



OHIO AUDITOR OF STATE
KEITH FABER



**SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION
HAMILTON COUNTY
DECEMBER 31, 2022 AND 2021**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Springfield Township Community Improvement Corporation
Hamilton County
9150 Winton Road
Cincinnati, Ohio 45231

To the Board of Directors:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Springfield Township Community Improvement Corporation, Hamilton County, Ohio (the Corporation), as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Springfield Township Community Improvement Corporation, Hamilton County, Ohio as of December 31, 2022 and 2021, and the changes in financial position and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 7 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Corporation. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Corporation's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 December 1, 2023, 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. 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 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 Corporation's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
December 1, 2023

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Springfield Township Community Improvement Corporation
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

This Management's Discussion and Analysis (MD&A) of the Springfield Township Community Improvement Corporation (CIC) provides an introduction and overview to the financial statements of the CIC for the year ended December 31, 2022. The CIC presents this discussion and analysis of its financial performance during the year ended December 31, 2022, to assist the reader in focusing on significant financial issues. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the CIC's financial statements (beginning on page 8).

FINANCIAL HIGHLIGHTS

During the year ended December 31, 2022:

- Net position increased by \$20,425 for the year.
- Total revenue was \$225,000 for the year. This was down \$20,000 from 2021's amount of \$245,000.
- Total operating expenses amounted to \$204,575 for the year. This was down \$44,363 from 2021's amount of \$248,938.

USING THIS ANNUAL REPORT

The following is a list of the financial statements included in this report:

Statement of Net Position
Statement of Revenues, Expenses and Changes in Fund Net Position
Statement of Cash Flows
Notes to the Financial Statements

The financial statements are designed to provide readers with a broad overview of the CIC's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the CIC's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CIC is improving or deteriorating.

The focus of the statement of net position (the "unrestricted" net position) is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire CIC. Net position is reported in three broad categories.

Net Investment in Capital Assets: This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that have been used for the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of net position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: This component of net position consists of net position that does not meet the definition of Net Investment in Capital Assets, or Restricted Net Position.

Springfield Township Community Improvement Corporation
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

The *statement of revenues, expenses and changes in fund net position* is similar to an income statement. This statement includes operating revenues, such as rental income; operating expenses, such as administrative, utilities, maintenance, and depreciation; and non-operating revenue and expenses, such as investment income, gains and losses on capital asset disposals and interest expense.

The focus of the statement of revenues, expenses and changes in net position is the Increase (Decrease) in Net Position, which is similar to Net Income or Loss.

The *statement of cash flows* provides information about the CIC's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating activities, capital and related financing activities and investing activities.

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

FINANCIAL ANALYSIS OF THE CIC

Statement of Net Position

The following table reflects the condensed Statement of Net Position as of December 31 compared to the prior year.

Summary Statement of Net Position

	<u>2022</u>	<u>2021</u>
Current Assets	<u>\$26,661</u>	<u>\$6,236</u>
Total Assets	<u><u>\$26,661</u></u>	<u><u>\$6,236</u></u>
Net Position		
Unrestricted	<u>\$26,661</u>	<u>\$6,236</u>
Total Net Position	<u><u>\$26,661</u></u>	<u><u>\$6,236</u></u>

Major Factors Affecting the Statement of Net Position

The CIC's current asset balances increased by \$20,425. This is primarily due to receiving funding in excess of costs. The CIC received \$20,000 less in grant funding in 2022 compared to 2021 and incurred \$44,363 less cost in 2022 compared to 2021.

Springfield Township Community Improvement Corporation
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

Statement of Revenues & Expenses and Changes in Fund Net Position

The following table reflects the condensed Statement of Revenues & Expenses and Changes in Fund Net Position for the year ended December 31, compared to prior year.

