

**COMMUNITY IMPROVEMENT CORPORATION
OF CHAMPAIGN COUNTY**



Prepared Financial Statements

December 31, 2021 and 2020

**COMMUNITY IMPROVEMENT CORPORATION
OF CHAMPAIGN COUNTY**

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**Community Improvement Corporation of Champaign County
d.b.a. Champaign Economic Partnership of Champaign County
Statements of Financial Position
As of December 31, 2021 and 2020**

ASSETS

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 167,437	\$ 132,663
Restricted Cash	-	10,042
Prepaid Expenses	850	-
	<u>168,287</u>	<u>142,705</u>
PROPERTY AND EQUIPMENT		
Land - 222 E. Market St	20,400	20,400
Office Equipment	8,662	8,662
Accumulated Depreciation	(8,662)	(8,662)
Net Property and Equipment	<u>20,400</u>	<u>20,400</u>
OTHER ASSETS		
Security Deposit	850	-
	<u>21,250</u>	<u>20,400</u>
TOTAL ASSETS	<u>\$ 189,537</u>	<u>\$ 163,105</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Payroll Liabilities	\$ 7,665	\$ 3,720
Accounts Payable	1,885	14,518
Manufacturer's Council Escrow	13,354	11,688
	<u>22,904</u>	<u>29,926</u>
NET ASSETS:		
Without Donor Restrictions	155,272	114,822
With Donor Restrictions	11,361	18,357
	<u>166,633</u>	<u>133,179</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 189,537</u>	<u>\$ 163,105</u>

No assurance is provided on financial statements

**Community Improvement Corporation of Champaign County
d.b.a. Champaign Economic Partnership of Champaign County
Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
REVENUE:		
Community Support Revenue	\$ 176,200	\$ 138,607
Rental Income	1,812	1,800
CARES Administrative Income	23,702	-
Miscellaneous Income	127	1,950
Interest Income	615	626
Net Assets Released from Use Restrictions	<u>27,814</u>	<u>714,625</u>
 TOTAL REVENUE	 230,270	 857,608
Expenses:		
PROGRAM SERVICES:		
Economic Development	137,042	808,018
SUPPORT SERVICES:		
General and Administrative	<u>52,778</u>	<u>39,705</u>
 TOTAL EXPENSES	 189,820	 847,723
 INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	 40,450	 9,885
NET ASSETS WITH DONOR RESTRICTIONS:		
Contribution Revenue	20,818	705,272
Net Assets Released from Use Restrictions	<u>(27,814)</u>	<u>(714,625)</u>
 INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	 <u>(6,996)</u>	 <u>(9,353)</u>
 TOTAL CHANGE IN NET ASSETS	 33,454	 532
 NET ASSETS, BEGINNING OF YEAR	 <u>133,179</u>	 <u>132,647</u>
 NET ASSETS, END OF YEAR	 <u>\$ 166,633</u>	 <u>\$ 133,179</u>

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**Community Improvement Corporation of Champaign County
d.b.a. Champaign Economic Partnership of Champaign County
Statement of Functional Expenses
For the year ended December 31, 2021**

	2021		
	ECONOMIC DEVELOPMENT PROGRAM	GENERAL & ADMIN	TOTAL EXPENSES
Salaries	\$ 63,305	\$ 20,234	\$ 83,539
Payroll Taxes	5,455	1,743	7,198
Dues and Subscriptions	4,520	-	4,520
Business Liaison	8,500	-	8,500
Liability Insurance & Bonding	1,074	-	1,074
Advertising	38,920	-	38,920
Office Rent/Lease	4,408	3,904	8,312
Professional Fees	2,430	22,296	24,726
Professional Development	1,477	-	1,477
Records Management	2,781	-	2,781
Meeting Expenses	520	-	520
Telecommunications	2,501	-	2,501
Travel	1,151	-	1,151
Office Supplies	-	4,601	4,601
TOTAL EXPENSES	\$ 137,042	\$ 52,778	\$ 189,820

