

**CENTRAL OHIO COMMUNITY  
IMPROVEMENT CORPORATION**

**FRANKLIN COUNTY, OHIO**

**REGULAR AUDIT**

**FOR THE YEARS ENDED  
DECEMBER 31, 2023 & 2022**



OHIO AUDITOR OF STATE  
KEITH FABER



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Board of Directors  
Central Ohio Community Improvement Corporation  
845 Parsons Avenue  
Columbus, Ohio 43206

We have reviewed the *Independent Auditor's Report* of the Central Ohio Community Improvement Corporation, Franklin County, prepared by Julian & Grube, Inc., for the audit period January 1, 2023 through December 31, 2023. 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 Central Ohio 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

October 30, 2024

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**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY, OHIO**

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## Independent Auditor's Report

Central Ohio Community Improvement Corporation  
Franklin County  
845 Parsons Avenue  
Columbus, OH 43206

To the Members of the Board of Directors:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the Central Ohio Community Improvement Corporation, Franklin County, Ohio, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Central Ohio Community Improvement Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Central Ohio Community Improvement Corporation, as of December 31, 2023 and 2022, and the respective changes in financial position, and, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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. 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 Central Ohio Community Improvement 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 opinions.

#### *Emphasis of Matter*

As discussed in Note 8 to the financial statements, the Central Ohio Community Improvement Corporation's Landfill post-closure care liability estimate was understated in accordance with GASB 18 – "Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs" and the net position at December 31, 2022 was restated to reflect the increase in the estimated post-closure care liability. Our opinions are 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.

Central Ohio Community Improvement Corporation  
Franklin County  
Independent Auditor's Report

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 Central Ohio Community Improvement 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 opinions. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Central Ohio Community Improvement 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 Central Ohio Community Improvement 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, listed in the table of contents, 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 September 27, 2024 on our consideration of the Central Ohio 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 Central Ohio 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 Central Ohio Community Improvement Corporation's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
September 27, 2024

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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This discussion and analysis, along with the accompanying financial report, of the Central Ohio Community Improvement Corporation ("COCIC") are designed to provide its Board Members, creditors, and other interested parties with a general overview of COCIC and its financial activities.

The mission of COCIC is to acquire properties in order to improve the quality of neighborhoods, increase property values and return unproductive properties to contributing, tax-paying status, and create diverse housing and business opportunities by leveraging resources to promote and facilitate the reclamation, rehabilitation and reutilization of vacant, abandoned, tax-foreclosed, or other real property in Franklin County.

**FINANCIAL HIGHLIGHTS**

COCIC's main initiatives are the Blight Removal Initiative, Strategic Reutilization Initiative, Trusted Partners, and Central Ohio Community Land Trust.

**Blight Removal Initiative:**

The Blight Removal Initiative (BRI) generally involves the demolition, environmental remediation, or both, of blighted properties, and the sale of the formerly blighted property to a responsible party for reutilization. Typically, sale proceeds are nominal and represent only a limited recovery of demolition, remediation, and transaction expenditures.

During 2023, the BRI demolished 6 units at a cost of approximately \$92,586. Such costs were funded from the Franklin County Delinquent Tax Assessment & Collection (DTAC) funding. In January 2023, COCIC was awarded a grant totaling \$21,468,851 from the Ohio Department of Development (ODOD) for the "Building Demolition and Site Revitalization Program". The grant is for the reimbursement of costs related to the demolition of blighted commercial and residential buildings and revitalization of surrounding areas specifically identified with the grant application. During 2023, the BRI demolished 117 units funded by the ODOD grant at a cost of \$12,895,956. During 2022, the BRI demolished 83 units at a cost of \$1,356,896.

**Strategic Reutilization Initiative:**

Land reutilization initiatives, conducted in collaboration with local government, and often involving the strategic conveyance of formerly blighted and stranded properties to responsible parties for re-use, all while balancing the competing goals of maximizing future tax revenues and other public benefits, with the recovery of expenditures, from grant and disposition proceeds.

Under COCIC's Community and Economic Development Program, COCIC began predevelopment/planning for the rehabilitation of property located at 879 E Long Street Columbus, Ohio (The Edna). As a National Register of Historic Places site, The Edna is known for its rich community history and significance to the social and cultural influence of African Americans in Columbus. A complete rehabilitation and renovation of the site will result in three floors of office space: approximately 8,700 sq ft. COCIC intends to occupy most of The Edna, offering the other available space at affordable rates to encourage small and minority owned businesses in the local community. During 2023, \$813,464 was added to Work in Process for the development of The Edna. During 2022, \$13,564 was added to Work in Process for the development of The Edna.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**FINANCIAL HIGHLIGHTS – (continued)**

COCIC continued the Receivership Loan Program (RLP) in 2023 and extended the program to commercial properties in addition to residential properties. A Receiver, appointed by the Franklin County Environmental Court is charged with abating nuisances at distressed properties, conducting court approved rehabilitation and clearing title. COCIC assists the receiver by using a closed-end loan, disbursing up to \$65,000 per residential property and up to \$1,000,000 per commercial property based on the court approved expenditures proposed by the Receiver. The closed-end loan will earn interest of 3% per annum for residential properties and 5% per annum for commercial properties, compounded annually and is secured by the property. The term of the loan is payable upon demand, but payment is expected when the receiver sells the property which usually takes from 6 months to 24 months dependent on the ease of clearing the title. During 2023, three residential loans were made for a total of \$126,000 and one commercial loan was made for \$350,000. Of the loans made in 2023, one was repaid for \$40,000. One loan from prior periods was also repaid during 2023 for a total of \$50,000. During 2022, three loans were made for a total of \$175,000. Of the loans made in 2022, two were repaid for \$125,000. Four loans from prior periods were repaid during 2022 for a total of \$134,000.

The Responsible Landlord Program (RLL) is a land reutilization program employing a strategic intervention for stabilizing or improving market support, executed through a loan program to responsible landlords engaged in market-based rehabilitation of blighted, distressed, or substandard properties. At the end of 2023, COCIC has seven notes receivable outstanding for approximately \$236,761 accruing interest between 1.25% and 1.5% per annum, compounded monthly. A total of \$3,573 in interest was earned in 2023. At the end of 2022, COCIC had seven notes receivable of approximately \$254,738 accruing interest between 1.25% and 1.5% per annum, compounded monthly beginning April 2020. A total of \$3,853 in interest was earned in 2022.

COCIC has undertaken an exterior emergency home repair program to stabilize the homes of those persons in need of immediate home repairs, executed through grants to non-profit agencies, engaged in preserving and stabilizing residential housing in Franklin County. In 2023, COCIC partnered with Habitat for Humanity and Mid-Ohio Regional Planning Commission to administer the program, granting \$300,000 and \$100,000, respectively. In 2022, COCIC partnered with Habitat for Humanity to administer the program, granting \$150,000 to Habitat.

**Trusted Partners Initiative**

The Trusted Partners Program (TPP) is also a land reutilization program, involving a strategic intervention for the purpose of stabilizing or improving market support, executed through a grant program to trusted partners engaged in the total rehabilitation of blighted properties or new construction in blighted neighborhoods, with a view to sale to owner-occupants. This program ended in 2023 with COCIC paying \$45,000 of final grants to trusted partners in connection with 4 properties. In 2022, COCIC expensed approximately \$60,000 of grants to trusted partners in connection with 3 properties.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**FINANCIAL HIGHLIGHTS – (continued)**

**Bedford Landfill/Golf Course Land & Club House Initiative**

A land reutilization project warranting special over-sight and involving major environmental remediation with the extent of recovery dependent upon disposition after a long-term hold. See Note 8 to Financial Statements for information on post-closure liability and restatement of Net Position due to change in the estimated future post-closure liability.

During 2021, COCIC began predevelopment/planning and execution of an expansion at the Golf Depot. The project will allow for additional commercial rental space at The Golf Depot which will be offered at a reduced rate to encourage and support small minority businesses. A new steel building, approximately 1,500 sq ft was constructed along with an expanded parking lot. During 2023, approximately \$1,084,799 was added to Work in Process for the expansion of The Golf Depot which was not completed until early 2024. During 2022, approximately \$23,150 was added to Work in Process for the development of The Golf Depot.

