	Balance <u>1/1/13</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/13</u>
<i>Capital Assets Being Depreciated:</i>				
Land improvements	\$ 9,125	\$ -	\$ -	\$ 9,125
Building	431,051	-	-	431,051
Building improvements	<u>-</u>	<u>18,000</u>	<u>-</u>	<u>18,000</u>
<i>Total Capital Assets Being Depreciated</i>	<u>440,176</u>	<u>18,000</u>	<u>-</u>	<u>458,176</u>
<i>Less Accumulated Depreciation:</i>				
Land improvements	(6,891)	(608)	-	(7,499)
Building	(431,051)	-	-	(431,051)
Building improvements	<u>-</u>	<u>(1,800)</u>	<u>-</u>	<u>(1,800)</u>
<i>Total Accumulated Depreciation</i>	<u>(437,942)</u>	<u>(2,408)</u>	<u>-</u>	<u>(440,350)</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 2,234</u>	<u>\$ 15,592</u>	<u>\$ -</u>	<u>\$ 17,826</u>
	Balance <u>1/1/12</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/12</u>
<i>Capital Assets Being Depreciated:</i>				
Land improvements	\$ 9,125	\$ -	\$ -	\$ 9,125
Building improvements	<u>431,051</u>	<u>-</u>	<u>-</u>	<u>431,051</u>
<i>Total Capital Assets Being Depreciated</i>	<u>440,176</u>	<u>-</u>	<u>-</u>	<u>440,176</u>
<i>Less Accumulated Depreciation:</i>				
Land improvements	(6,283)	(608)	-	(6,891)
Building improvements	<u>(431,051)</u>	<u>-</u>	<u>-</u>	<u>(431,051)</u>
<i>Total Accumulated Depreciation</i>	<u>(437,334)</u>	<u>(608)</u>	<u>-</u>	<u>(437,942)</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 2,842</u>	<u>\$ (608)</u>	<u>\$ -</u>	<u>\$ 2,234</u>

**BIG WALNUT AREA COMMUNITY IMPROVEMENT CORPORATION
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

8. Annual Contribution

The Corporation receives an annual \$5,000 contribution from the owner of the building located at 4850 Frusta Dr., Obetz, Ohio. The payment was negotiated by the Village of Obetz in exchange for a 15 year tax abatement on the building. Payments began in 2003 and will continue through 2017.

9. Litigation

The Corporation is not party to any legal proceedings as either plaintiff or defendant.



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*

Big Walnut Area Community Improvement Corporation
Franklin County
4175 Alum Creek Drive
Obetz, Ohio 43207

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 Big Walnut Area Community Improvement Corporation, Franklin County, Ohio, as of December 31, 2013 and 2012 and the related notes to the financial statements, which collectively comprise the Big Walnut Area Community Improvement Corporation and have issued our report thereon dated June 3, 2014.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Big Walnut Area 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 Big Walnut Area 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 Big Walnut Area 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
Big Walnut Area Community Improvement Corporation

Compliance and Other Matters

As part of reasonably assuring whether the Big Walnut Area 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 Big Walnut Area 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 Big Walnut Area 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.
June 3, 2014



Dave Yost • Auditor of State

BIG WALNUT AREA 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 8, 2014**