



PERRY

& Associates CPAs

PASSION *Beyond the Numbers*

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
FRANKLIN COUNTY
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2023**



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Columbus, Ohio 43215
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Board of Directors
Special Improvement District Public Services Association
23 North 4th Street
Columbus, Ohio 43215

We have reviewed the *Independent Auditor's Report* of the Special Improvement District Public Services Association, Franklin County, prepared by Perry & Associates, Certified Public Accountants, A.C., 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 Special Improvement District Public Services Association 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

November 18, 2024

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**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County**

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INDEPENDENT AUDITOR'S REPORT

Special Improvement District Public Service Association
Franklin County
23 North Fourth Street
Columbus, OH 43215

To the Board of Directors:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the **Special Improvement District Public Service Association**, Franklin County, Ohio (the Association), (a not-for-profit organization) which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Special Improvement District Public Service Association, Franklin County, Ohio as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended, in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Association 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.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association'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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association'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 Association'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.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The supplemental information on pages 15-20, and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2024, on our consideration of the Association's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Association'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 Association's internal control over financial reporting and compliance.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

September 4, 2024

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023 AND 2022**

	2023	2022
ASSETS		
Current Assets		
Cash and Cash Equivalents:		
Cash-undesignated	\$ 774,120	\$ 1,551,128
Total cash and equivalents	774,120	1,551,128
Accounts Receivable	485,182	258,547
Prepaid expenses	48,035	63,884
Total Current Assets	1,307,337	1,873,559
Fixed Assets:		
Equipment and vehicles, at cost	670,303	669,866
Accumulated depreciation	(559,591)	(569,579)
Net Fixed Assets	110,712	100,287
Other Assets:		
Beneficial interest in assets held by others	1,019,679	921,843
Right of Use Asset	192,212	231,531
Total Other Assets	1,211,891	1,153,374
Total Assets	2,629,940	3,127,220
LIABILITES AND NET ASSETS		
Current Liabilities:		
Accounts payable	471,824	380,880
Accounts payable-related party	1,902,543	2,088,292
Accrued expenses	34,517	297,008
Deferred revenue	11,451	119,643
Capital lease obligation, current portion	2,108	837
Operating lease obligation, current portion	70,963	53,834
Deposits	9,399	9,029
Total Current Liabilities	2,502,805	2,949,523
Noncurrent Liabilities:		
Capital lease obligation, less current portion	5,885	-
Operating lease obligation, less current portion	121,250	177,697
Total Noncurrent Liabilities	127,135	177,697
Total Liabilities	2,629,940	3,127,220
Net Assets:		
Without donor restrictions	(417,183)	(133,201)
With donor restrictions	417,183	133,201
Total Net Assets	-	-
Total Liabilities and Net Assets	\$ 2,629,940	\$ 3,127,220

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

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
Change in Net Assets without Donor Restrictions:		
Revenue:		
Assessments	\$ 2,670,057	\$ 2,604,400
Contributions	695,036	664,065
Promotions	114,475	56,682
Contracted income	290,029	203,354
Interest	434	666
Miscellaneous	2,126	8,943
Right of way improvements	33,000	20,593
Gain/loss on investment held by others	67,764	(111,013)
Other income (expense)	185,749	330,781
Net assets released from restrictions	2,621,208	650,271
	6,679,878	4,428,742
Expenses:		
Clean and safe	3,601,761	2,996,269
Landscaping and maintenance	319,547	289,688
Communications and research	506,822	335,711
Employee pass program	613,415	487,713
Public Restrooms program	1,593,131	35,120
General and administrative	329,183	334,264
	6,963,859	4,478,765
Change in Net Assets without Donor Restrictions	(283,981)	(50,023)
Change in Net Assets with Donor Restrictions:		
Grant revenue	657,904	125,275
Public Restroom Program	1,593,131	-
Employee Pass Program	654,154	575,019
Net assets released from restrictions	(2,621,208)	(650,271)
Change in Net Assets with Donor Restrictions	283,981	50,023
Change in Net Assets	-	-
Net Assets-Beginning of Year	-	-
Net Assets-End of Year	\$ -	\$ -

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

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Clean and Safe	Landscaping and Maintenance	Communications and Research	Employee Pass Program	Public Restrooms	Total Program Services	General and Administrative	Total
Expenses:								
Professional Services	\$ 3,092,693	\$ 247,099	\$ 234,086	\$ 8,365	\$ 1,518,177	\$ 5,100,420	\$ 45,798	\$ 5,146,218
Salaries, Taxes and Benefits	230,751	36,154	233,830	37,572	22,032	560,339	177,818	738,157
Bus Passes	-	-	-	564,258	-	564,258	-	564,258
Occupancy and Equipment	79,274	10,206	3,870	-	51,344	144,694	32,781	177,475
Depreciation	32,183	770	-	-	-	32,953	8,386	41,339
Supplies	56,715	10,079	21,661	104	1,578	90,137	6,563	96,700
Communications	85,970	5,984	393	20	-	92,367	13,595	105,962
Insurance	1,855	9,255	1,945	3,096	-	16,151	23,345	39,496
Meetings and Travel	9,572	-	10,119	-	-	19,691	5,201	24,892
Training and Support	11,048	-	-	-	-	11,048	40	11,088
Other	1,700	-	918	-	-	2,618	15,656	18,274
Total Expenses	\$ 3,601,761	\$ 319,547	\$ 506,822	\$ 613,415	\$ 1,593,131	\$ 6,634,676	\$ 329,183	\$ 6,963,859

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

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Clean and Safe	Landscaping and Maintenance	Communications and Research	Employee Pass Program	Public Restrooms	Total Program Services	General and Administrative	Total
Expenses:								
Professional Services	\$ 2,503,246	\$ 241,414	\$ 127,689	\$ 1,614	\$ 30,576	\$ 2,904,539	\$ 66,899	\$ 2,971,438
Salaries, Taxes and Benefits	254,993	18,775	166,035	72,138	4,544	516,485	166,857	683,342
Bus Passes	-	-	-	411,195	-	411,195	-	411,195
Occupancy and Equipment	80,258	7,211	14,628	68	-	102,165	38,860	141,025
Depreciation	33,663	1,888	4,754	-	-	40,305	4,616	44,921
Supplies	63,978	1,978	19,178	-	-	85,134	7,764	92,898
Communications	42,398	6,855	-	-	-	49,253	11,647	60,900
Insurance	7,552	7,613	1,547	2,698	-	19,410	20,812	40,222
Meetings and Travel	1,420	-	694	-	-	2,114	3,188	5,302
Training and Support	7,664	-	-	-	-	7,664	-	7,664
Other	1,097	3,954	1,186	-	-	6,237	13,621	19,858
Total Expenses	\$ 2,996,269	\$ 289,688	\$ 335,711	\$ 487,713	\$ 35,120	\$ 4,144,501	\$ 334,264	\$ 4,478,765

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

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ -	\$ -
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	41,339	44,921
Gain on disposal of assets	(6,000)	(2,317)
(Increase) decrease in assets:		
Accounts receivable	(226,635)	127,573
Prepaid expenses	15,850	7,590
Beneficial interest in assets held by others	(97,836)	93,634
Increase (decrease) in liabilities:		
Accounts payable	90,943	(55,744)
Accounts payable-related party	(185,749)	(330,781)
Accrued expenses	(262,491)	222,969
Deferred revenue	(108,192)	17,125
Deposits	370	2,299
 Net Cash Provided (Used) by Operating Activities	 (738,401)	 127,269
 Cash Flows from Investing Activities:		
Purchase of fixed assets	(36,254)	(64,006)
Proceeds from sale of fixed assets	-	2,500
 Net Cash Provided (Used) by Investing Activities	 (36,254)	 (61,506)
 Cash Flows from Financing Activities:		
Principal payments of capital lease obligation	(2,353)	(3,204)
 Net Cash Provided (Used) by Financing Activities	 (2,353)	 (3,204)
 Net Increase (Decrease) in Cash and Cash Equivalents	 (777,008)	 62,559
 Cash and Cash Equivalents at Beginning of Year	 1,551,128	 1,488,569
 Cash and Cash Equivalents at End of Year	 \$ 774,120	 \$ 1,551,128

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

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County
For the Years Ended December 31, 2023 and 2022**

Notes to the Financial Statements

- 1- Organization and Operation:** SID Public Services Association (the Association) is a non-profit organization created by its sole members, Capital Crossroads Special Improvement District of Columbus, Inc. (Capital Crossroads) and Discovery Special Improvement District of Columbus, Inc. (Discovery), for the purpose of executing the charitable functions of Capital Crossroads and Discovery within their respective Districts. The Association is also authorized to operate the charitable functions of or to carry out the charitable purposes of other Ohio special improvement districts that are admitted members of the Association.

