

**POWELL COMMUNITY
IMPROVEMENT CORPORATION**

**(A COMPONENT UNIT OF THE CITY OF POWELL)
DELAWARE COUNTY, OHIO**

REGULAR AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Trustees
Powell Community Improvement Corporation
47 Hall Street
Powell, Ohio 43065

We have reviewed the *Independent Auditor's Report* of the Powell Community Improvement Corporation, Delaware County, prepared by Julian & Grube, Inc., for the audit period January 1, 2020 through December 31, 2020. 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 Powell Community Improvement Corporation is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

July 28, 2021

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**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF THE CITY OF POWELL)
DELAWARE COUNTY, OHIO**

TABLE OF CONTENTS

Independent Auditor’s Report	1 – 2
Management’s Discussion and Analysis	3 – 6
Financial Statements:	
Statement of Net Position	7
Statement of Revenues, Expenses and Changes in Net Position	8
Statement of Cash Flows	9
Notes to Financial Statements.....	11 - 15
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	16 - 17

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Independent Auditor's Report

Powell Community Improvement Corporation
Delaware County
47 Hall Street
Powell, Ohio 43065

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the Powell Community Improvement Corporation, Delaware County, Ohio, a component unit of the City of Powell, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Powell Community Improvement Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Powell 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 for the purpose of expressing an opinion on the effectiveness of the Powell Community Improvement Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Powell Community Improvement Corporation, Delaware County, Ohio, as of December 31, 2020, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As described in Note 6 to the financial statements, the Powell Community Improvement Corporation elected to change their financial statement presentation from accordance with FASB ASC 958, Financial Statements for Not-for-Profit Organizations, to GASB. As described in Note 7 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Powell Community Improvement Corporation. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2021 on our consideration of the Powell Community Improvement Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Powell Community Improvement Corporation's 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 Powell Community Improvement Corporation's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
June 25, 2021

**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE, COUNTY OHIO**

**MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(UNAUDITED)**

This discussion and analysis is to provide users of the Powell Community Improvement CIC's (the CIC) basic financial statements with a narrative introduction, overview, and analysis of those statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the CIC during 2020 are as follows:

- Total net position of the CIC at year-end was \$154,859, an increase of \$45,539 in comparison with the same balance at December 31, 2019.
- Total assets increased by \$121,838 and total liabilities increased by \$76,299 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and notes to those statements.

The Statement of Net Position and Statement of Activities use the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting includes all assets, liabilities, revenues and expenses of the CIC regardless of when cash is received or paid.

The Statement of Activities reports the change in net position. The change in net position is important because it tells the reader whether the financial position of the CIC has improved or diminished.

All of the CIC's activities are classified as business-type activities.

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE, COUNTY OHIO**

**MANAGEMENT’S DISCUSSION & ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(UNAUDITED)**

The table below shows the CIC’s net position for 2020 compared to 2019.

Net Position

	2020	2019
Assets:		
Current Assets		
Cash and cash equivalents	\$ 238,833	\$ 95,785
Accounts receivable	50,790	57,000
Prepaid items	735	15,735
Total Current Assets	290,358	168,520
 Total Assets	 290,358	 168,520
 Liabilities:		
Current Liabilities		
Accounts payable	133,299	57,000
Refundable deposits	2,200	2,200
Total Current Liabilities	135,499	59,200
 Total Liabilities	 135,499	 59,200
 Net Position:		
Unrestricted	154,859	109,320
Total Net Position	\$ 154,859	\$ 109,320

Cash and Cash Equivalents increased significantly in comparison with the prior fiscal year-end. This increase is primarily the result of the CIC receiving \$228,000 from the City of Powell for the Small Business Grant Program for Coronavirus Relief.

Accounts Payable increased significantly in comparison with prior fiscal year-end. This increase is primarily the result of the CIC awarding businesses grants for the Small Business Grant Program.

**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE, COUNTY OHIO**

**MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(UNAUDITED)**

The table below shows the changes in net position for the year ended December 31, 2020 compared with December 31, 2019.

Changes in Net Position

	2020	2019
Operating Revenues:		
Intergovernmental revenue	\$ 228,000	\$ -
Contributions	48,790	47,637
Rental income	23,100	19,800
Miscellaneous	-	98
Total Operating Revenues	299,890	67,535
Operating Expenses:		
Community support	222,138	47,637
Administrative charges	32,213	23,326
Total Operating Expenses	254,351	70,963
Change in Net Position	45,539	(3,428)
Beginning Net Position	109,320	112,748
Ending Net Position	\$ 154,859	\$ 109,320

Intergovernmental Revenue increased significantly in comparison with the prior fiscal year-end. This increase is primarily the result of the CIC receiving \$228,000 from the City of Powell for the Small Business Grant Program for Coronavirus Relief.

