

**GROW LICKING COUNTY
COMMUNITY IMPROVEMENT CORPORATION**

LICKING COUNTY

FINANCIAL STATEMENTS

**DECEMBER 31, 2023
(UNAUDITED)**



**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO**

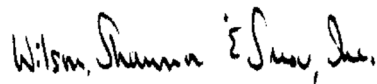
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Grow Licking County Community Improvement Corporation
Licking County
33 West Main Street, Suite 104
Newark, Ohio 43055

Accountant's Compilation Report

Management is responsible for the accompanying financial statements of Grow Licking County Community Improvement Corporation, (the Corporation), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.



April 10, 2024
Newark, Ohio

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GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS

Current Assets:

Equity in Cash and Cash Equivalents	\$ 247,856
Accounts Receivable	13,750
Prepaid	2,668
Promise to Give - Use of Facilities	14,583
Total Current Assets	<u>278,857</u>

Noncurrent Assets:

Fixed Assets	6,323
Accumulated Depreciation	<u>(6,323)</u>
Fixed Assets, Net	<u>-</u>

TOTAL ASSETS

\$ 278,857

LIABILITIES AND NET ASSETS

LIABILITIES

Current Liabilities:

Accounts Payable	\$ 9,845
Payroll Liability	<u>322</u>
Total Current Liabilities	<u>10,167</u>

TOTAL LIABILITIES

10,167

NET ASSETS

With Donor Restrictions	14,583
Without Donor Restrictions	<u>254,107</u>

TOTAL NET ASSETS

268,690

TOTAL LIABILITIES AND NET ASSETS

\$ 278,857

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

GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	With Donor Restrictions	Without Donor Restrictions
OPERATING REVENUES AND OTHER SUPPORT		
Contributions	\$ -	\$ 406,000
Grants	-	20,000
Program Revenue	-	17,600
Other	-	7,625
	<hr/>	<hr/>
Total Operating Revenues and Other Support	-	451,225
	<hr/>	<hr/>
EXPENSES		
General	-	117,978
Contractual Services	-	9,021
Personal Services	-	281,322
Supplies	-	6,371
Other	495	4,741
Bad Debt	-	30,575
Rent	25,000	1,427
	<hr/>	<hr/>
Total Expenses	25,495	451,435
	<hr/>	<hr/>
CHANGE IN NET ASSETS	(25,495)	(210)
NET ASSETS, BEGINNING OF YEAR	40,078	254,317
	<hr/>	<hr/>
NET ASSETS, END OF YEAR	<u><u>\$ 14,583</u></u>	<u><u>\$ 254,107</u></u>

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

**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ (25,705)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Amortization of Promise to Give as Rent Expense	25,000
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	12,250
(Increase) Decrease in Prepaid Expenses and Deposits	7,888
(Increase) Decrease in Undeposited Funds	5,495
Increase (Decrease) in Accounts Payable	9,845
Increase (Decrease) in Credit Card Payable	(14)
Increase (Decrease) in Payroll Liability	322

NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>35,081</u>
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NET INCREASE IN CASH AND CASH EQUIVALENTS	35,081
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>212,775</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 247,856</u></u>
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The notes to the financial statements are an integral part of this statement.

**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Grow Licking County Community Improvement Corporation (the Corporation) was incorporated on November 29, 2011. The Corporation is a nonprofit entity which was formed for the specific purpose to advance, encourage, and promote the industrial, economic, commercial, and civic development of Licking County, Ohio, and to relieve County government from the responsibility for economic development functions such as retention and expansion and the enterprise zone/community reinvestment area program. There shall be three members of the Corporation, the Licking County Chamber of Commerce, Licking County and Heath-Newark-Licking County Port Authority.

The Corporation's management believes these financial statements present all activities for which the Corporation is financially accountable.

B. Accounting Basis

The financial statements of the Corporation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

C. Basis of Presentation

The financial statements are presented in accordance with FASB ASC 958, Financial Statements for Not- for-Profit Organizations. Under this standard, the Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Corporation is required to present a statement of cash flows when a statement of financial position and a statement of activities are reported upon.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Corporation's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donor and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Corporation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

The Corporation reported \$14,583 of net assets with donor restrictions at December 31, 2023 associated with the reduced-cost use of facilities provided by the Licking County Board of Commissioners.

**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows and for presentation of the Statement of Financial Position, all cash in checking accounts are considered to be cash and cash equivalents. Cash equivalents are carried at cost, which approximates fair value.

E. 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.

F. 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 of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Fixed Assets

The Corporation's only fixed assets are furniture and equipment. Acquisitions of property in excess of \$500 are capitalized. Furniture and equipment are reported at cost. Depreciation is computed using the straight-line method over a useful life of 5 years.

H. Prepaid Assets

Payments made to vendors for services that will benefit periods beyond December 31, 2023 are recorded as prepayments by recording a current asset for the prepaid amount at the time of the purchase and the expense in the year in which services are consumed.

I. Grants and Contribution Receivables

All grants and contribution receivables are considered available for unrestricted use, unless specifically restricted by the donor. Amounts are stated at original amounts, less an estimated allowance for doubtful accounts. Uncollectible accounts are charged as decreases in net assets during the period in which they are determined to be uncollectible. Management believes all amounts are collectible as of December 31, 2023 and no allowance has been recorded.