Summary Statement of Revenues, Expenses and Changes in Fund Net Position

	<u>2022</u>	<u>2021</u>
Grants	\$225,000	\$245,000
Total Revenue	<u>225,000</u>	<u>245,000</u>
Business Expense	350	378
Contract Services	900	5,610
Operations	95	379
Other Expense	203,230	242,571
Total Expenses	<u>204,575</u>	<u>248,938</u>
Increase (Decrease) in Net Position	20,425	(3,938)
Net Position, Beginning of Year	<u>6,236</u>	<u>10,174</u>
Net Position, End of Year	<u>\$ 26,661</u>	<u>\$ 6,236</u>

Major Factors Affecting the Statement of Revenues & Expenses and Changes in Fund Net Position

Revenues of the CIC are grants from Springfield Township. Total revenues decreased by a total of \$20,000 compared to the previous year. Expenses decreased by \$44,363 due to incurring less contractual services and grants awarded by the CIC.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The CIC maintains no capital assets or debt.

CONTACTING THE CIC

This financial report is designed to provide a general overview of the CIC's accountability for all those interested. If you have any questions about this report or need additional financial information, contact Kim A Cox, Finance Director, Springfield Township, 9150 Winton Road, Cincinnati, Ohio 45231, telephone (513) 522-1410.

Springfield Township
Community Improvement Corporation
Statement of Net Position
For the Year Ended December 31, 2022

Assets

Current Assets:

Equity in Pooled Cash and Cash Equivalents \$ 26,661

Total current assets 26,661

Total Assets \$ 26,661

Net Position

Unrestricted \$ 26,661

Total Net Position \$ 26,661

See accompanying notes to the financial statements

Springfield Township
Community Improvement Corporation
Statement of Revenues
Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2022

Operating Revenues	
Grants	\$ 225,000
<i>Total Operating Revenues</i>	225,000
Operating Expenses	
Business Expenses	350
Contract Services	900
Operations	95
Other Expenses (Grants Awarded)	203,230
<i>Total Operating Expenses</i>	204,575
<i>Operating Income (Loss)</i>	20,425
<i>Net Position Beginning of Year</i>	6,236
<i>Net Position End of Year</i>	\$ 26,661

See accompanying notes to the financial statements

Springfield Township
Community Improvement Corporation
Statement of Cash Flows
For the Year Ended December 31, 2022

Cash Flows From Operating Activities	
Other Cash Receipts	\$ 225,000
Cash Payments for Goods and Services	(1,345)
Other Cash Payments	<u>(203,230)</u>
<i>Net Cash Provided (Used in) Operating Activities</i>	<u>20,425</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	20,425
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>6,236</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$ 26,661</u></u>

See accompanying notes to the financial statements

SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION

*Notes to the Financial Statements
For the Year Ended December 31, 2022*

Note 1 – Reporting Entity

The Springfield Township Community Improvement Corporation, Hamilton County, Ohio (the CIC) is a not-for-profit organization that was created by the Springfield Township Trustees and Certified by the State of Ohio, Secretary of State in February 2014. The creation of the CIC was recommended by the Springfield Township Comprehensive Neighborhood Master Plan, which was adopted by the Board of Trustees in May 2011.

The CIC was created in accordance with Chapters 1702 and 1724 of the Ohio Revised Code in order to advance, encourage and promote industrial, economic, commercial, housing and civic development in Springfield Township. The CIC has been designated by the Springfield Township Board of Trustees as the Economic Development agent for Springfield Township.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the CIC have been prepared on the accrual basis of accounting. Revenues are reported in the year earned. Costs and expenses are charged against revenues in the year to which the cost is applicable.

Basis of Presentation

The CIC's financial statements consist of a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows. The financial statements of the CIC have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The CIC uses enterprise fund accounting to maintain its financial records during the year.

Net Position is comprised of unrestricted and restricted components. The statement of revenues, expenses and changes in fund net position presents increases (e.g. revenues) and decreases (e.g. expenses) in net position. Net position is the difference between the CIC's assets and liabilities. GASB establishes standards for external financial reporting which require that resources be classified for accounting and reporting purposes into the following net position categories:

Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. The CIC has no net investment in capital assets.

