



Dave Yost • Auditor of State

**NEWARK/GRANVILLE COMMUNITY AUTHORITY
LICKING COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance - For the Years Ended June 30, 2011 and 2010	3
Notes to the Financial Statements	5
Independent Accountants' Report On Internal Control Over Financial Reporting and On Compliance and Other Matters	7
Schedule of Findings.....	9

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Newark/Granville Community Authority
Licking County
P.O. Box 417
Granville, Ohio 43023-0417

To the Board of Trustees:

We have selectively tested the accounts, financial records, files, and reports of the Newark/Granville Community Authority, Licking County, Ohio, (the Authority) as of and for the years ended June 30, 2011, and June 30, 2010 following Ohio Admin. Code § 117-4-02.

There was one reportable finding as a result of performing these procedures. Our reportable findings and conditions follow the financial presentation. Our engagement was not designed to result in expressing an opinion on the accompanying financial statement, and we do express no opinion on it.

This report is intended solely for the information and use of management, the Board of Trustees, and others within the Authority. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

December 8, 2011

THIS PAGE INTENTIONALLY LEFT BLANK

**NEWARK/GRANVILLE COMMUNITY AUTHORITY
LICKING COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES
FOR THE YEAR ENDED JUNE 30, 2011 AND 2010**

	2,011	2,010
Cash Receipts:		
Special Assessments	\$ 154,590	\$ 155,186
Interest	789	815
Miscellaneous	150	-
	155,529	156,001
Cash Disbursements:		
Special Assessment Fees	4,555	4,654
Surety Bonds	-	150
Legal Fees	5,600	5,885
Accounting services	4,812	2,050
Capital Outlay	354,514	-
Advertising	261	999
Other	17	552
	369,759	14,290
Total Receipts Over/(Under) Disbursements	(214,230)	141,711
Cash Balance, July 1	848,545	706,834
Cash Balance, June 30	\$ 634,315	\$ 848,545

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

THIS PAGE INTENTIONALLY LEFT BLANK

**NEWARK/GRANVILLE COMMUNITY AUTHORITY
LICKING COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2011 AND 2010**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Newark/Granville Community Authority, Licking County, Ohio (the Authority) as a body corporate and politic. A publicly-elected seven-member Board of Trustees, three of whom are citizen members to represent the interests of present and future citizens of the Community Authority, one of whom is to serve as a representative of local government and three of whom are to serve as representatives of the Granville Exempted Village School District. Three representatives of the Board of Trustees are selected by Granville Exempted Village School District and the other members are appointed by the Licking County Commissioners. The Authority was created for the purpose of encouraging the orderly development of a well-planned, diversified and economically sound New Community in central Licking County.

The Authority's management believes this financial statement presents all activities for which the Authority is financially accountable.

B. Accounting Basis

This financial statement follows the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Authority recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash

The Treasurer of the Authority is the Treasurer of the Granville Exempted Village School District. Authority receipts and disbursements are maintained in an Agency Fund on the School District's records.

2. EQUITY IN POOLED CASH

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at June 30 was as follows:

	2011	2010
Demand deposits	\$ 634,315	\$ 848,545

3. SPECIAL ASSESSMENTS

Residents residing in the Authority are charged an assessment on each parcel of land, after a certificate of occupancy has been issued. The annual assessment charged is the greater of \$455 or the product of the assessed valuation of the parcel, multiplied by \$.0052.

The County is responsible for assessing property, and for billing, collecting, and distributing all assessments on behalf of the Authority.

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

Newark/Granville Community Authority
Licking County
P.O. Box 417
Granville, Ohio 43023-0417

To the Board of Trustees:

We have selectively tested certain accounts, financial records, files and reports of the Newark/Granville Community Authority, Licking County, Ohio, (the Authority) as of and for the years ended June 30, 2011 and June 30, 2010, following Ohio Admin. Code § 117-4-02. Our engagement was not designed to result in expressing an opinion on the accompanying financial statement, internal control over financial reporting, or compliance. We therefore express no opinion on these matters.

Internal Control Over Financial Reporting

During our procedures related to the internal control over financial reporting, we noted a matter that, in our judgment, could adversely affect the Authority's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statement. In addition, this matter could result in the occurrence of a misstatement that is caused by error or fraud that would not be detected in a timely manner by employees when performing the assigned functions. This matter is described in the schedule of findings as item 2011-01.

Compliance and Other Matters

We tested compliance with certain provisions of laws, regulations, contract, and grant agreements, applicable to the Authority. Noncompliance with these requirements could impact the Authority's ability to determine financial statement amounts. The results of our tests disclosed an instance of noncompliance or other matter that is reported in the accompanying schedule of findings as item 2011-01.

We intend this report solely for the information and use of management, Board of Trustees and others within the Authority. We intend it for no one other than these specified parties.

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

Dave Yost
Auditor of State

December 8, 2011

THIS PAGE INTENTIONALLY LEFT BLANK

**NEWARK/GRANVILLE COMMUNITY AUTHORITY
LICKING COUNTY**

**SCHEDULE OF FINDINGS
JUNE 30, 2011 AND 2010**

FINDINGS RELATED TO THE FINANCIAL STATEMENT

FINDING NUMBER 2011-01

Ohio Revised Code 349.05 states that a new community authority established pursuant to this chapter is a body corporate and politic, and shall have the powers specifically granted by this chapter.

Ohio Revised Code Section 349.06 provides that community authorities have the power to acquire and dispose of property, enter into agreements with governments, developers or other parties (without competitive bidding, but subject to prevailing wage) for land development activities, and to construct community facilities (such as community and recreation centers, auditoriums, parks, day care centers, schools, hospitals and utilities), provide landscape and otherwise aesthetically improve areas, adopt rules governing the use of community facilities, levy and enforce community development charges, hire employees and issue bonds. Chapter 349 also provides community authorities and governmental entities or agencies with the power to cooperate with each other to carry out the community development program.

The Newark/Granville Community Authority's (the Authority) funds were used to pay expenses of the Granville Exempted Village School District (the District).

<u>Amount</u>	<u>Purpose</u>
\$2,704	Preparation of the District's Comprehensive Annual Financial Report (CAFR)
968	Preparing supplemental information for the District's CAFR
750	Analyzing the District's revenue sharing agreement
<u>\$4,422</u>	Total

Use of the Authority's funds to pay the expenses of the District is not within the statutorily prescribed powers of the Authority.

Also, the Authority's Board only meets once each fiscal year. There was no indication the Board approved commitments prior to expenditure, nor was there any evidence the Board reviewed financial activity throughout and at the end of each fiscal year.

The Authority's Board should develop written policies and procedures to facilitate reviews of monthly financial activity.

We also recommend the Authority implement additional procedures over the completeness and accuracy of financial information reported within the annual financial report. Such procedures may include review of the financial statements and related components, with analytical comparisons between current and prior year amounts for obvious errors or omissions.

The Authority and District have posted the appropriate adjustments to the financial statement and accounting records.

This page intentionally left blank.



Dave Yost • Auditor of State

NEWARK GRANVILLE COMMUNITY AUTHORITY

LICKING 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
DECEMBER 29, 2011**