**Central Ohio Community Land Trust (COCLT)**

A subsidiary of COCIC formed for the purpose of supporting permanent affordable housing in Franklin County. COCLT provides single residential, multi-family, and multi-use properties to be held as a community asset, in perpetuity. COCLT contracts to have homes built on land owned by COCLT. To ensure affordability, the homes are sold at below market prices and often also include affordability subsidies through the support of the City of Columbus, Franklin County and other financial partners.

In October 2022, COCLT entered into an agreement with the City of Columbus for \$4 million to continue the mission of providing affordable housing for income qualified buyers within the incorporated limits of the city. The funds are used to reduce the purchase price of houses developed for COCLT for income qualified buyers to make them affordable. During 2023, COCLT, in conjunction with their partners completed the construction and sale of 23 properties to income qualified buyers (\$4,261,000 in total sales). During 2022, COCIC, in conjunction with their partners completed the construction and sale of 2 properties to income qualified buyers (\$398,000 in total sales). In February 2024, COCLT was granted another \$4 million in funds from the City of Columbus. During 2023, COCLT began construction on 29 properties and recorded a grant receivable for \$3,251,000 on the books at December 31, 2023.

In December 2021, COCLT extended an agreement with Franklin County for \$4.75 million to continue the mission of providing affordable housing for income qualified buyers throughout the county. The funds are used to reduce the purchase price of houses developed for COCLT for income qualified buyers to make them affordable. During 2022, COCLT, in conjunction with their partners completed the construction and sale of 15 properties to income qualified buyers (\$2,814,000 in total sales). These funds expired in December 2022. However, in December 2021, the Franklin County Commissioners approved a \$2.625 million grant to fund the Construction Financing Fund (CFF), a fund COCLT established to fund the cost of construction when COCLT is the developer on projects. During 2023, COCLT, using the CFF, completed the construction and sale of 5 properties to income qualified buyers (\$966,000 in total sales). COCLT has drawn on the CFF for 8 additional homes under construction or completed but remain unsold at the end of December 2023.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

**NET POSITION COMPARISON**

Table 1 summarizes the Comparison of the net position of COCIC.

	<u>2023</u>	<u>2022*</u>	<u>2021</u>
<b>Assets</b>			
Current Assets	\$ 12,570,887	\$ 12,417,855	\$ 9,999,335
Noncurrent Assets	7,704,849	5,819,073	5,696,633
Total Assets	<u>20,275,736</u>	<u>18,236,928</u>	<u>15,695,968</u>
<b>Liabilities</b>			
Current Liabilities	3,536,731	1,468,393	3,239,964
Long-Term Liabilities	4,723,319	5,023,578	1,892,306
Total Liabilities	<u>8,260,050</u>	<u>6,491,971</u>	<u>5,132,270</u>
<b>Deferred Inflows of Resources</b>			
	<u>43,084</u>	<u>66,439</u>	<u>66,976</u>
Total Net Position	<u>\$ 11,972,602</u>	<u>\$ 11,678,518</u>	<u>\$ 10,496,722</u>

\*2022 Restated See Footnote 8

In 2023, Total Assets increased over 2022 by 11% or \$2,038,808 primarily due to an increase in Grants Receivable of \$3,575,287, an increase in Capital Assets of \$1,910,129, an increase in Program Services Receivable of \$372,339, and an increase in Property Inventory of \$203,446 that was partially offset by a decrease in Cash and Cash Equivalents of \$4,153,387. Total Liabilities in 2023 increased 27% or \$1,768,079 over 2022 due to an increase in Accounts Payable of \$2,154,096 that was partially offset by a paydown on the outstanding debt of \$100,000, and a decrease in Landfill Post Closure Care liability of \$237,468.

**STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**

Table 2 summarizes the Statements of Revenues, Expenses and Change in Net Position.

	<u>2023</u>	<u>2022*</u>	<u>2021</u>
<b>Operating Revenues</b>			
Total Operating Revenues	\$ 28,411,087	\$ 13,198,089	\$ 6,448,594
<b>Operating Expenses</b>			
Total Operating Expenses	28,278,656	8,369,091	7,676,884
Operating Income	132,431	4,828,998	(1,228,290)
<b>Non-Operating Revenues</b>			
Total Non-Operating Revenue	161,653	90,283	46,479
Change in Net Position	294,084	4,919,281	(1,181,811)
Net Assets Beginning of Year	11,678,518	6,759,237	11,678,533
Net Assets End of Year	<u>\$ 11,972,602</u>	<u>\$ 11,678,518</u>	<u>\$ 10,496,722</u>

\*2022 Restated - See Footnote 8

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

Operating Revenues increased 115% or \$15,212,998 over 2022 primarily due to an increase in grant revenues of \$14,158,884, of which the ODOB grant income made up \$13,912,812 of the total increase, and an increase in COCLT Home Sales of \$1,381,067. The increase of Operating Expenses over 2022 was 238% or \$19,909,565 mostly due to an increase in Demolition expenses of \$11,556,405 and an increase of Construction and Development of \$7,916,807. The resulting change in Net Position in 2023 of \$294,084 represents a decrease of \$4,625,197 or 94% from 2022.

**STATEMENTS OF CASH FLOWS**

Table 3 summarizes the Cash Flows of COCIC.

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Change in Cash and cash equivalents</b>			
Net Cash (Used for) Provided by			
Operating Activities	\$ (2,110,556)	\$ 3,585,729	\$ (964,948)
Net Cash Provided by (Used for) Non-Capital			
Financing Activities	133,583	(1,384,184)	11,773
Net Cash (Used for) Capital and			
Related Financing Activities	(2,176,414)	(275,878)	(616,242)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net Change in Cash and Cash Equivalents	\$ <u>(4,153,387)</u>	\$ <u>1,925,667</u>	\$ <u>(1,569,417)</u>

Net Cash Used for Operating Activities changed by 158.9% or (\$5,696,285) during 2023 in comparison to 2022 primarily related to a (\$7.5) million increase in cash used for Homes built or under construction and the timing of reimbursement of those expenses from Grant Income and Home Sales when comparing 2023 to 2022. This decrease was partially offset by a \$2.8 million increase in cash provided from Demolition and Remediation activities due to increased home demolition expenses in 2022 and the timing of cash expenditures in 2022 that were reimbursed in 2023. Additional increased uses in 2023 compared to 2022 included increased Program Services Expense (\$337,222), increased payroll expense (\$266,011) and decreased Delinquent Tax Assessment & Collection Income (\$287,768).

Net Cash Provided by Non-Capital Financing Activities increased \$1,517,767 for 109.7% during 2023 in comparison to 2022 primarily due to the repayment of debt made in 2022 totaling \$1,500,000. Net Cash Used for Capital and Related Financing Activities increased 688.9% or (\$1,900,536) during 2023 primarily due to The Golf Depot construction costs (\$1,006,543) and costs related to The Edna (\$838,538).

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

**CAPITAL ASSETS**

Table 4 summarizes the Net Capital Assets of COCIC.

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Capital Assets:			
COCLT - Land	\$ 233,600	\$ 231,838	\$ 122,945
Office - Land	39,200	39,200	39,200
Office - Work-In-Process	-	11,643	6,739
Office - Building & Fixtures	961,785	968,397	994,019
Edna - Land	4,319	-	-
Edna - Work-In-Process	950,089	136,625	123,061
Edna - Building & Fixtures	25,682	-	-
Landfill Land	3,381,391	3,381,391	3,381,391
Golf Depot Land	98,492	98,492	98,492
Golf Depot - Work-In-Process	1,232,792	147,993	124,843
Golf Depot Buildings & Fixtures	594,288	595,931	599,284
Total Capital Assets	\$ <u>7,521,638</u>	\$ <u>5,611,510</u>	\$ <u>5,489,974</u>

Capital Assets increased in 2023 primarily due to increases in construction in progress for the Golf Depot of \$1,084,799 and an increase in construction in progress for The Edna of \$813,464.

**LONG-TERM LIABILITIES**

Table 5 summarizes the long-term liabilities of COCIC.

	<u>2023</u>	<u>2022*</u>	<u>2021</u>
Landfill Closure and Post Closure Care	\$ 3,710,935	\$ 3,948,403	\$ 509,642
FCAP Note	-	-	1,500,000
Security Deposits Payable	5,500	5,500	5,500
Franklin County	1,300,000	1,400,000	1,500,000
Total Long-term Liabilities	\$ <u>5,016,435</u>	\$ <u>5,353,903</u>	\$ <u>3,515,142</u>

\*2022 Restated – See Footnote 8

COCIC decreased long-term liabilities in 2023 by \$337,468 due to a decrease in the Franklin County Note by \$100,000 and a reduction for landfill closure and post closure care by \$237,468. See Footnote 8 for information on the Landfill Post Closure Care liability restatement due to a change in the future estimated liability.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**BUDGET**

Pursuant to the Board financial policies, COCIC prepares and adopts an annual budget which includes estimated revenues and expenditures for the fiscal year and a forecast of revenues and expenditures. COCIC will from time to time adopt budget revisions, as necessary.