Restricted: Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the Organization or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The CIC has no restricted net position.

Unrestricted: Net position whose use by CIC is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

The CIC first applies restricted resources when an expense is incurred for which both restricted and unrestricted net position are available.

SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION

*Notes to the Financial Statements
For the Year Ended December 31, 2022*

Cash and Cash Equivalents

For purposes of cash flows, the CIC considers cash on hand and in demand accounts with a maturity of 90 days or less to be cash.

Income Taxes

The CIC has qualified for a tax exemption under section 501(c)(3) of the Internal Revenue Code, and accordingly, no provision for federal income tax has been recorded in the accompanying financial statements.

Uncertain income tax positions are evaluated at least annually by management. As of December 31, 2022, the CIC has identified no uncertain income tax provisions and has incurred no amounts for income tax penalties and interest for the year then ended.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 3 – Deposits

At December 31, 2022, the carrying amount and bank balance of CIC's deposits was \$26,661, which was covered by federal depository insurance.

Note 4 – Grants from Springfield Township

The CIC received \$225,000 in grants from Springfield Township during the year.

Note 5 – Risk Management

The CIC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to contracted personnel; and natural disasters. For 2022, the CIC has property and casualty insurance through Hylant Insurance.

Settled claims have not exceeded commercial coverage in the past three years. There was no significant reduction in coverage from the prior year.

Note 6 – Subsequent Events

The CIC has evaluated subsequent events through January 20, 2022, the date which these financial statements were prepared by the CIC. No events have occurred that would require adjustment or disclosure in the financial statements.

SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION

*Notes to the Financial Statements
For the Year Ended December 31, 2022*

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 will impact subsequent periods of the CIC. The impact on the CIC's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

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Springfield Township Community Improvement Corporation
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

This Management's Discussion and Analysis (MD&A) of the Springfield Township Community Improvement Corporation (CIC) provides an introduction and overview to the financial statements of the CIC for the year ended December 31, 2021. The CIC presents this discussion and analysis of its financial performance during the year ended December 31, 2021, to assist the reader in focusing on significant financial issues. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the CIC's financial statements (beginning on page 18).

FINANCIAL HIGHLIGHTS

During the year ended December 31, 2021:

- Net position decreased by \$3,938 for the year.
- Total revenue was \$245,000 for the year. This was up \$45,000 from 2020's amount of \$200,000.
- Total operating expenses amounted to \$248,938 for the year. This is up \$37,863 from 2019's amount of \$211,075.

USING THIS ANNUAL REPORT

The following is a list of the financial statements included in this report:

Statement of Net Position
Statement of Revenues, Expenses and Changes in Fund Net Position
Statement of Cash Flows
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The financial statements are designed to provide readers with a broad overview of the CIC's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the CIC's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CIC is improving or deteriorating.

The focus of the statement of net position (the "unrestricted" net position) is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire CIC. Net position is reported in three broad categories.

Net Investment in Capital Assets: This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that have been used for the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of net position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: This component of net position consists of net position that does not meet the definition of Net Investment in Capital Assets, or Restricted Net Position.

Springfield Township Community Improvement Corporation
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

The *statement of revenues, expenses and changes in fund net position* is similar to an income statement. This statement includes operating revenues, such as rental income; operating expenses, such as administrative, utilities, maintenance, and depreciation; and non-operating revenue and expenses, such as investment income, gains and losses on capital asset disposals and interest expense.

The focus of the statement of revenues, expenses and changes in net position is the Increase (Decrease) in Net Position, which is similar to Net Income or Loss.

The *statement of cash flows* provides information about the CIC's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating activities, capital and related financing activities and investing activities.