Community Support increased significantly in comparison with the prior fiscal year-end. This increase is primarily the result of the CIC awarding businesses grants for the Small Business Grant Program.

**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE, COUNTY OHIO**

**MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(UNAUDITED)**

Capital Assets

At the end of 2020, the CIC's had no capital assets.

Debt

At the end of 2020, the CIC's had no outstanding debt.

Contacting the CIC

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the CIC's finances and to demonstrate the CIC's accountability for the money and property it administers. If you have any questions about this report or need additional financial information, contact the Finance Director for the City of Powell, Ohio, 47 Hall Street, Powell, Ohio, 43065-8357.

POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE COUNTY

STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2020

Assets

Current Assets

Cash and cash equivalents	\$ 238,833
Accounts receivable	50,790
Prepaid items	<u>735</u>
Total Current Assets	<u>290,358</u>

Total Assets	<u>290,358</u>
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Liabilities

Current Liabilities

Accounts payable	133,299
Refundable deposits	<u>2,200</u>
Total Current Liabilities	<u>135,499</u>

Total Liabilities	<u>135,499</u>
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Net Position

Unrestricted	<u>154,859</u>
Total Net Position	<u>\$ 154,859</u>

See accompanying notes to the basic financial statements.

POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE COUNTY

STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020

Operating Revenues	
Intergovernmental revenue	\$ 228,000
Contributions	48,790
Rental income	<u>23,100</u>
Total Operating Revenues	<u><u>299,890</u></u>
Operating Expenses	
Community support	222,138
Administrative charges	<u>32,213</u>
Total Operating Expenses	<u><u>254,351</u></u>
Change in net position	45,539
Net Position, Beginning of Year	109,320
Net Position, End of Year	<u><u>\$ 154,859</u></u>

See accompanying notes to the basic financial statements.

POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE COUNTY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

Cash Flows from Operating Activities	
Cash received from grants	\$ 228,000
Cash received from contributions	55,000
Cash received from rent	23,100
Cash payments for community support	(145,839)
Cash payments for administrative expenses	(17,213)
Net Cash Flows Provided by Operating Activities	143,048
 Net Change in Cash	 143,048
 Cash and Cash Equivalents, Beginning of Year	 95,785
Cash and Cash Equivalents, End of Year	\$ 238,833
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 45,539
(Increase) Decrease in Current and Other Assets	
Accounts receivable	6,210
Prepaid items	15,000
Increase (Decrease) in Current Liabilities	
Accounts Payable	76,299
Net Cash Flows Provided by Operating Activities	\$ 143,048

See accompanying notes to the basic financial statements.

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**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1 – Description of the Entity

The Powell Community Improvement Corporation (CIC) was formed pursuant to Ordinance 2010-19 passed on May 5, 2010 and incorporated as a CIC not-for-profit under Section 1702 and 1724 of the Ohio Revised Code. The CIC was created to assist the City in the revitalization and enhancement of property, and to advance, encourage, and promote industrial, economic, commercial and civic development of the City of Powell. The CIC has been designated as the City of Powell’s agent for economic development.

The CIC is also considered a blended component unit of the City of Powell for reporting purposes, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 80, Blending Requirement for Certain Component Units – An Amendment of GASB Statement No. 14, GASB Statement No. 14, The Financial Reporting Entity as amended by GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units and GASB Statement No. 61, The Financial Reporting Entity: Omnibus.

The CIC has received Internal Revenue Service approval of its tax-exempt status. Therefore, the accompanying financial statements contain no provision for income taxes.

The reporting entity is composed of the CIC, component units, and other organizations that are included to ensure that the financial statements of the CIC are not misleading.

Component units are legally separate organizations for which the CIC is financially accountable. The CIC is financially accountable for an organization if the CIC appoints a voting majority of the organization’s governing board and the CIC is able to significantly influence the programs or services performed or provided by the organization; or the CIC is legally entitled to or can otherwise access the organization’s resources; or the CIC is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization; or the CIC is obligated for the debt of the organization. Component units may also include organizations for which the CIC approves the budget, the issuance of debt, or the levying of taxes. Currently, the CIC does not have any component units.

The Board of Trustees believes these financial statements present all activities for which the CIC is financially responsible.

Note 2 – Summary of Significant Accounting Policies

A. Measurement focus, basis of accounting, and financial statement presentation

The significant accounting policies following in the preparation of these financial statements conform to generally accepted accounting principles for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 2 – Summary of Significant Accounting Policies (Continued)

The CIC has created a single proprietary enterprise fund to account for its activities. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the CIC's enterprise fund are contributions from the City of Powell, rental income, and intergovernmental revenue related to the Small Business Grant Program. Operating expenses for the CIC include community support, administrative expenses, and other costs associated with its mission. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the CIC's policy to use restricted resources first, then unrestricted resources as they are needed.