**CONTACT INFORMATION**

Questions regarding this report and requests for additional information should be forwarded to President, Central Ohio Community Improvement Corporation, 845 Parsons Avenue, Columbus, Ohio, 43206.



**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**STATEMENTS OF NET POSITION  
AT DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022 (Restated)*</u>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ 5,024,370	\$ 9,177,778
Accounts Receivable	539,430	374,982
Grants Receivable	4,928,633	1,353,346
Lease Receivable - Current	22,517	21,276
Program Services Receivable	678,037	305,698
Property Inventory	1,269,548	1,066,102
Prepays and Other Assets	108,352	118,673
Total Current Assets	<u>12,570,887</u>	<u>12,417,855</u>
Noncurrent Assets:		
Cash and Cash Equivalents - Debt Service Reserve & Lease Deposits	161,397	161,376
Lease Receivable - Non-Current	21,814	46,188
Capital Assets:		
COCLT Land	233,600	231,838
Office Land, Building & Fixtures	1,270,886	1,249,080
Edna Building & Fixtures	980,090	136,625
Landfill Land	3,381,391	3,381,391
Golf Depot Land, Buildings & Fixtures	2,004,506	903,635
Accumulated Depreciation	<u>(348,835)</u>	<u>(291,060)</u>
Net Capital Assets	<u>7,521,638</u>	<u>5,611,509</u>
Total Noncurrent Assets	<u>7,704,849</u>	<u>5,819,073</u>
<b>TOTAL ASSETS</b>	<b>20,275,736</b>	<b>18,236,928</b>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	3,180,365	1,026,269
Accrued Liabilities	63,250	111,799
Landfill Post Closure Care Liability- Current Portion	200,259	237,468
Notes Payable- Current Portion	92,857	92,857
Total Current Liabilities	<u>3,536,731</u>	<u>1,468,393</u>
Long-Term Liabilities		
Security Deposits Payable	5,500	5,500
Landfill Post Closure Care Liability - Non Current Portion	3,510,676	3,710,935
Notes Payable- Non Current Portion	1,207,143	1,307,143
Total Long-Term Liabilities	<u>4,723,319</u>	<u>5,023,578</u>
<b>TOTAL LIABILITIES</b>	<b>8,260,050</b>	<b>6,491,971</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Leases	43,084	66,439
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>43,084</u>	<u>66,439</u>
<b>TOTAL LIABILITIES &amp; DEFERRED INFLOWS OF RESOURCES</b>	<b>8,303,134</b>	<b>6,558,410</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	2,710,962	500,574
Restricted - Expendable	161,397	161,376
Unrestricted	9,100,243	11,016,568
<b>TOTAL NET POSITION</b>	<u><u>\$ 11,972,602</u></u>	<u><u>\$ 11,678,518</u></u>

\* See Note 8 regarding prior period adjustment

See accompanying notes to the basic financial statements.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2023</b>	<b>2022 (Restated)*</b>
<b>Operating Revenues</b>		
Delinquent Tax Assessment & Collection Income	\$ 3,856,464	\$ 4,144,232
Land Lease Income	20,100	14,670
Grant Revenues	20,799,218	6,640,334
Demolition Recovery, Reimbursement & Property Sales	2,008	46,623
Home Sales	3,733,297	2,352,230
<b>Total Operating Revenues</b>	<b>28,411,087</b>	<b>13,198,089</b>
<b>Operating Expenses</b>		
Demolition and Remediation	13,202,239	1,645,834
Construction and Development	11,847,877	3,931,070
Program Services Expense	464,459	586,983
Payroll Expense	1,508,184	1,224,167
Insurance Expense	118,537	87,164
Legal and Professional Expense	467,287	308,290
Maintenance and Repair Expense	143,623	139,558
Meeting Expense	11,212	6,015
Utilities Expense	65,531	55,623
Office Expense	92,003	79,885
Staff Training and Travel Expense	15,419	19,321
Depreciation Expense	57,774	57,794
Other Expense	284,511	227,387
<b>Total Operating Expenses</b>	<b>28,278,656</b>	<b>8,369,091</b>
<b>Operating Income (Loss)</b>	<b>132,431</b>	<b>4,828,998</b>
<b>Non-Operating Revenues (Expenses)</b>		
Rent Income	25,542	27,548
Service Income	21,269	16,871
Subsidies	50,000	50,000
Interest	61,307	(24,128)
Other Income	3,535	19,992
<b>Total Non-Operating Revenues (Expenses)</b>	<b>161,653</b>	<b>90,283</b>
<b>Change in Net Position</b>	<b>294,084</b>	<b>4,919,281</b>
<b>Net Position, Beginning of Year</b>	<b>11,678,518</b>	<b>6,759,237</b>
<b>Net Position, End of Year</b>	<b>\$ 11,972,602</b>	<b>\$ 11,678,518</b>

\* See Note 8 regarding prior period adjustment

See accompanying notes to the basic financial statements.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b>Cash Flows from Operating Activities</b>		
Delinquent Tax Assessment & Collection Income	\$ 3,856,464	\$ 4,144,232
Land Lease Income	20,100	14,670
Grant Receipts	16,793,560	6,192,560
Demolition Recovery, Reimbursement & Property Sales	2,008	217,123
Home Sales	3,900,341	2,185,186
Demolition and Remediation Expense	(11,421,739)	(2,016,644)
Construction and Development Expense	(11,492,350)	(4,062,561)
Program Services Expense	(875,813)	(538,591)
Payroll Expense	(1,511,732)	(1,245,721)
Insurance Expense	(107,293)	(152,773)
Legal and Professional Expense	(453,899)	(301,944)
Maintenance and Repairs Expense	(110,500)	(170,798)
Meeting Expense	(11,212)	(5,973)
Utilities Expense	(64,403)	(56,902)
Office Expense	(93,069)	(78,858)
Staff Training and Travel Expense	(15,419)	(19,321)
Landfill Closure Expense	(242,951)	(297,851)
Other Operating Payments	(282,649)	(220,105)
Net Cash (Used)/Provided by Operating Activities	<u>(2,110,556)</u>	<u>3,585,729</u>
<b>Cash Flows from Non-Capital Financing Activities</b>		
Proceeds from Subsidies	8,721	91,279
Service Income	21,269	16,871
Rental Proceeds and Fees	28,821	28,097
Interest	64,347	(33,067)
Principal Paid on Note	-	(1,500,000)
Other	10,425	12,636
Net Cash Provided/(Used) by Non-Capital Financing Activities	<u>133,583</u>	<u>(1,384,184)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Principal Paid on Debt	(100,000)	(100,000)
Golf Depot Improvements/Development	(1,006,543)	(36,900)
Edna Predevelopment	(838,538)	(13,564)
Purchase of Real Property	(209,527)	(105,442)
Land Bank Office Improvements	(21,806)	(19,972)
Net Cash Used In Capital and Related Financing Activities	<u>(2,176,414)</u>	<u>(275,878)</u>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(4,153,387)</b>	<b>1,925,667</b>
<b>Cash and Cash Equivalents Beginning of Year</b>	<b>9,339,154</b>	<b>7,413,487</b>
<b>Cash and Cash Equivalents End of Year</b>	<b><u>\$ 5,185,767</u></b>	<b><u>\$ 9,339,154</u></b>
<b>Cash and Cash Equivalents - Current</b>	<b>\$ 5,024,370</b>	<b>\$ 9,177,778</b>
<b>Cash and Cash Equivalents - Noncurrent</b>	<b>161,397</b>	<b>161,376</b>
<b>Total Cash and Cash Equivalents</b>	<b><u>\$ 5,185,767</u></b>	<b><u>\$ 9,339,154</u></b>

\* See Note 8 regarding prior period adjustment

See accompanying notes to the basic financial statements.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

(continued)

<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by (Used In) Operating Activities</b>	<b>2023</b>	<b>2022</b>
Operating Income (Loss)	\$ 132,431	\$ 4,828,998
Depreciation Expense	57,774	57,794
(Increase) Decrease in Assets:		
Accounts Receivable	(229,685)	211,582
Grants Receivable	(3,575,287)	(787,938)
Program Services Receivable	(372,339)	110,617
Prepaid Items	10,321	(65,609)
Increase (Decrease) in Liabilities:		
Accounts Payable	2,154,096	(193,226)
Accrued Liabilities	(50,399)	(277,765)
Landfill Post Closure Care Liability	(237,468)	(298,724)
<b>Net Cash (Used)/Provided by Operating Activities</b>	<b>\$ (2,110,556)</b>	<b>\$ 3,585,729</b>

\* See Note 8 regarding prior period adjustment

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**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**NOTE 1 – DESCRIPTION OF REPORTING ENTITY**

The Central Ohio Community Improvement Corporation (COCIC) was formed as a nonprofit corporation on May 9, 2005 pursuant to Ohio Revised Code Chapter 1724 to assist in economic development of nonproductive and distressed properties in Franklin County. It was reconstituted on March 25, 2012 as the land reutilization corporation for Franklin County under Ohio Revised Code Chapters 1724 and 5722. A nine-member Board of Directors has been established for oversight of the operations. The Franklin County Commissioners and the Franklin County Treasurer are Ex-Officio members of the Board, as well as three other members appointed by the Commissioners and Treasurer. The Ohio Revised Code requires that the Board consists of a representative of the County's largest city and a representative of townships having more than 10,000 population in their unincorporated area. COCIC's management believes the financial statements present all activities for which COCIC is financially accountable.

**Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of COCIC are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from COCIC. For COCIC, there are no other boards and agencies other than COCIC. Component units are legally separate organizations for which COCIC is financially accountable. COCIC is financially accountable for an organization if COCIC appoints a voting majority of the organization's governing board and (1) COCIC is able to significantly influence the programs or services performed or provided by the organization; or (2)(a) COCIC is legally entitled to or can otherwise access the organization's resources; (b) COCIC is legally obligated to or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (c) COCIC is obligated for the debt of the organization. Component units may also include organizations for which COCIC approves the budget, the issuance of debt or levying of taxes. In 2018, The Central Ohio Community Land Trust Corporation was established and is reported as a blended component unit of COCIC. The Poindexter Community Renaissance LLC is also a blended component unit of COCIC which was renamed and re-organized in 2017. See note 16 for additional information regarding blended component units of COCIC.

The Central Ohio Community Land Trust (COCLT), under the laws of the State of Ohio, incorporated on May 25, 2018 for the purpose of establishing affordable single-family housing that is owner occupied and to establish and provide multi-family rental housing. COCLT applied for its 501(c)(3) exemption from federal income tax in 2019 and was approved on July 8, 2019, made effective from our incorporation date. COCLT was classified further as a public charity under the IRC Section 509(a)(2). COCLT's board of managers and officers are COCIC's President, COCIC's Secretary/Treasurer and COCIC's Assistant Secretary. COCLT began conducting official business in 2019. COCLT is considered a blended component unit of COCIC due to the following: COCLT has no employees and all functions are performed by COCIC staff; COCIC is the sole member of the corporation; and COCLT's board of managers and officers are COCIC's President, COCIC's Secretary/Treasurer, and COCIC's Assistant Secretary.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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Poindexter Community Renaissance LLC (PCR) was established in 2006 to assist in the acquisition of the blighted and vacant Poindexter Tower condo units in Columbus, Ohio. PCR did not conduct any official business and was dormant almost since its inception. Not having use under its original purpose, PCR was renamed to PCR2 LLC and reorganized to become an agent of COCIC in strategic activities/transactions and in any project approved by COCIC's Board that is consistent with COCIC's mission. PCR2 is considered a blended component unit of COCIC due to the following: PCR2 has no employees, and all functions are performed by COCIC staff; COCIC is the sole member of the corporation; and PCR2 LLC's board of managers and officers are COCIC's President, COCIC's Secretary/Treasurer, and COCIC's Assistant Secretary.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Measurement Focus and Basis of Accounting**

COCIC's operations are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation are included on the statement of net position. The operating statement presents increases (i.e. revenues) and decreases (i.e. expenses) in net position.

**Basis of Presentation**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements and measurement focus relates to the timing of the measurements made.

COCIC's basic financial statements consist statements of net position, statements of revenues, expenses and changes in net position, and statements of cash flows. The financial statements of COCIC 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). COCIC uses enterprise fund accounting to maintain its financial records during the fiscal year. Enterprise fund accounting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Enterprise accounting is used to account for any activity for which a fee is charged to external users for goods or services.

Net Position is comprised of unrestricted and restricted components. Operating statements present increases (e.g. revenues) and decreases (e.g. expenses) in net position.

Net position is the difference between COCIC's assets, its liabilities, and deferred outflows/inflows of resources. 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.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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Restricted – Expendable: Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the COCIC or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. COCIC first applies restricted resources when an expense is incurred for which both restricted and unrestricted net position are available. As of December 31, 2023, and 2022, \$161,397 and \$161,376, respectively, were restricted related to bond reserve funds held as security for outstanding bond debt as well as security deposits related to leased property.

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

**Accounting Pronouncements**

The following are pronouncements that either became effective during fiscal years 2023 or 2022 or will become effective in future fiscal years and could impact COCIC’s financial reports:

GASB 94 – “Public-Private and Public-Public Partnerships and Availability Payment Arrangements” Effective for fiscal years beginning after June 15, 2022 and all reporting periods thereafter.

GASB 95 – “Postponement of the Effective Dates of Certain Authoritative Guidance” Effective immediately.

GASB 96 – “Subscription-Based Information Technology Arrangements” Effective for fiscal years beginning after June 15, 2022.

GASB 97 – “Certain Component Unit Criteria, and Accounting for Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans” Various effective dates depending on the applicable section.

GASB 98 – “The Annual Comprehensive Financial Report” Effective for fiscal years ending after December 15, 2021.

GASB 99 – “Omnibus 2022” Various effective dates depending on applicable section

GASB 100 – “Accounting for Changes and Error Corrections – an amendment of GASB Statement No. 62” Effective for fiscal periods beginning after June 15, 2023.

GASB 101 – “Compensated Absences” Effective for fiscal periods beginning after December 15, 2023.

GASB 102 – “Certain Risk Disclosures” Issued in January 2024 requires state and local governments to disclose more detailed information about risks that could significantly impact their financial health.

GASB 103 – “Financial Reporting Model Improvements” Issued in April 2024 effective for 2026 financial statements.

COCIC has adopted all applicable GASB standards that were effective during its fiscal years 2023 and 2022. COCIC determined those standards adopted had no material impact on its financial statements as of December 31, 2023 and 2022.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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COCIC has not fully determined the effect statements with effective dates subsequent to current reporting period will have on its financial reporting in subsequent fiscal years.

**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 the reported amounts of assets, liabilities, and deferred outflows/inflows of resources and disclosure of contingent assets, its liabilities, and deferred outflows/inflows of resources at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

**Grant and Account Receivables**

Expenses incurred during the year that will be reimbursed in future years are recognized as revenue and receivables in the year the expense is incurred.

**Prepaid Expenses**

Payments made to vendors for services that will benefit periods beyond the current fiscal year, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expense in the year in which services are consumed.

**Property Inventory**

COCIC's land reutilization activities often require that it hold title to real property, typically until reutilization activities can be completed or to satisfy a holding period prescribed by the terms of grant funding. Beginning in 2019, COCIC began acquiring real property to build affordable housing throughout Franklin County. COCIC, through its subsidiary COCLT, will retain ownership of the land to ensure future affordable housing opportunities. Other properties acquired by COCIC are of nominal value and, in the aggregate, are not material to the financial statements. Property Inventory being held for the purposes of completing COCIC's mission with a cost or acquisition value of \$1,500 or more will be capitalized.

**Capital Assets**

Capital assets are capitalized at cost and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. COCIC has a capitalization threshold of \$5,000 for all assets except land and property inventory. Land being held for the purposes of completing COCIC's mission with a cost or acquisition value of \$1,500 or more will be capitalized. Depreciation is computed using the straight-line method over the following useful lives:

<b><u>Description</u></b>	<b><u>Estimated Lives</u></b>
Furniture & Fixtures	10
Equipment	6-15
Building & Building Improvements	40
Land Improvements	15-20
IT Equipment	5



**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**Capital Contributions**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

**Accrued Liabilities and Notes Long-Term Obligations**

All payables and other accrued liabilities are reported on the statement of net position.

**Deferred Outflows and Deferred Inflows**

In addition to assets, the statement of net position may report a separate category of deferred outflows of resources. Deferred outflows represent consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense) until then. On December 31, 2023 and 2022, COCIC reported no deferred outflows of resources. In addition to liabilities, the statement of net position may report a separate category of deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenues) until then. On December 31, 2023 and 2022, COCIC reported \$43,084 and \$66,439 respectively.

**Capitalization of Land Development Costs**

Land and development costs are generally capitalized at the time development begins based on actual costs incurred.

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of COCIC. Operating expenses are necessary costs incurred to provide the service that is the primary activity of COCIC. All revenues and expenses not meeting this definition are reported as non-operating.

**Income Taxes**

COCIC was formed as a nonprofit organization and was then determined by the IRS as exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code. In 2012 when COCIC was reconstituted as the Franklin County land reutilization corporation, it was organized to be exempt under Section 115(1) of the Internal Revenue Code. As the IRS has made no determination of exemption under Section 115(1), COCIC, as a precautionary measure, pursued and received in 2017 a reinstatement of the determination of exemption under Section 501(c)(4) which lapsed after the 2012 reconstitution.

**Uncertain Tax Positions**

COCIC adopted the provisions of Accounting for Uncertainty in Income Taxes on January 1, 2009. Those provisions clarify the accounting and recognition for income tax positions taken or expected to be taken in COCIC's income tax returns. COCIC's income tax filings are subject to audit by various taxing authorities. In evaluating COCIC's tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations and tax planning strategists are considered. COCIC has analyzed the tax positions taken and believes there are no uncertain positions taken or expected to be taken that would require recognition of a liability or an asset.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**NOTE 3 - CASH**

COCIC maintains its cash balance in banking accounts. At December 31, 2023 and 2022, COCIC's carrying values of cash were \$5,185,767 and \$9,339,154, respectively, including \$161,397 and \$161,376, respectively, in cash held as security for repayment of outstanding bonds payable and security deposits. At December 31, 2023 and 2022, COCIC's bank balances, held by two different financial institutions, were \$5,233,530 and \$9,485,030, respectively. Carrying values of cash and bank balances reconcile when adjusted for outstanding items. Of the bank balances, as of December 31, 2023 and 2022, \$2,065,233 and \$2,022,621 respectively, were covered by FDIC insurance, and \$3,157,269 and \$7,443,188, respectively, were covered by government securities collateralizing public deposits. COCIC cash holdings include funds held in money market account extra (MMAX) bank funds. These accounts allow deposits to be distributed to multiple banks in network up to the \$250,000 FDIC limit per bank. As of December 31, 2023, and 2022,

funds covered by FDIC insurance include \$1,282,073 and \$1,239,461 respectively, in MMAX covered funds. As of December 31, 2023, and 2022, \$11,028 is on deposit with the Franklin County Sheriff Office.

Custodial Credit Risk is the risk that in the event of bank failure, COCIC's deposits may not be returned. COCIC has no policy regarding custodial credit risk. COCIC's practice is to maintain all deposits within FDIC limits or require collateralization consistent with state laws governing public deposits. The funds held by the Franklin County Sherriff Office are refundable at any time and do not represent custodial risk to COCIC.

The State Treasurer of Ohio's office administers the Ohio Pooled Collateral System that allows eligible financial institutions to pool collateral to secure deposits of Ohio's public entities. The State Treasurer of Ohio's office has deemed collateral equal to 50% of public deposits held by certain institutions (including the institution used by COCIC) to be sufficient collateral over those deposits. In 2019, COCIC requested that our financial institutions collateralize our funds at 100%. On December 31, 2023 and 2022, COCIC's deposits were not exposed to custodial risk.

As of December 31, 2023, and 2022, COCIC does not maintain any investments.

**NOTE 4 – PROGRAM SERVICES RECEIVABLE**

**Responsible Landlord Program**

The Responsible Landlord Program (RLL) is a loan program to assist in rehabilitation of rental residential properties. A closed-end revolving loan accruing interest between 1.25% and 1.5% per annum and compounded monthly, is made for the rehabilitation of blighted, distressed, or substandard properties. The loan is secured by a mortgage against the property. Since the program's inception in 2014, COCIC has issued nine loans. As of December 31, 2023 COCIC had 7 loans outstanding with original loan amounts totaling \$290,000, with \$53,239 and \$35,262 repaid as of December 31, 2023 and 2022 respectively. Interest accrued at year end 2023 and 2022 was \$692 and \$744 respectively.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**Receivership Loan Program**

Through the Receivership Loan Program, a Receiver, appointed by the Franklin County Environmental Court is charged with abating nuisances at distressed properties, conducting court approved rehabilitation and clearing title. COCIC assists the receiver by using a close-ended revolving loan, disbursing up to \$65,000 per residential property and \$1,000,000 per commercial property based on the court approved expenditures proposed by the receiver. The loan is secured by a mortgage against the property and will earn interest of 3% for residential properties and 5% for commercial properties, compounded annually with a term due upon demand but expected to repay within approximately 6 months to 24 months, dependent on the ease of clearing the title. As of December 31, 2023, and 2022, there was \$86,000 and \$50,000 in residential loan principal advances outstanding, respectively. Interest accrued on residential properties during 2023 and 2022 was \$1,084 and \$215, respectively. As of December 31, 2023, there was \$350,000 in commercial loan principal advances outstanding. Interest accrued on commercial properties during 2023 was \$3,500.

**NOTE 5 – PROPERTY INVENTORY**

Property inventory as of December 31, 2023 and 2022 for COCIC, excluding property inventory for the COCLT, was \$1,064,340 and \$1,066,102, respectively. COCIC did not obtain any property inventory in 2023 that met the \$1,500 threshold. COCIC transferred 1 property to COCLT, 1369 N. 5<sup>th</sup> St., with a property inventory amount of \$1,762.

Property inventory as of December 31, 2023 and 2022 for COCLT was \$205,208 and \$0, respectively. COCLT sold a property on November 24, 2020 and the property was then sold back to COCLT on November 9, 2023 for a price of \$205,208. The house is currently on the market for resale.

During 2022, COCIC acquired 2652 Perdue (\$20,164), 3023 Perdue (\$36,220) and 3029 Perdue (\$36,219) and transferred Property Inventory of \$99,749 to COCLT Land during 2022.

**NOTE 6 – CAPITAL ASSETS**

Capital assets have been restated at January 1, 2022 to reclassify work-in-process amounts that were originally presented as depreciable assets to non-depreciable assets. The restatement had no effect on net position. Capital asset activity for the years ended December 31, 2023 and 2022 was as follows:

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**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>1/1/2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/2023</u>
<b>Non-Depreciable Assets:</b>				
Land (COCLT)	\$ 231,838	1,762	-	\$ 233,600
Land (Landfill)	3,381,391	-	-	3,381,391
Golf Depot Land	98,492	-	-	98,492
Edna - Land	-	4,319	-	4,319
Office - Land	39,200	-	-	39,200
Edna - Work-In-Process	136,625	813,464	-	950,089
Office - Work-In-Process	11,643	-	(11,643)	-
Golf Depot - Work-In-Process	147,993	1,084,799	-	1,232,792
<b>Depreciable Assets:</b>				
Edna - Building & Fixtures	-	25,682	-	25,682
Office - Building & Fixtures	1,198,237	33,449	-	1,231,686
Golf Depot - Building & Fixtures	657,151	16,071	-	673,222
<b>Total Capital Assets</b>	<u>5,902,570</u>	<u>1,979,546</u>	<u>(11,643)</u>	<u>7,870,473</u>
<b>Accumulated Depreciation</b>	<u>(291,060)</u>	<u>(57,775)</u>	<u>-</u>	<u>(348,835)</u>
<b>Net Capital Assets</b>	<u>\$ 5,611,510</u>	<u>1,921,771</u>	<u>(11,643)</u>	<u>\$ 7,521,638</u>
	Restated			
	<u>1/1/2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/2022</u>
<b>Non-Depreciable Assets:</b>				
Land (COCLT)	\$ 122,945	108,893	-	\$ 231,838
Land (Landfill)	3,381,391	-	-	3,381,391
Golf Depot Land	98,492	-	-	98,492
Office - Land	39,200	-	-	39,200
Edna - Work-In-Process	123,061	13,564	-	136,625
Office - Work-In-Process	6,739	4,904	-	11,643
Golf Depot - Work-In-Process	124,843	23,150	-	147,993
<b>Depreciable Assets:</b>				
Edna - Building & Fixtures	-	-	-	-
Office - Building & Fixtures	1,183,169	15,068	-	1,198,237
Golf Depot - Building & Fixtures	643,400	13,751	-	657,151
<b>Total Capital Assets</b>	<u>5,723,240</u>	<u>179,330</u>	<u>-</u>	<u>5,902,570</u>
<b>Accumulated Depreciation</b>	<u>(233,266)</u>	<u>(57,794)</u>	<u>-</u>	<u>(291,060)</u>
<b>Net Capital Assets</b>	<u>\$ 5,489,974</u>	<u>121,536</u>	<u>-</u>	<u>\$ 5,611,510</u>

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

**NOTE 7 – NOTES PAYABLE**

<u>2023</u>	Amount Outstanding 1/1/2023	Additions	Deletions	Amount Outstanding 12/31/2023	Amounts Due in One Year
Franklin County - Direct	\$ 1,400,000	-	(100,000)	\$ 1,300,000	\$ 92,857
Total Notes Payable	<u>\$ 1,400,000</u>	<u>-</u>	<u>(100,000)</u>	<u>\$ 1,300,000</u>	<u>\$ 92,857</u>

  

<u>2022</u>	Amount Outstanding 1/1/2022	Additions	Deletions	Amount Outstanding 12/31/2022	Amounts Due in One Year
Franklin County - Direct	\$ 1,500,000	-	(100,000)	\$ 1,400,000	\$ 92,857
FCAP - Direct	1,500,000	-	(1,500,000)	-	-
Total Notes Payable	<u>\$ 3,000,000</u>	<u>-</u>	<u>(1,600,000)</u>	<u>\$ 1,400,000</u>	<u>\$ 92,857</u>

In December 2009, COCIC received additional working capital from the sale of a \$2,600,000, 30-year 0% interest, Ohio Air Quality Development Authority Bond which was purchased by the Community Improvement Corporation of Gahanna and immediately assigned to Franklin County. \$150,000 of the proceeds was deposited in an account at Heartland Bank to secure the repayment of the Bond. COCIC is responsible for the debt service on this Bond. The balance on December 31, 2023 was \$1,300,000. This outstanding note contains (1) a provision that in an event of default, the timing of repayment of outstanding amounts can be due immediately with an interest rate of 10% (or legal limit) and (2) if payment is not received by the due date or accelerated date an additional 5% charge will be added.

In December 2020, COCIC entered into a loan agreement with Finance Fund Capital Corporation for a \$1,500,000, 2-year, 3.5% interest note. The intent of the note is to fund the construction of 10 affordable homes in Columbus, Ohio. This note contained (1) a provision that in an event of default, the timing of repayment of outstanding amounts can be due immediately with an interest rate of 16% (or legal limit) and (2) if payment is not received by the due date or accelerated date an additional 5% charge will be added. The note was repaid in December 2022.

Both loan agreements are considered direct borrowings. Direct borrowings have terms negotiated directly between COCIC and the lender and are not offered for public sale. The loans have no significant finance-related terms related to events of default, termination events, or subjective acceleration clauses.

The following is the scheduled maturities of the debt agreement as of December 31, 2023:

	Principal
2024	\$ 92,857
2025	92,857
2026	92,857
2027	92,857
2028	92,857
2029 - 2033	464,285
2034 - 2038	371,430
Total	<u>\$ 1,300,000</u>

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 8 – LANDFILL CLOSURE COSTS AND CHANGE IN ESTIMATE**

During 2023, it was determined that the Landfill post-closure care liability was understated in accordance with GASB 18 – “Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs”. This restatement had the following effect on the net position as of December 31, 2022:

	<u>General</u>
Net Position December 31, 2022	\$15,416,003
Adjustment:	
Increase in Landfill Post-Closure Care Liability	<u>(3,737,485)</u>
Restated Net Position December 31, 2022	<u>\$11,678,518</u>

State and federal laws and regulations require COCIC to place a final cover on its Bedford Landfill and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The Bedford Landfill was officially closed June 13, 2008. As of December 31, 2023, and 2022, the book value of the landfill, excluding the related closure and post closure liability is \$1,031,249.

The \$3,710,935 and \$3,948,403 reported as landfill closure and post-closure care liability on December 31, 2023 and 2022, respectively, represents the remaining estimated cost of closure and post-closure care. Total expenditures in 2023 and 2022 for this liability were \$237,468 and \$298,724, respectively.

COCIC is required by state and federal laws and regulations to maintain a trust to finance closure and post-closure care. COCIC was approved for alternative actions by the Ohio EPA Director and is in the process of securing a financial instrument to satisfy these requirements. If a satisfactory instrument is not obtained, COCIC will establish a \$500,000 escrow account from their available cash balances. The City of Gahanna is required to pay up to \$50,000 per year to COCIC to cover any shortfall.

**NOTE 9 – GRANT REVENUES**

Beginning in 2020 COCLT began receiving funds from the City of Columbus to fund the mission of providing affordable housing for income qualified buyers within the incorporated limits of the City. The funds are used to reduce the purchase price of houses developed for COCLT for income qualified buyers to make them affordable. In October 2021, COCLT entered into an agreement with the City of Columbus for \$3.060 million to fund the program. In October 2022, an additional agreement for \$4 million of funding for the program was executed. On February 20, 2024, an additional agreement with the City of Columbus for \$4 million of funding for the program was executed. During 2023, and 2022, \$6,388,253 and \$1,777,307 has been drawn on the grants respectively. At December 31, 2023, COCLT has a grant receivable totaling \$3,251,000, which has been included in the total drawn amount. A balance of \$2,023,031 and \$4,717,285 is remaining on the grants as of December 31, 2023 and 2022, respectively. The grants are reimbursable grants therefore, a receivable for the remaining balance of the undrawn funds has not been established.

In 2020, COCLT entered into an agreement with the Franklin County Commissioners (Economic Development & Planning office) for \$2.375 million to start COCLT projects within Franklin County. The funds are used to reduce the purchase price of houses developed for COCLT for income qualified buyers to make them affordable. In December 2021, the grant agreement was modified to extend the draw period through December 31, 2022 and an additional \$2.375 million was also awarded for a total of \$4.75 million.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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During 2023 and 2022, \$0 and \$1,826,353 respectively, has been drawn on the grants. A balance of \$2,871,420 is still remaining on the grants as of December 31, 2023 and 2022 respectively due the grant expiring at the end of 2022, so there was no ability to draw additional funds in 2023.

During 2021, Franklin County and COCLT began establishing a Construction Financing Fund (CFF) to fund the cost of construction when COCLT is the developer on projects. The fund is a revolving fund that is replenished by completed home sales. It was also to be replenished by Franklin County grant money, but that funding source expired in 2022. In December 2021, the Franklin County Commissioners approved a \$2.625 million grant to fund the CFF. The grant was paid in full in January 2022 and COCLT recognized grant income at that time. During 2023, COCLT constructed 13 homes totaling \$2,693,431 using the CFF funding and sold 5 of those properties for a total of \$966,000. The balance of the revolving grant money received is \$897,569 at December 31, 2023.

In January 2023, COCIC was awarded a \$21,468,851 grant from the Ohio Department of Development (ODOD) for the “Building Demolition and Site Revitalization Program”. The grant is for the reimbursement of costs related to the demolition of blighted commercial and residential buildings and revitalization of surrounding areas specifically identified within the grant application. During 2023, \$13,912,982 has been drawn or accrued on the grant. At December 31, 2023, COCIC has a receivable due from the ODOD totaling \$1,677,633, which has been included in the total drawn amounts. A balance of \$7,555,869 is remaining on the grant as of December 31, 2023. Since the grant is a reimbursable grant, a receivable for the remaining balance was not established for the undrawn funds.

On December 23, 2022, COCLT was awarded a \$500,000 grant from the “Consolidated Appropriations Act, 2023” for the preservation and rehabilitation of the Edna building. The funds were awarded under the “FY2023 Save America’s Treasurers Congressionally Directed Spending Awards” administered by the National Park Service. The grant is a reimbursable grant requiring a 50% match from COCLT. As of December 31, 2023, there were no qualifying expenses under the grant, therefore a receivable was not established.

On December 2, 2022, COCIC’s Board of Directors approved a loan not to exceed \$2,856,811 with IFF for the purpose of rehabilitating the Edna building. The loan will be a direct borrowing with IFF bearing a fixed interest rate of 6% during the construction period (not to exceed 18 months) and 5 years thereafter. The rate will be adjusted every 5 years based on the United State Treasury obligations with the same maturity as the loan plus 3%. The loan will bear a minimum rate of 5%. COCIC subsequently closed on the IFF loan on March 22, 2023. There were no qualifying expenses under the loan in 2023.

On December 20, 2023, COCIC was awarded a tax credit allocation agreement from the Ohio Historic Preservation Tax Credit Program totaling \$520,000 for the preservation and rehabilitation of the Edna Building. Due to COCIC being a non-profit organization, the tax credit does not apply to the business model. Therefore, the tax credits will be sold to a private investor. COCIC will not attempt to sell the tax credit until additional work is completed on the Edna project. At this time, COCIC does not have an estimate on the likely success of selling the credit and they do not have an estimate of the potential value if they can sell the credit. Therefore, no value has been recognized for this tax credit as of December 31, 2023.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**NOTE 10 – INTERFUND TRANSACTIONS**

Interfund balances at December 31, 2023 consisted of \$1,521,469 and \$725 interfund payable to COCIC from COCLT and PCR2, respectively, relating to the timing of grant monies. As the statement of net position reports the COCLT activity as part of the COCIC, the balance is not presented.

**NOTE 11 – RISK MANAGEMENT**

**Commercial Insurance**

COCIC has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Builders Risk
- Vehicles
- Environmental Insurance
- Directors and Officers Insurance

Settled claims have not exceeded commercial coverage in the past three years and there has been no significant decrease in coverage from the prior year.

**NOTE 12 – EMPLOYEE BENEFIT 401(k) PLAN**

COCIC offers a defined contribution 401(k) plan to its employees. Eligible employees must be at least 21 years of age, have 12 consecutive months of service and have worked at least 1,000 hours. Under the plan, COCIC may make an employer discretionary contribution, which is vested 100% at the time of contribution.

The plan also allows eligible employees to contribute from 1% up to 90% of their salary and wages. The employer and employee contributions are not to exceed Internal Revenue Service limits. COCIC's contribution expense at the end of December 31, 2023 and 2022 was \$44,000 and \$49,500, respectively.

**NOTE 13 – LEASE AGREEMENTS – LESSOR DISCLOSURE**

**Land Bank Office, 845 Parsons Avenue:**

During 2022 COCIC implemented GASB 87, Leases. The Statement establishes a single model for evaluating and recording leases with the basic principle that all leases are financings of the right to use an asset. The statement requires that the lessor record a lease receivable and a deferred inflow of resources to record the revenues related to the lease. The implementation of the pronouncement had the following effect on net position reported December 31, 2021:

Net Position December 31, 2021	\$10,496,117
Adjustments:	
Lease Revenue	66,581
Deferred Inflows of Resources	<u>(66,976)</u>
Restated net position December 31, 2021	<u>\$10,496,722</u>



**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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COCIC as lessor, is leasing part of the Land Bank office space to the City of Columbus Land Redevelopment Office, the city’s land bank office. The lease began in February 2017 and will end on January 31, 2024, with an annual lease renewal. At the beginning of 2024, an amendment to the lease agreement was made to expire the lease on December 31, 2025.

During 2023 and 2022 COCIC recognized \$21,542 and \$21,548 respectively, in deferred inflows as revenue related to the lease arrangement. The lease was reassessed in 2023 because of the amendment to expire the lease on December 31, 2025. Future lease payments under the non-cancellable lease are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$22,517	\$851	\$23,368
2025	21,765	298	22,063
Total	<u>\$44,282</u>	<u>\$1,149</u>	<u>\$45,431</u>

During 2019 COCIC entered into a lease management agreement with the City of Columbus and two private entities. While COCIC holds legal title to the two properties, the City of Columbus maintains control over all decision making and bears all costs associated with the properties. Rent received from the tenants is passed through to the City of Columbus. As a result, COCIC has deemed that the arrangement does not constitute leases under GASB. COCIC earns a 10% management fee on the rental payments received from the private tenants. Admin income earned in 2023 and 2022 was \$5,407 and \$6,204 respectively.

**NOTE 14 – CONTINGENT LIABILITIES**

Amounts grantor agencies pay to COCIC are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow.

COCIC is also subject to litigation and claims. In the opinion of management, the ultimate liabilities, if any, resulting from such litigation and claims will not materially affect the financial position of COCIC.

**NOTE 15 – SUBSEQUENT EVENTS**

In March 2023, the eligibility period for the “Building and Site Revitalization Program” was extended to June 30, 2024. See Footnote 9 for more information on the “Building and Site Revitalization Program.

On January 20, 2020, COCIC entered into a Real Estate Purchase Agreement with a third-party (the “Buyer”) pursuant to which COCIC agreed to convey approximately 12.287 acres of unimproved property that it owned located on the west side of the metro Columbus, Ohio area in Prairie Township, Ohio in exchange for a purchase price of \$650,000 from the Buyer and post-closing commitments by the Buyer to undertake construction and development on the property within certain timeframes for an affordable housing project with a senior affordable housing component. On February 3, 2024, the Board of COCIC authorized COCIC to seek legal action against the Buyer and on February 24, 2023, COCIC filed a complaint in the Franklin County, Ohio Court of Common Pleas against the Buyer seeking various remedies including an order to cause the Buyer to reconvey the property back to COCIC for the contractual price of \$491,400 payable by COCIC to the Buyer. The Buyer filed its answer at the end of April 2023 and the case is early in the discovery phase and the probability of success on the merits is not determinable at this time. As of December 31, 2023, the case is still in discovery and no final ruling has been made.

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

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**NOTE 16 – BLENDED COMPONENT UNIT**

Condensed combining information for COCIC's blended component units are presented as follows:

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**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
BLENDED COMPONENT UNITS  
STATEMENTS OF NET POSITION  
AT DECEMBER 31, 2023 AND 2022**

	COCLT		PCR2		TOTAL	
	2023	2022	2023	2022	2023	2022
<b>ASSETS</b>						
Current Assets						
Cash and Cash Equivalents	\$ 1,819,571	\$ 3,839,070	\$ 33,160	\$ 33,160	\$ 1,852,731	\$ 3,872,230
Accounts Receivable	400,580	167,763	-	-	400,580	167,763
Grants Receivable	3,251,000	1,353,345	-	-	3,251,000	1,353,345
Property Inventory	205,208	-	-	-	205,208	-
Prepays and Other Assets	5,648	23,096	-	-	5,648	23,096
Total Current Assets	<u>5,682,007</u>	<u>5,383,274</u>	<u>33,160</u>	<u>33,160</u>	<u>5,715,167</u>	<u>5,416,434</u>
Noncurrent Assets:						
Capital Assets:						
COCLT Land	233,600	231,838	-	-	233,600	231,838
Net Capital Assets	<u>233,600</u>	<u>231,838</u>	<u>-</u>	<u>-</u>	<u>233,600</u>	<u>231,838</u>
Total Noncurrent Assets	<u>233,600</u>	<u>231,838</u>	<u>-</u>	<u>-</u>	<u>233,600</u>	<u>231,838</u>
<b>TOTAL ASSETS</b>	<b>5,915,607</b>	<b>5,615,112</b>	<b>33,160</b>	<b>33,160</b>	<b>5,948,767</b>	<b>5,648,272</b>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	1,261,366	870,120	-	-	1,261,366	870,120
Intercompany Payable	1,521,469	30,891	725	280	1,522,194	31,171
Total Current Liabilities	<u>2,782,835</u>	<u>901,011</u>	<u>725</u>	<u>280</u>	<u>2,783,560</u>	<u>901,291</u>
<b>TOTAL LIABILITIES</b>	<b>2,782,835</b>	<b>901,011</b>	<b>725</b>	<b>280</b>	<b>2,783,560</b>	<b>901,291</b>
<b>NET POSITION</b>						
Net Investment in Capital Assets	233,600	231,838	-	-	233,600	231,838
Unrestricted	2,899,172	4,482,263	32,435	32,880	2,931,607	4,515,143
<b>TOTAL NET POSITION</b>	<u><b>\$ 3,132,772</b></u>	<u><b>\$ 4,714,101</b></u>	<u><b>\$ 32,435</b></u>	<u><b>\$ 32,880</b></u>	<u><b>\$ 3,165,207</b></u>	<u><b>\$ 4,746,981</b></u>