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

FINANCIAL ANALYSIS OF THE CIC

Statement of Net Position

The following table reflects the condensed Statement of Net Position as of December 31 compared to the prior year.

Summary Statement of Net Position

	<u>2021</u>	<u>2020</u>
Current Assets	<u>\$6,236</u>	<u>\$10,174</u>
Total Assets	<u><u>\$6,236</u></u>	<u><u>\$10,174</u></u>
Net Position		
Unrestricted	<u>\$6,236</u>	<u>\$10,174</u>
Total Net Position	<u><u>\$6,236</u></u>	<u><u>\$10,174</u></u>

Major Factors Affecting the Statement of Net Position

The CIC's current asset balances decreased by \$3,938. This is primarily due to incurring costs in excess of grants that funded those costs. The CIC received \$45,000 more of grant funding in 2021 compared to 2020.

Springfield Township Community Improvement Corporation
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

Statement of Revenues & Expenses and Changes in Fund Net Position

The following table reflects the condensed Statement of Revenues & Expenses and Changes in Fund Net Position for the year ended December 31, compared to prior year.

Summary Statement of Revenues, Expenses and Changes in Fund Net Position

	<u>2021</u>	<u>2020</u>
Grants	\$245,000	\$200,000
Total Revenue	<u>245,000</u>	<u>200,000</u>
Business Expense	378	512
Contract Services	5,610	17
Operations	379	1,219
Other Expense	<u>242,571</u>	<u>209,327</u>
Total Expenses	<u>248,938</u>	<u>211,075</u>
Increase (Decrease) in Net Position	(3,938)	(11,075)
Net Position, Beginning of Year	<u>10,174</u>	<u>21,249</u>
Net Position, End of Year	<u>\$ 6,236</u>	<u>\$ 10,174</u>

Major Factors Affecting the Statement of Revenues & Expenses and Changes in Fund Net Position

Revenues of the CIC are grants from Springfield Township. Total revenues increased by a total of \$45,000 compared to the previous year. Expenses increased by \$37,863 due to incurring audit fees and an increased level of grants awarded by the CIC.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The CIC maintains no capital assets or debt.

CONTACTING THE CIC

This financial report is designed to provide a general overview of the CIC's accountability for all those interested. If you have any questions about this report or need additional financial information, contact Kim A Cox, Finance Director, Springfield Township, 9150 Winton Road, Cincinnati, Ohio 45231, telephone (513) 522-1410.

Springfield Township
Community Improvement Corporation
Statement of Net Position
For the Year Ended December 31, 2021

Assets	
<i>Current Assets:</i>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 6,236</u>
<i>Total current assets</i>	<u>6,236</u>
<i>Total Assets</i>	<u><u>\$ 6,236</u></u>
Net Position	
Unrestricted	<u>\$ 6,236</u>
<i>Total Net Position</i>	<u><u>\$ 6,236</u></u>

See accompanying notes to the financial statements

Springfield Township
Community Improvement Corporation
Statement of Revenues
Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2021

Operating Revenues	
Grants	\$ 245,000
<i>Total Operating Revenues</i>	245,000
Operating Expenses	
Business Expenses	378
Contract Services	5,610
Operations	379
Other Expenses (Grants Awarded)	242,571
<i>Total Operating Expenses</i>	248,938
<i>Operating Income (Loss)</i>	(3,938)
<i>Net Position Beginning of Year</i>	10,174
<i>Net Position End of Year</i>	\$ 6,236

See accompanying notes to the financial statements

Springfield Township
Community Improvement Corporation
Statement of Cash Flows
For the Year Ended December 31, 2021

Cash Flows From Operating Activities	
Other Cash Receipts	\$ 245,000
Cash Payments for Goods and Services	(6,367)
Other Cash Payments	<u>(242,571)</u>
<i>Net Cash Provided (Used in) Operating Activities</i>	<u>(3,938)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(3,938)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>10,174</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$ 6,236</u></u>

See accompanying notes to the financial statements

SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION

*Notes to the Financial Statements
For the Year Ended December 31, 2021*

Note 1 – Reporting Entity

The Springfield Township Community Improvement Corporation, Hamilton County, Ohio (the CIC) is a not-for-profit organization that was created by the Springfield Township Trustees and Certified by the State of Ohio, Secretary of State in February 2014. The creation of the CIC was recommended by the Springfield Township Comprehensive Neighborhood Master Plan, which was adopted by the Board of Trustees in May 2011.