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**Community Improvement Corporation of Champaign County
d.b.a. Champaign Economic Partnership of Champaign County
Statement of Functional Expenses
For the year ended December 31, 2020**

	2020		
	ECONOMIC DEVELOPMENT PROGRAM	GENERAL & ADMIN	TOTAL EXPENSES
Salaries	\$ 59,116	\$ 22,144	\$ 81,260
Payroll Taxes	4,571	1,712	6,283
Grants Paid	678,537	-	678,537
Dues and Subscriptions	4,918	-	4,918
Hotel Feasibility Study	10,000	-	10,000
Business Liaison	7,000	-	7,000
Depreciation	873	-	873
Liability Insurance & Bonding	1,055	-	1,055
Advertising	28,916	-	28,916
Office Rent/Lease	3,818	3,382	7,200
Professional Fees	-	7,359	7,359
Professional Development	20	-	20
Records Management	6,444	-	6,444
Meeting Expenses	59	-	59
Telecommunications	1,954	-	1,954
Travel	737	-	737
Postage	-	283	283
Office Supplies	-	4,825	4,825
 TOTAL EXPENSES	 \$ 808,018	 \$ 39,705	 \$ 847,723

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**Community Improvement Corporation of Champaign County
d.b.a. Champaign Economic Partnership of Champaign County
Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 33,454	\$ 532
Adjustments to Reconcile Change in Net Assets To Net Cash Provided by Operating Activities:		
Depreciation	-	873
(Increase) Decrease in Operating Assets:		
Prepaid Expenses	(850)	-
Security Deposit	(850)	-
Increase (Decrease) in Operating Liabilities:		
Manufacturing Council Payable	1,666	(2,551)
Accounts Payable	(12,633)	10,689
Payroll Taxes Payable	3,945	(131)
	<u>24,732</u>	<u>9,412</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	24,732	9,412
NET INCREASE IN CASH	24,732	9,412
CASH AT BEGINNING OF YEAR	<u>142,705</u>	<u>133,293</u>
CASH AT END OF YEAR	<u>\$ 167,437</u>	<u>\$ 142,705</u>

No assurance is provided on financial statements

Community Improvement Corporation of Champaign County
Notes to Financial Statements
December 31, 2021 and 2020

1. Summary of Significant Accounting Policies:

Nature of Activities

The Community Improvement Corporation (CIC) of Champaign County was incorporated on December 10, 1963. The CIC is a not-for-profit community improvement corporation, as defined by Ohio Revised Code (ORC) section 1724.01. The CIC was designated as the agency of Champaign County for industrial, economic, civic, commercial distribution and research of the county on January 6, 1975 through March 2008.

In 2016, the CIC adopted the trade name, Champaign Economic Partnership, and was re-designated as the economic development agency for Champaign County. The public-private partnership effort is reflected by the CIC Board membership of 60% private and 40% local government. Funding for the partnership comes from a portion of real property conveyance fees designated by the Champaign County commissioners, funding from the City of Urbana, which previously funded economic development through a city-paid economic development coordinator, and sponsorships from private business partners. The CIC, doing business as the Champaign Economic Partnership, employs an Economic Development Director responsible for countywide economic development.

The CIC consists of eighteen board members who serve as the governing board of the corporation. Members are appointed in accord with corporation bylaws and ORC Chapter 1724. Members represent the County Commissioners, City of Urbana, the incorporated villages, the townships, the Chamber of Commerce, local industry and small business.

Basis of Accounting and Financial Statement Presentation

The accompanying financial statements of the CIC have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. FASB Accounting Standards Update (ASU) 2016-14 requires Not-for-Profit entities to report information based on two separate classes of Net Assets (net assets without donor restrictions and net assets with donor restrictions) based on the existence or absence of donor-imposed restrictions. In 2021 and 2020, the CIC had net assets with donor restrictions due to specific use restrictions.