J. Revenue and Revenue Recognition

Revenue is recognized when earned. Program revenue and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

**GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Conditional promises to give are not recognized until the conditions or which they depend have been substantially met or the donor has explicitly release the restriction. There were no deferred revenues as of December 31, 2023.

K. Functional Expenses

The Corporation's expenses are all considered to be for the same function, which is to promote the development of Licking County, Ohio. Since there is only one function, there are no expenses that require allocation between functions.

L. General Expenses

The Corporation uses the general expense line item to record expenses that support its overall mission of promoting Licking County, Ohio. The primary expenses included in general expenses are advertising and marketing costs which totaled \$71,143.

NOTE 2 – CASH

The bank balance of cash deposits, including a Certificate of Deposit on December 31, 2023, was \$247,856. Deposits are fully insured by the Federal Deposit Insurance Corporation.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES

In June 2016, the FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (ASC Topic 326)*: Measurement of Credit Losses on Financial Instruments (ASC 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts. CECL applies to financial instruments such as loans and accounts receivable but does not apply to promises to give (pledges receivable) of a not-for-profit entity. The Corporation adopted ASC Topic 326 on January 1, 2023 using the modified retrospective method. The adoption of this standard has no material impact on the Corporation's financial statements.

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable, which may consist of pledges, grants and program revenues, are reported net of either an allowance for credit losses (trade receivables) or an allowance for uncollectible pledges (contributions and grants). As of December 31, 2023, the Corporation had no allowances for uncollectable pledges or allowances for credit losses. Accounts receivable balances that are still outstanding after management has used reasonable collection effects are written off through a reduction to the allowance and accounts receivable. The Corporation reported accounts receivable of \$13,750 at December 31, 2023, of which \$6,875 exceeds 90 days.

GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LICKING COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - RISK MANAGEMENT

The Corporation has obtained commercial insurance for the following risks:

- Comprehensive property and general liability.
- Executive.
- Errors and omissions.

There have been no claims on this commercial coverage in any of the three preceding years. There has been no significant reduction in coverage from the prior year.

NOTE 6 – CONTINGENCIES

A. Grants and Programs

The Corporation received \$20,000 in financial assistance from the Licking County Foundation in the form of grants and \$17,600 from the Licking County Jobs and Family Services in the form of program revenue. The disbursement of funds received generally requires compliance with terms and conditions specified in the grant or contractual agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Corporation. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the Corporation.

B. Litigation

The Corporation is not involved in any litigation that, in the opinion of management, would have a material effect on the basic financial statements at December 31, 2023.

NOTE 7 - FIXED ASSETS

Property and Equipment activity for the year ended December 31, 2023, was as follows:

	Balance 12/31/22	Additions	Deletions	Balance 12/31/2023
Description				
Furniture & Equipment	\$ 6,323	\$ -	\$ -	\$ 6,323
Total Property and Equipment, Cost	6,323	-	-	6,323
Accumulated Depreciation	(6,323)	-	-	(6,323)
Total Fixed Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 8 - AVAILABILITY AND LIQUIDITY

The following represents the Corporation's financial assets on December 31, 2023:

GROW LICKING COUNTY COMMUNITY IMPROVEMENT CORPORATION
LIICKING COUNTY, OHIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 - AVAILABILITY AND LIQUIDITY – (Continued)

Financial assets at December 31, 2023	
Cash and cash equivalents	\$ 247,856
Accounts receivable	<u>13,750</u>
Financial assets available to meet general expenses over the next twelve months	<u>\$ 261,606</u>

Of the financial assets that total \$261,606, no donor restrictions existed at December 31, 2023 that make them unavailable for general expenses within one year of the statement of financial position date. The Corporation's goal is generally to maintain financial assets to meet three months (90 days) of operating expenses. Financial assets are structured to be available as general expenses, liabilities and other obligations come due.

NOTE 9 - RETIREMENT PLAN

The Corporation employees participate in a 401(k) defined contribution profit-sharing plan which covers substantially all full-time employees. Under this plan, the Corporation will match employee contributions up to 3% of their gross wages. In addition, the Corporation may make discretionary contributions to the plan. Charges to expense relating to the above plan amounted to \$3,652 for employer contributions and \$550 for management fees, for the year ended December 31, 2023.

NOTE 10 – PROMISES TO GIVE – USE OF FACILITIES

The Corporation is party to a \$1 per year lease with the Licking County Board of Commissioners through June 30, 2024 for the Corporation's office space. The contribution of reduced-cost facilities is recorded as an asset at its estimated fair value and is being amortized as rent expense on the statement of activities.

The in-kind use of facilities began August 1, 2022 with an estimated fair market value of \$50,000 through the end of the lease date of June 30, 2024 with the option to renew for an additional two years. For the year ended December 31, 2023, the Corporation amortized \$25,000 in rent expense and recognized a remaining Promise to Give – Use of Facilities current asset of \$14,583 associated with this in-kind contribution.

NOTE 11 – SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events through April 10, 2024, the date the financial statements were available to be issued.