The CIC was created in accordance with Chapters 1702 and 1724 of the Ohio Revised Code in order to advance, encourage and promote industrial, economic, commercial, housing and civic development in Springfield Township. The CIC has been designated by the Springfield Township Board of Trustees as the Economic Development agent for Springfield Township.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the CIC have been prepared on the accrual basis of accounting. Revenues are reported in the year earned. Costs and expenses are charged against revenues in the year to which the cost is applicable.

Basis of Presentation

The CIC's financial statements consist of a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows. The financial statements of the CIC have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The CIC uses enterprise fund accounting to maintain its financial records during the year.

Net Position is comprised of unrestricted and restricted components. The statement of revenues, expenses and changes in fund net position presents increases (e.g. revenues) and decreases (e.g. expenses) in net position. Net position is the difference between the CIC's assets and liabilities. GASB establishes standards for external financial reporting which require that resources be classified for accounting and reporting purposes into the following net position categories:

Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. The CIC has no net investment in capital assets.

Restricted: Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the Organization or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The CIC has no restricted net position.

Unrestricted: Net position whose use by CIC is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

The CIC first applies restricted resources when an expense is incurred for which both restricted and unrestricted net position are available.

SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION

*Notes to the Financial Statements
For the Year Ended December 31, 2021*

Cash and Cash Equivalents

For purposes of cash flows, the CIC considers cash on hand and in demand accounts with a maturity of 90 days or less to be cash.

Income Taxes

The CIC has qualified for a tax exemption under section 501(c)(3) of the Internal Revenue Code, and accordingly, no provision for federal income tax has been recorded in the accompanying financial statements.

Uncertain income tax positions are evaluated at least annually by management. As of December 31, 2020, the CIC has identified no uncertain income tax provisions and has incurred no amounts for income tax penalties and interest for the year then ended.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 3 – Deposits

At December 31, 2020, the carrying amount and bank balance of CIC's deposits was \$6,236, which was covered by federal depository insurance.

Note 4 – Grants from Springfield Township

The CIC received \$245,000 in grants from Springfield Township during the year.

Note 5 – Risk Management

The CIC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to contracted personnel; and natural disasters. For 2021, the CIC has property and casualty insurance through Hylant Insurance.

Settled claims have not exceeded commercial coverage in the past three years. There was no significant reduction in coverage from the prior year.

Note 6 – Subsequent Events

The CIC has evaluated subsequent events through January 31, 2022, the date which these financial statements were prepared by the CIC. No events have occurred that would require adjustment or disclosure in the financial statements.

SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION

*Notes to the Financial Statements
For the Year Ended December 31, 2021*

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 will impact subsequent periods of the CIC. The impact on the CIC's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Springfield Township Community Improvement Corporation
Hamilton County
9150 Winton Road
Cincinnati, Ohio 45231

To the Board of Directors:

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 (*Government Auditing Standards*), the financial statements of the Springfield Township Community Improvement Corporation, Hamilton County, (the Corporation) as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated December 1, 2023. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Corporation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
December 1, 2023

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2022 AND 2021**

Finding Number	Finding Summary	Status	Additional Information
2020-001	Financial Reporting	Corrected	

OHIO AUDITOR OF STATE KEITH FABER



SPRINGFIELD TOWNSHIP COMMUNITY IMPROVEMENT CORPORATION

HAMILTON 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 12/12/2023

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