Revenue

Community Support Revenue is received from governmental units and private businesses in support of the CIC's operations. Contribution Revenue consists of donations and grants from governmental units and private businesses for a specific use restriction. Rental income is received from tenants that sublet a portion of the office space the CIC occupies and for the lease of undeveloped property for use as a community garden. CARES Administrative Income is a one-time administration fee received related to the distribution of CARES Act funds to local businesses.

Advertising:

The CIC expenses advertising when incurred. Advertising expenses for the years ended December 31, 2021 and 2020 were \$38,920 and \$28,916, respectively. Advertising expense mainly consists of website content and social media services.

Estimates

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

No assurance is provided on financial statements

Community Improvement Corporation of Champaign County
Notes to Financial Statements
December 31, 2021 and 2020

1. Summary of Significant Accounting Policies (continued):

Income Taxes

The CIC is exempt from federal income taxes under Internal Revenue Code Section 501(c)(4). Management believes no tax provision was necessary for the years ended December 31, 2021 and 2020, and no uncertain tax positions exist that would materially impact the financial statements. With few exceptions, the CIC is no longer subject to tax examinations by tax authorities for the years prior to December 31, 2017.

Liquidity and Availability of Resources

The CIC's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	2021	2020
Cash and Cash Equivalents	\$ 167,437	\$ 132,663
Less unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions	(11,361)	(28,349)
Total	\$ 156,076	\$ 104,314

The Company does not have a formal policy regarding a minimum amount of short-term financial assets to have on hand. As of December 31, 2021, the Company has liquid resources available to meet approximately ten months of normal operating expenses, which are on average \$15,820 per month.

Cash and Cash Equivalents

The CIC considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash and certificates of deposit are insured by Federal Depository Insurance Corporation.

Restricted Cash at December 31, 2021 consists of grant money received from a governmental agency which is restricted due to specific use restrictions.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. Office equipment assets consist of a copier and computer equipment. The capitalization policy is to capitalize items costing \$1,000 or more, and to depreciate assets over economic lives ranging from 3 to 5 years on a straight-line basis.

The CIC owns undeveloped land carried at cost net of impairment loss, which management estimates approximates fair market value. The CIC leases undeveloped property at 222 E. Market St., Urbana, at \$1 a month for use as a community garden by the Activate Champaign County program of the Champaign Family YMCA.

Depreciation expense for the years ended December 31, 2021 and 2020 was \$0 and \$873, respectively.

Community Improvement Corporation of Champaign County
Notes to Financial Statements
December 31, 2021 and 2020

1. Summary of Significant Accounting Policies (continued):

Functional Allocation of Expenses

Expenses have been allocated between the program and administrative functions based on specific identification when applicable. Salaries and related expenses are allocated between the program and supporting services based on estimated time and effort employees spent on each function. Occupancy costs are allocated based on space allocation and the remaining expenses are specifically allocated where practical.

Manufacturer's Council Escrow Liability

The CIC facilitates the Champaign County Manufacturers Council, through which local manufacturers address mutual concerns and promote local economic development. As part of assisting them, on a no fee basis, the CIC administers funds belonging to the Council as the Council directs. The balance of unspent Council funds is carried as a liability and none of the activity of the Council is part of CIC's Statement of Activities.

2. Subsequent Events:

Management has evaluated subsequent events through April 29, 2022, the date the financial statements were available to be issued. As of such date, there were no material subsequent events affecting the financial statements requiring disclosure.

3. Operating Lease:

During 2021 and 2020, CIC leased office space on an annual basis, which expired on December 27, 2021.

On December 27, 2021, a non-cancellable three-year operating lease for new office space commenced. The lease calls for monthly rent of \$850 for the term of the lease. At the end of the initial lease term, CIC has the option to extend the lease for two additional one-year terms.

Future minimum lease payments under this non-cancellable operating lease having a remaining term in excess of one year are as follows:

2022	10,200
2023	10,200
2024	10,200

Rent expense for the years ended December 31, 2021 and 2020 was \$8,312 and \$7,200, respectively.

4. Reclassification:

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's financial statement presentation.