B. Cash and Cash Equivalents

The CIC's cash and cash equivalents include cash on hand and demand deposits. For purposes of the Statement of Cash Flows and presentation on the Statement of Net Position, all cash in checking accounts is considered to be cash and cash equivalents.

C. Accounts Receivable

The CIC uses the allowance method of accounting for doubtful accounts. All accounts were considered to be fully collectible as of December 31, 2020. Therefore, no allowance for doubtful accounts has been recorded in these financial statements.

D. Prepayments

Payments made to vendors for services that will benefit periods beyond December 31, 2020 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.

**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 2 – Summary of Significant Accounting Policies (Continued)

E. Net Position

Net position represents the difference between assets and liabilities. Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation, less any outstanding capital related debt. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The CIC applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The CIC did not have any investments in capital assets nor any net position restrictions at December 31, 2020.

F. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 – Deposits

At December 31, 2020, the carrying amount of the CIC's deposits was \$238,833 and the bank balance was \$384,673. Of the bank balance, \$250,000 was covered by federal depository insurance and the balance was uninsured and uncollateralized.

Note 4 – Contingent Liabilities

Management believes there are no pending claims or lawsuits.

Note 5 – Risk Management

The CIC is subjected to certain types of risk in the performance of its normal functions. The Board views this exposure as minimal as the CIC currently has no employees and minimal operating activity. The CIC has general liability insurance and not-for-profit organizational policies. Settlements have not exceeded coverage in any of the last three fiscal years. There has been no significant reduction in coverage from the prior year.

**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 6 – Change in Accounting Principles

For the year ended December 31, 2020, the CIC elected to change their financial statement presentation from accordance with FASB ASC 958, Financial Statements for Not-for-Profit Organizations, to being prepared in accordance with Governmental Accounting Standards Board (GASB).

For the year ended December 31, 2020, the CIC implemented GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. GASB Statement No. 95 postpones the effective dates of certain provisions in the statements that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The following statements are postponed by one year:

- Statement No. 91, *Conduit Debt Obligations*

Certain provisions in the following statements are postponed by one year:

- Statement No. 93, *Replacement of Interbank Offered Rates*

The following statement is postponed by 18 months:

- Statement No. 87, *Leases*

For the year ended December 31, 2020, the CIC implemented paragraphs 4 and 5 of Governmental Accounting Standards Board Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Paragraph 4 increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a government board typically would perform and paragraph 5 mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements. The implementation of paragraphs 4 and 5 of this Statement did not have an effect on the financial statements of the CIC.

For the year ended December 31, 2020, the CIC has early implemented, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, GASB Statement No. 92 *Omnibus 2020*, and certain provisions of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

GASB Statement No. 89 requires that interest costs incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The early implementation of GASB Statement No. 89 did not have an effect on the financial statements of the CIC.

**POWELL COMMUNITY IMPROVEMENT CORPORATION
(A COMPONENT UNIT OF CITY OF POWELL, OHIO)
DELAWARE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 6 – Change in Accounting Principles (Continued)

GASB Statement No. 92 enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The early implementation of GASB Statement No. 92 did not have an effect on the financial statements of the CIC.

GASB Statement No. 97 results in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the CIC.

Note 7 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent period of the CIC. The CIC's investment portfolio fluctuates with market conditions and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact of the CIC's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be determined.

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**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Powell Community Improvement Corporation
Delaware County
47 Hall Street
Powell, Ohio 43065

To the Board of Trustees:

We have audited, in accordance with the 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, the financial statements of the Powell Community Improvement Corporation, Delaware County, Ohio, a component unit of the City of Powell, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Powell Community Improvement Corporation's basic financial statements, and have issued our report thereon dated June 25, 2021, wherein we noted as described in Note 7 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods. Furthermore, As described in Note 6 to the financial statements, the Powell Community Improvement Corporation changed their financial statement presentation from accordance with FASB ASC 958, Financial Statements for Not-for-Profit Organizations, to GASB.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Powell Community Improvement Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Powell Community Improvement Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Powell Community Improvement Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Powell Community Improvement Corporation's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Powell Community Improvement Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Powell Community Improvement Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Powell Community Improvement Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Julian & Grube, Inc.

Julian & Grube, Inc.
June 25, 2021

OHIO AUDITOR OF STATE KEITH FABER



POWELL COMMUNITY IMPROVEMENT CORPORATION

DELAWARE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 8/10/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov