

# **Youngstown Central Area Community Improvement Corporation**

Financial Statements

For the Years Ended  
June 30, 2025 and 2024

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# Youngstown Central Area Community Improvement Corporation

## Statements of Financial Position June 30, 2025 and 2024

	<b>Assets</b>	
	<b>2025</b>	<b>2024</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,064,148	\$ 1,760,165
Restricted cash - held by paying agent	961,649	-
State of Ohio DAS Ohio Center Project Trust Fund	838,292	952,192
Accounts receivable	61,128	88,934
Prepaid expenses	5,878	5,510
Total Current Assets	2,931,095	2,806,801
<b>Property and Equipment</b>		
Land	78,074	78,074
Land improvements	121,763	121,763
Buildings	11,742,198	11,742,198
Building improvements	835,990	835,990
Furniture, fixtures and equipment	26,075	26,075
	12,804,100	12,804,100
Less: accumulated depreciation	(10,024,890)	(9,600,895)
Net Property and Equipment	2,779,210	3,203,205
<b>Total Assets</b>	<b>\$ 5,710,305</b>	<b>\$ 6,010,006</b>

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

## Statements of Financial Position June 30, 2025 and 2024

	<b>Liabilities and Net Assets</b>	
	<b>2025</b>	<b>2024</b>
<b>Current Liabilities</b>		
Accounts payable	\$ 81,488	\$ 76,383
Current portion of bonds payable	410,000	390,000
Accrued payroll and withholdings	2,931	3,350
Accrued bond interest	40,448	49,385
Unearned rent	1,313,323	1,444,655
Total Current Liabilities	1,848,190	1,963,773
<b>Long-Term Liabilities</b>		
Bonds payable, net of current portion and unamortized bond discount and deferred bond issue costs	1,327,574	1,728,432
Operating deposit	50,000	50,000
Total Long-Term Liabilities	1,377,574	1,778,432
Total Liabilities	3,225,764	3,742,205
<b>Net Assets</b>		
Without donor restriction	2,484,541	2,267,801
<b>Total Liabilities and Net Assets</b>	<b>\$ 5,710,305</b>	<b>\$ 6,010,006</b>

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

## Statements of Activities For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Revenues and Other Support</b>		
Rental income	\$ 1,306,051	\$ 1,297,321
Building maintenance income	425,242	465,740
Interest income	16,842	19,148
Gain (loss) on sale of property	<u>17,700</u>	<u>(1,064,333)</u>
Total Revenues and Other Support	1,765,835	717,876
<b>Expenses</b>		
Program	1,396,771	1,422,901
General and administrative	<u>152,324</u>	<u>206,273</u>
Total Expenses	<u>1,549,095</u>	<u>1,629,174</u>
<b>Change in Net Assets</b>	216,740	(911,298)
<b>Net Assets, Beginning of Year</b>	<u>2,267,801</u>	<u>3,179,099</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 2,484,541</u></u>	<u><u>\$ 2,267,801</u></u>

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

## Statements of Functional Expenses For the Years Ended June 30, 2025 and 2024

	Program		General and Administrative		Totals	
	2025	2024	2025	2024	2025	2024
Depreciation	\$ 423,995	\$ 425,364	\$ -	\$ -	\$ 423,995	\$ 425,364
Payroll and payroll taxes	73,497	76,710	8,165	8,522	81,662	85,232
Legal and professional	-	-	113,365	133,636	113,365	133,636
Office	13,950	11,353	4,742	3,737	18,692	15,090
Occupancy and maintenance	784,625	788,448	10,852	10,178	795,477	798,626
Bond amortization	98,204	117,663	-	-	98,204	117,663
Real estate taxes	-	863	-	-	-	863
Other	2,500	2,500	15,200	50,200	17,700	52,700
<b>Totals</b>	<b>\$ 1,396,771</b>	<b>\$ 1,422,901</b>	<b>\$ 152,324</b>	<b>\$ 206,273</b>	<b>\$ 1,549,095</b>	<b>\$ 1,629,174</b>

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

## Statements of Cash Flows For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 216,740	\$ (911,298)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	423,995	425,364
Amortization of bond discount	2,435	2,435
Amortization of bond issue costs	6,707	6,707
(Gain) loss on sale of property	(17,700)	1,064,333
(Increase) decrease in operating assets:		
Accounts receivable	27,806	(10,546)
Prepaid expenses	(368)	(319)
Increase (decrease) in operating liabilities:		
Accounts payable	5,105	7,927
Accrued payroll and withholdings	(419)	(20)
Accrued bond interest	(8,937)	(8,479)
Unearned rent	(131,332)	(131,333)
Net Cash Provided (Used) by Operating Activities	<u>524,032</u>	<u>444,770</u>
<b>Cash Flows from Investing Activities</b>		
Net change in State of Ohio DASOCP Trust Fund	113,900	(15,859)
Purchase of property and equipment	-	(13,793)
Proceeds on sale of property	17,700	500,000
Net Cash Provided (Used) by Investing Activities	<u>131,600</u>	<u>470,348</u>
<b>Cash Flows from Financing Activities</b>		
Payments on bonds payable	(390,000)	(370,000)
Net Cash Provided (Used) by Financing Activities	<u>(390,000)</u>	<u>(370,000)</u>
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	265,632	545,118
Beginning Cash, Cash Equivalents and Restricted Cash	<u>1,760,165</u>	<u>1,215,047</u>
<b>Ending Cash, Cash Equivalents and Restricted Cash</b>	<u><u>\$ 2,025,797</u></u>	<u><u>\$ 1,760,165</u></u>
<b>Supplementary Cash Flow Disclosures</b>		
Cash paid for interest	<u><u>\$ 98,204</u></u>	<u><u>\$ 117,663</u></u>

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

Notes to Financial Statements  
For the Years Ended June 30, 2025 and 2024

## Note A - Summary of Significant Accounting Policies

### Organization and Business Activity

The Youngstown Central Area Community Improvement Corporation (the "Corporation") is a nonprofit community improvement organization, which was formed on April 25, 1988, with the primary purpose of promoting industrial and economic development within the central area of the City of Youngstown.

Over the years, the corporation has developed and redeveloped many buildings and properties that it had acquired in the downtown area. It continues to operate and manage some buildings it had constructed, but it is not developing any more properties and is selling off non-essential properties that it owns.

### Basis of Accounting

The Corporation has prepared its financial statements on the accrual basis in conformity with accounting principles generally accepted in the United States of America. Accrual basis accounting allows for revenue to be recognized when earned and expenses to be recognized when goods or services are received, without regard to the receipt or payment of cash.

### 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 and liabilities, and the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### Financial Statement Presentation

The Corporation follows Financial Accounting Standards Board Accounting Standards Codification (ASC) No. 958-210, Presentation of Financial Statements. Under ASC 958-210, the Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Corporation has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Net assets with voluntary designations by the governing board of the organization are considered to be without donor restrictions under the guidelines of FASB ASC 958-205-45-2.

### Cash and Cash Equivalents

The Corporation considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

No assurance is provided.



# Youngstown Central Area Community Improvement Corporation

Notes to Financial Statements  
For the Years Ended June 30, 2025 and 2024

## Note A - Summary of Significant Accounting Policies (continued)

### Investments

The Corporation accounts for its investments in marketable securities at their stated fair value in the statements of financial position.

### Accounts Receivables

The Company's receivables consist of amounts due from rentals and are presented net of an allowance for credit losses, if any. The Company estimates the allowance for credit losses based on historical loss experience, current conditions, and reasonable and supportable forecasts. The Company considers various factors, such as the credit quality of its customers, the aging of its receivables, the economic environment, and the collectability of its receivables, in estimating the expected credit losses. The Company determined that as of June 30, 2025 and 2024 there was no allowance for credit.

### Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the end of the fiscal year are recorded as prepaid items by using the consumption method.

### Property and Equipment

Property and equipment purchased, and real estate given by or transferred from the City of Youngstown to the Corporation are recorded at cost. Donated assets are recorded at fair market value at the date of the gift. Property and equipment are depreciated on the straight-line method over their estimated useful lives of 5 to 30 years. Maintenance and repairs are charged to expense when incurred. Assets with a useful life beyond one year or repairs and maintenance that extend the useful life of an asset beyond one year are capitalized and depreciated over the asset's useful life.

### Contract Obligations

Certain payments received, such as insurance proceeds and tenant renovations, are deferred and are not recognized as revenue until damages have been repaired or renovations have been completed.

### Unearned Rent

The Corporation has a rent agreement with the County of Mahoning for the 7th District Court of Appeals (COA) for a 30-year period. The COA has the option to purchase the building for \$1 at any time during the lease period. Rent was prepaid in 2006. The rent will be recognized over the period of the agreement. Rental income received during the years ended June 30, 2025 and 2024 was \$131,332.

### Operating Deposit

The Corporation has a five (5) year agreement with the County of Mahoning for the operation and maintenance of the Children Services Board Building, wherein the County provided a one-time deposit of \$50,000 to assist with cash flow issues. In the event the agreement is terminated, the Corporation will return the deposit to the County or the deposit will be applied to the final payment due from the County. The agreement is in effect from January 1, 2023 to December 31, 2028.

### Restriction Policy

The Corporation has no donor-imposed restrictions which need to be classified as net assets with donor restriction.

Net assets with voluntary designations by the governing board are without donor restriction under the guidelines of FASB ASC 958-205-45-2. The Corporation has funds designated for the purpose of transactions related to the construction and rental of the Voinovich Center. These funds are shown on the statements of financial position as "State of Ohio DAS Ohio Center Project Trust Fund".

### Program Services

For financial statement purposes, the Corporation is involved with one program service, which is to promote industrial and economic development within the central business district of the City of Youngstown.

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

Notes to Financial Statements  
For the Years Ended June 30, 2025 and 2024

## Note A - Summary of Significant Accounting Policies (continued)

### Functional Allocation of Expenses

The costs of providing the program and related activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

### Advertising Expense

Advertising costs are expensed as incurred.

### Federal Income Taxes

The Corporation is a nonprofit organization and is exempt from federal income taxes under section 501 (c)(3) of the Internal Revenue Code. By virtue of Ohio law, the Corporation is not subject to Ohio income taxes.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Corporation and recognize a tax liability (or asset) if the Corporation has taken an uncertain position that more likely than not would be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Corporation, and has concluded that as of June 30, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Corporation is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Corporation's Federal Return of Organization Exempt from Income Tax (federal Form 990) for 2024, 2023, and 2022 are subject to examination by the IRS, generally for three years after they were filed.

## Note B - Cash, Cash Equivalents, and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of financial position that sum to the amounts shown in the statement of cash flows:

	2025
Cash and cash equivalents	\$ 1,064,148
Restricted cash	961,649
Totals	<u>\$ 2,025,797</u>

## Note C - Commitments and Contingencies

### Credit Risk from Cash Deposits in Excess of Insurance Limits

The Corporation maintains its cash balances in one financial institution. The balance in bank is insured by the Federal Deposit Insurance Corporation up to a maximum amount of \$250,000 per institution. Balances in excess of the \$250,000 level are considered a contingent risk under generally accepted accounting principles and may occur from time to time with the Corporation. The Corporation had not experienced any losses on such accounts and does not believe it is exposed to any significant risk with respect to such cash.

## Note D - Investments at Fair Value Measurements (State of Ohio DAS Ohio Center Project Trust Fund)

FASB ASC Topic 820 *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of value hierarchy under FASB ASC Topic 820 are described as follows:

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

Notes to Financial Statements  
For the Years Ended June 30, 2025 and 2024

## Note D - Investments at Fair Value Measurements (State of Ohio DAS Ohio Center Project Trust Fund) (continued)

### Level 1 Fair Value Measurements

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

### Level 2 Fair Value Measurements

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are delivered principally from or corroborated by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

### Level 3 Fair Value Measurements

Inputs to the valuation methodology are unobservable and significant to the fair value measurements.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used to maximize the use of observable inputs and minimize the use of unobservable measurements.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at June 30, 2025 and 2024.

Money market: Valued at closing prices reported on actively traded exchanges.

The preceding method described may produce fair value calculations that may not be indicative of net realizable value or reflective of future values. Furthermore, although the plan believes its valuation is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value could result in a different fair value measurement at the reporting date.

	2025		2024	
	Quotes Prices in Active markets for Identical Assets (Level 1) Fair Market Value	Cost	Quotes Prices in Active markets for Identical Assets (Level 1) Fair Market Value	Cost
U.S. Treasury Money Market	\$ 838,292	\$ 838,292	\$ 952,192	\$ 952,192

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

## Notes to Financial Statements For the Years Ended June 30, 2025 and 2024

### Note E - Line of Credit

The Corporation entered into a line of credit with a local bank on April 4, 2018. The line of credit is secured with a first lien and security interest in the Corporation's accounts, chattel paper, general intangibles, equipment, and documents acquired with the proceeds. The line of credit has a maximum principal of \$125,000 and bears interest at the Wall Street Journal prime rate or any successor publication applicable rate. The balance on the line of credit was \$0 as of June 30, 2025 and 2024.

### Note F - Property and Equipment

Changes in property and equipment for the year ended June 30, 2025 consisted of the following:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Non - Depreciable				
Land	\$ 78,074	\$ -	\$ -	\$ 78,074
Total Non-Depreciable Capital Assets	78,074	-	-	78,074
Capital Assets being Depreciated:				
Land Improvements	121,763	-	-	121,763
Buildings	11,742,198	-	-	11,742,198
Building Improvements	835,990	-	-	835,990
Furniture and Equipment	26,075	-	-	26,075
Total Capital Assets being Depreciated	12,726,026	-	-	12,726,026
Less Accumulated Depreciated:				
Land Improvements	(43,050)	(7,532)	-	(50,582)
Buildings	(8,937,155)	(391,407)	-	(9,328,562)
Building Improvements	(594,903)	(24,768)	-	(619,671)
Furniture and Equipment	(25,787)	(288)	-	(26,075)
Total Accumulated Depreciation	(9,600,895)	(423,995)	-	(10,024,890)
Capital Assets, Net of Depreciation	\$ 3,203,205	\$ (423,995)	\$ -	\$ 2,779,210

Changes in property and equipment for the year ended June 30, 2024 consisted of the following:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Non - Depreciable				
Land	\$ 1,616,962	\$ -	\$(1,538,888)	\$ 78,074
Total Non-Depreciable Capital Assets	1,616,962	-	(1,538,888)	78,074
Capital Assets being Depreciated:				
Land Improvements	149,168	-	(27,405)	121,763
Buildings	11,742,198	-	-	11,742,198
Building Improvements	822,197	13,793	-	835,990
Furniture and Equipment	31,491	-	(5,416)	26,075
Total Capital Assets being Depreciated	12,745,054	13,793	(32,821)	12,726,026

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

Notes to Financial Statements  
For the Years Ended June 30, 2025 and 2024

## Note F - Property and Equipment (continued)

Less Accumulated Depreciated:

Land Improvements	(37,196)	(8,446)	2,592	(43,050)
Buildings	(8,545,748)	(391,407)	-	(8,937,155)
Building Improvements	(570,366)	(24,537)	-	(594,903)
Furniture and Equipment	(29,597)	(974)	4,784	(25,787)
Total Accumulated Depreciation	<u>(9,182,907)</u>	<u>(425,364)</u>	<u>7,376</u>	<u>(9,600,895)</u>
Capital Assets, Net of Depreciation	<u>\$ 5,179,109</u>	<u>\$ (411,571)</u>	<u>\$(1,564,333)</u>	<u>\$ 3,203,205</u>

## Note G - Bonds Payable

Bonds payable consisted of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Bond obligations, interest rates from 4.05% to 5.10%, due at various dates until 2028	\$ 1,765,000	\$ 2,155,000
Less: Unamortized Debt	(7,305)	(9,740)
Less: Deferred Bond Issue Costs	(20,121)	(26,828)
Less: Current Portion	<u>(410,000)</u>	<u>(390,000)</u>
Net Bonds Payable	<u>\$ 1,327,574</u>	<u>\$ 1,728,432</u>

Amortization of future debt payments is scheduled as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2026	\$ 410,000
2027	430,000
2028	450,000
Thereafter	475,000
Total	<u>\$ 1,765,000</u>

## Note H - Bonds Payable Funds Transferred for Redemption

At June 30, 2025, the Organization transferred \$961,649 to the paying agent for the redemption of certain bonds scheduled for redemption in July 2025. Although the funds were deposited with the paying agent prior to year-end, the legal extinguishment of the related debt had not yet occurred as of June 30, 2025. Accordingly, the bonds remain recorded as outstanding liabilities at year-end.

The transferred funds are reported as restricted cash in the statement of financial position because their use is limited to the specific purpose of redeeming the bonds. These funds are not available for general operating purposes.

The related bond payable was derecognized upon the legal redemption date in July 2025.

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

Notes to Financial Statements  
For the Years Ended June 30, 2025 and 2024

## Note I - Board Designated Net Assets

Net assets without donor restriction consist of assets available for operating purposes and amounts designated by the Board of Trustees for a specific purpose. The board designated net assets are comprised of the following:

Without Donor Restriction:	2025	2024
Designated by the Board for:		
Savings Account for capital purchases and improvements	\$ 647,876	\$ 644,888
Trust Fund for construction and rental of the Voinovich Center	838,292	952,192
Undesignated	998,373	670,721
Net Assets	<u>\$ 2,484,541</u>	<u>\$ 2,267,801</u>

## Note J - Liquidity and Availability of Resources

The Corporation's financial assets available within one year of the statement of financial position date for general expenditure are as follows as of June 30:

Financial assets, at year end:

	2025	2024
Cash and cash equivalents	\$ 1,064,148	\$ 1,760,165
Restricted cash - held by paying agent	961,649	-
State of Ohio DAS Ohio Center Project Trust Fund	838,292	952,192
Accounts receivable	61,128	88,934
Subtotal Financial assets, at year end	<u>2,925,217</u>	<u>2,801,291</u>

Less those unavailable for general expenditure within one year due to:

Restricted cash held by paying agent	(961,649)	-
Board designated Savings Account for capital improvements of the Voinovich Center	(647,876)	(644,888)
Board designated Trust Fund for construction and rental of of the Voinovich Center	(838,292)	(952,192)
Financial assets available within one year to meet cash needs for general expenditures within one year	<u>\$ 477,400</u>	<u>\$ 1,204,211</u>

As part of the Corporation's liquidity management it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Cash and cash Equivalents are held in checking, business checking, and business money market accounts. Investments are held in trust accounts. Financial assets that are subject to restriction make them unavailable for general expenditure within one year of the statement of financial position date. As of June 30, 2025 and 2024, the Corporation did not have any financial assets subject to donor restriction.

No assurance is provided.

# Youngstown Central Area Community Improvement Corporation

Notes to Financial Statements  
For the Years Ended June 30, 2025 and 2024

## Note K - Rentals Under Operating Leases

The Corporation is the lessor of office space under operating leases with the State of Ohio with renewal options extending through June 30, 2029 that fall under Accounting Standards Codification (ASC) 842, Leases. The Organization has elected the lessor practical expedient within ASC 842 and recognizes revenue for services under the Organization's agreements based upon the predominant component, either the lease or non-lease component, of the contracts. Management has determined the predominant component is an operating lease.

The State of Ohio is able to exercise its option to purchase the building for \$1 at any time after the certificates of participation have been completed pursuant to the provisions of the trust agreement. Management expects these leases will be renewed. Including renewals, minimum future rentals to be received on these noncancelable leases as of June 30, 2025 for each of the next five years and in the aggregate are:

<u>Year Ending June 30</u>	<u>Amount</u>
2026	\$ 410,000
2027	430,000
2028	450,000
2029	475,000
Total	<u>\$ 1,765,000</u>

## Note L - Subsequent Events

The Company has evaluated subsequent events through October 31, 2025, the date the financial statements were available to be issued.

No assurance is provided.