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
BLENDED COMPONENT UNITS  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	COCLT		PCR2		TOTAL	
	2023	2022	2023	2022	2023	2022
<b>Operating Revenues</b>						
Grant Revenues	\$ 6,732,254	\$ 6,413,861	\$ -	\$ -	\$ 6,732,254	\$ 6,413,861
Land Lease Income	20,100	14,670	-	-	20,100	14,670
Home Sales	3,733,297	2,352,230	-	-	3,733,297	2,352,230
Total Operating Revenues	<u>10,485,651</u>	<u>8,780,761</u>	<u>-</u>	<u>-</u>	<u>10,485,651</u>	<u>8,780,761</u>
<b>Operating Expenses</b>						
Construction and Development	11,847,877	3,931,071	-	-	11,847,877	3,931,071
Legal and Professional Expense	105,223	52,917	-	-	105,223	52,917
Meeting Expense	623	3,228	-	-	623	3,228
Office Expense	11,404	1,011	-	-	11,404	1,011
Staff Training and Travel Expense	14	2,197	-	-	14	2,197
Other Expense	105,684	57,978	445	440	106,129	58,418
Total Operating Expenses	<u>12,070,825</u>	<u>\$ 4,048,402</u>	<u>445</u>	<u>440</u>	<u>12,071,270</u>	<u>4,048,842</u>
<b>Operating Income (Loss)</b>	<u>\$ (1,585,174)</u>	<u>\$ 4,732,359</u>	<u>(445)</u>	<u>(440)</u>	<u>(1,585,619)</u>	<u>4,731,919</u>
<b>Non-Operating Revenues (Expenses)</b>						
Interest	3,845	(45,591)	-	-	3,845	(45,591)
Total Non-Operating Revenues (Expenses)	<u>3,845</u>	<u>\$ (45,591)</u>	<u>-</u>	<u>-</u>	<u>3,845</u>	<u>(45,591)</u>
<b>Change in Net Position</b>	<u>\$ (1,581,329)</u>	<u>\$ 4,686,768</u>	<u>(445)</u>	<u>(440)</u>	<u>(1,581,774)</u>	<u>4,686,328</u>
<b>Net Position, Beginning of Year</b>	<u>4,714,101</u>	<u>27,333</u>	<u>32,880</u>	<u>33,320</u>	<u>4,746,981</u>	<u>60,653</u>
<b>Net Position, End of Year</b>	<u>\$ 3,132,772</u>	<u>\$ 4,714,101</u>	<u>\$ 32,435</u>	<u>\$ 32,880</u>	<u>\$ 3,165,207</u>	<u>\$ 4,746,981</u>

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
BLENDED COMPONENT UNITS  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	COCLT		PCR2		TOTAL	
	2023	2022	2023	2022	2023	2022
<b>Cash Flows from Operating Activities</b>						
Grant Receipts	\$ 4,438,519	\$ 5,692,151	\$ -	\$ -	\$ 4,438,519	\$ 5,692,151
Land Lease Income	20,100	14,670	-	-	20,100	14,670
Home Sales	3,900,341	2,185,186	-	-	3,900,341	2,185,186
Construction and Development Expense	(11,492,350)	(4,056,251)	-	-	(11,492,350)	(4,056,251)
Insurance Expense	(16,651)	(18,861)	-	-	(16,651)	(18,816)
Legal and Professional Expense	(89,262)	(63,816)	-	-	(89,262)	(63,816)
Meeting Expense	2,605	-	-	-	2,605	-
Office Expense	(10,393)	-	-	-	(10,393)	-
Staff Training and Travel Expense	(6,900)	-	-	-	(6,900)	-
Other Operating Payments	(64,146)	(35,998)	-	(160)	(64,146)	(36,158)
Net Cash (Used)/Provided by Operating Activities	(3,318,137)	3,717,126	-	(160)	(3,318,137)	3,716,966
<b>Cash Flows from Non-Capital Financing Activities</b>						
Principal Paid on Note Issuance	-	(1,500,000)	-	-	-	(1,500,000)
Interest	3,846	(49,965)	-	-	3,846	(49,965)
Transfers	1,500,000	-	-	-	1,500,000	-
Net Cash Provided/Used by Non-Capital Financing Activities	1,503,846	(1,549,965)	-	-	1,503,846	(1,549,965)
<b>Cash Flows from Capital and Related Financing Activities</b>						
Purchase of Real Property	(205,208)	(9,145)	-	-	(205,208)	(9,145)
Net Cash Used In Capital and Related Financing Activities	(205,208)	(9,145)	-	-	(205,208)	(9,145)
<b>Net Change in Cash and Cash Equivalents</b>	<b>(2,019,499)</b>	<b>2,158,016</b>	<b>-</b>	<b>(160)</b>	<b>(2,019,499)</b>	<b>2,157,856</b>
<b>Cash and Cash Equivalents Beginning of Year</b>	<b>3,839,070</b>	<b>1,681,054</b>	<b>33,160</b>	<b>33,320</b>	<b>3,872,230</b>	<b>1,714,374</b>
<b>Cash and Cash Equivalents End of Year</b>	<b>\$ 1,819,571</b>	<b>\$ 3,839,070</b>	<b>\$ 33,160</b>	<b>\$ 33,160</b>	<b>\$ 1,852,731</b>	<b>\$ 3,872,230</b>
<b>Cash and Cash Equivalents - Current</b>	<b>\$ 1,819,571</b>	<b>\$ 3,839,070</b>	<b>\$ 33,160</b>	<b>\$ 33,160</b>	<b>\$ 1,852,731</b>	<b>\$ 3,872,230</b>
<b>Cash and Cash Equivalents - Noncurrent</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Cash and Cash Equivalents</b>	<b>\$ 1,819,571</b>	<b>\$ 3,839,070</b>	<b>\$ 33,160</b>	<b>\$ 33,160</b>	<b>\$ 1,852,731</b>	<b>\$ 3,872,230</b>

**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
BLENDED COMPONENT UNITS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

(Continued)

<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by (Used In) Operating Activities</b>	<b>COCLT</b>		<b>PCR2</b>		<b>TOTAL</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Operating Income (Loss)	\$ (1,585,174)	\$ 4,732,359	\$ (445)	\$ (440)	\$ (1,585,619)	\$ 4,731,919
(Increase) Decrease in Assets:						
Accounts Receivable	(232,818)	50,741	-	-	(232,818)	50,741
Grants Receivable	(1,897,655)	(787,937)	-	-	(1,897,655)	(787,937)
Property Inventory	(1,762)	-	-	-	(1,762)	-
Prepaid Items	17,448	(18,816)	-	-	17,448	(18,816)
Increase (Decrease) in Liabilities:						
Accounts Payable	391,246	(138,364)	-	-	391,246	(138,364)
Intercompany Payable	(9,422)	(120,857)	445	280	(8,977)	(120,577)
<b>Net Cash Provided by (Used In) Operating Activities</b>	<b><u>\$ (3,318,137)</u></b>	<b><u>\$ 3,717,126</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (160)</u></b>	<b><u>\$ (3,318,137)</u></b>	<b><u>\$ 3,716,966</u></b>

**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***

Central Ohio Community Improvement Corporation  
Franklin County  
845 Parsons Avenue  
Columbus, OH 43206

To the Members of 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, the financial statements of the Central Ohio Community Improvement Corporation, Franklin County, Ohio, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Central Ohio Community Improvement Corporation’s basic financial statements, and have issued our report thereon dated September 27, 2024, wherein we noted as described in Note 8 to the financial statements, the Central Ohio Community Improvement Corporation’s Landfill post-closure care liability estimate was understated in accordance with GASB 18 – “Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs” and the net position at December 31, 2022 was restated to reflect the increase in the estimated post-closure care liability.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Central Ohio 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Central Ohio Community Improvement Corporation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Central Ohio 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 Central Ohio 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 or significant deficiencies may exist that were not identified.

Central Ohio Community Improvement Corporation

Franklin County

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*

### **Report on Compliance and Other Matters**

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



Julian & Grube, Inc.

September 27, 2024



# OHIO AUDITOR OF STATE KEITH FABER



**CENTRAL OHIO COMMUNITY IMPROVEMENT CORPORATION**

**FRANKLIN 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 11/12/2024**

65 East State 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](http://www.ohioauditor.gov)