



**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2008-2007**



**Mary Taylor, CPA**  
Auditor of State



**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Newcomerstown Community Improvement Corporation  
Tuscarawas County  
P.O. Box 87  
Newcomerstown, Ohio 43832

To the Board of Directors:

We have audited the accompanying statements of financial position of the Newcomerstown Community Improvement Corporation, Tuscarawas County, Ohio, (the Corporation) as of and for the years ended December 31, 2008 and 2007, and the related statements of activities and cash flows. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Newcomerstown Community Improvement Corporation, Tuscarawas County, Ohio, as of December 31, 2008 and 2007, and the changes in its net assets 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 July 15, 2009, 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 our 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.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

July 15, 2009

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**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2008 AND 2007**

	<u>ASSETS</u>	
	<u>2008</u>	<u>2007</u>
<b>CURRENT ASSETS:</b>		
Cash:		
Checking - Huntington National Bank	\$ 17,098	\$ 12,871
Checking - Chase		5
Money Market - Huntington National Bank	10,292	10,242
Certificate of Deposit - Huntington National Bank	44,879	42,941
Certificate of Deposit - Chase Bank	33,229	32,000
Total Cash	<u>105,498</u>	<u>98,059</u>
 <b>PROPERTY AND EQUIPMENT:</b>		
Land	<u>2,245,066</u>	<u>2,245,066</u>
 <b>TOTAL ASSETS</b>	 <u><u>\$ 2,350,564</u></u>	 <u><u>\$ 2,343,125</u></u>
 <u>LIABILITIES AND NET ASSETS</u>		
<b>LIABILITIES:</b>		
Current		
Accrued Interest	\$ 708,591	\$ 615,925
Long-term Liabilities		
Note Payable - Tuscarawas County	2,200,000	2,200,000
 <b>NET ASSETS:</b>		
Unrestricted Net Assets:		
Operating	<u>(558,027)</u>	<u>(472,800)</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <u><u>\$ 2,350,564</u></u>	 <u><u>\$ 2,343,125</u></u>

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

**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	2008	2007
<b>REVENUE:</b>		
Interest Income	\$ 3,217	\$ 3,362
House Rental Income	5,500	5,750
Farm Rental Income	34,267	35,066
Royalty Income	5,060	4,053
Refunds	792	
Total Revenue	48,836	48,231
 <b>EXPENSES:</b>		
Audit Fees	1,001	1,453
Bank Charges	51	18
Fees	44	
Interest	126,933	122,663
Insurance	1,639	1,912
Meetings		20
Memorials	142	
Mowing and Maintenance	635	568
Postage	70	68
Real Estate Taxes	2,663	2,586
Rent	500	
Repairs		3,677
Website Development	385	60
Total Expenses	134,063	133,025
 <b>CHANGE IN NET ASSETS</b>	 (85,227)	 (84,794)
 <b>NET ASSETS - BEGINNING OF YEAR</b>	 (472,800)	 (388,006)
 <b>NET ASSETS - END OF YEAR</b>	 \$ (558,027)	 \$ (472,800)

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



**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ (85,227)	\$ (84,794)
Increase in Accrued Interest	92,666	87,879
Net Cash Provided by Operating Activities	7,439	3,085
NET INCREASE IN CASH	7,439	3,085
CASH - BEGINNING OF YEAR	98,059	94,974
CASH - END OF YEAR	\$ 105,498	\$ 98,059
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash Paid During the Year for Interest	\$ 34,267	\$ 34,783

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

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**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION  
TUSCARAWAS COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

The Newcomerstown Community Improvement Corporation (CIC) was established to promote commercial and industrial development in the Village of Newcomerstown, Ohio and surrounding areas.

Basis of Accounting

The CIC maintains its financial records on the accrual basis of accounting.

Financial Statement Presentation

The Organization previously adopted Statement of Financial Accounting Standards (SFAS) No. 117 "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Agency 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. In addition, the Organization is required to present a statement of cash flows. The Organization only had unrestricted net assets at December 31, 2008 and 2007.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The CIC considers all highly liquid deposit instruments purchased with a maturity of three months or less to be cash. Certificates of Deposit owned by the CIC in lengths greater than three months are classified as cash because the amounts are considered to be cash savings accounts. Fair values approximate carrying amounts.

**NOTE 2: INCOME TAXES**

The CIC is a nonprofit organization as described in Section 501 (c) (5) of the Internal Revenue Code and is exempt from federal and state income taxes.

**NOTE 3: NOTE PAYABLE**

The CIC has a note payable to The Board of Tuscarawas County Commissioners in the amount of \$2,200,000. The original note matures on March 5, 2008; however, the CIC has obtained a twelve month extension to March 5, 2009. The note is secured by certain real estate in Oxford Township, Tuscarawas County, Ohio adjacent to the current Newcomerstown Industrial Park. The note is due plus accrued interest at 4.5 percent per annum upon the sale of the land by the CIC.

**NOTE 4: LAND**

Land is carried at cost and there is no depreciation allowance.

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# Mary Taylor, CPA

Auditor of State

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

Newcomerstown Community Improvement Corporation  
Tuscarawas County  
P.O. Box 87  
Newcomerstown, Ohio 43832

To the Board of Directors:

We have audited the financial statements of the Newcomerstown Community Improvement Corporation, Tuscarawas County, Ohio, (the Corporation) as of and for the years ended December 31, 2008 and 2007 and have issued our report thereon dated July 15, 2009. 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 expressing our opinion on the financial statements, but not to opine 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 control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Corporation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Corporation's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Corporation's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be 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.

However, we noted certain matters that we reported to the Corporation's management in a separate letter dated July 15, 2009.

### **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*.

We intend this report solely for the information and use of management and the Board of Directors. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

July 15, 2009



**Mary Taylor, CPA**  
Auditor of State

**NEWCOMERSTOWN COMMUNITY IMPROVEMENT CORPORATION**

**TUSCARAWAS 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  
AUGUST 6, 2009**