The Association has agreements to provide services to Capital Crossroads and Discovery. During 2023 and 2022, the Association derived most of its revenues from these agreements. The funding for these agreements is primarily from property assessments that Capital Crossroads and Discovery received from property owners that are in their respective special improvement districts. Property owners must periodically "reauthorize" these property assessments. The property assessments for both Capital Crossroads and Discovery are currently authorized through December 31, 2025.

- 2- Summary of Significant Accounting Policies:** The financial statements of the Association conform to accounting principles generally accepted in the United States of America applicable for not-for-profit organizations. They are prepared in accordance with the accrual basis of accounting, and reflect all significant receivables, payables, and other liabilities.

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Statement Presentation: The Association reports 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. Contributions with donor restrictions whose restrictions are fulfilled in the same time period in which the contribution is received are reported as contributions without restrictions. As of December 31, 2023 and 2022, the Association had net assets without donor restrictions and net assets with donor restrictions (see Note 9).

Cash and Cash Equivalents: The Association considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable: The Association considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is necessary.

The Association has implemented Accounting Standards Update No. 2016-02, *Leases (Topic 842)* for finance lease reporting and has used the New Transition Alternative for the implementation of Accounting Standards Update No. 2016-02 *Leases (Topic 842)* for operating lease reporting.

Income Taxes: The Association is recognized as exempt from Federal income tax under Section 501(C)(3) of the Internal Revenue Code.

The Association has adopted the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) relating to uncertain tax positions. The Association does not believe its financial statements include any uncertain tax positions.

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County
For the Years Ended December 31, 2023 and 2022**

Notes to the Financial Statements

2- Summary of Significant Accounting Policies (Continued):

Concentration of Credit Risk: The Association maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts and does not believe it is exposed to any significant risk on cash and cash equivalents.

3- Fair Value Measurements: In accordance with the Fair Value Measurements and Disclosures Topic of the FASB ASC, all financial instruments that are being measured and reported on a fair value basis must be classified and disclosed in one of the following three categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

Level 2: 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 derived principally from or corroborated by observable market data by correlation or other means, and 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: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Assets measured at fair value on a recurring basis at December 31, 2023 and 2022 were as follows:

		<u>2023</u>	<u>2022</u>
Money Market Cash Funds	Level 1	\$ 555,196	\$ 1,358,813
Beneficial interest in assets held by others	Level 2	<u>1,019,679</u>	<u>921,843</u>
Total		<u>\$ 1,574,875</u>	<u>\$ 2,280,656</u>

The level 2 assets listed above were valued using the market approach and were determined using quoted market prices of similar assets.

4- Designated Funds: During 2017, the Association had cash in checking and money market accounts that were designated by the Board of Directors for use relating to the Right of Way program only. This cash was transferred to the endowment held at the Columbus Foundation in 2018.

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County
For the Years Ended December 31, 2023 and 2022**

Notes to the Financial Statements

- 5- Funds Held by the Columbus Foundation:** The Association has funds held at The Columbus Foundation for the unrestricted use of the Association. These funds are subject to the variance power of the Board of Trustees of The Columbus Foundation. The variance power permits The Columbus Foundation's Board of Trustees, in its sole discretion, to redirect all or part of the funds' income and/or assets to another organization. The activity of the funds held at The Columbus Foundation for the years ended December 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Cash and investments at beginning of year (at market)	\$ 921,843	\$ 1,015,477
Transfers to (from) Columbus Foundation	-	-
Net interest and dividend income	33,000	20,593
Net realized and unrealized gains	67,764	(111,013)
Administrative fees	<u>(2,928)</u>	<u>(3,214)</u>
Cash and investments at end of year (at market)	<u>\$ 1,019,679</u>	<u>\$ 921,843</u>

- 6- Property and Equipment:** Property and equipment is recorded at original cost. Depreciation of property and equipment is provided using the straight-line method over the estimated lives of the assets ranging from 3 to 5 years. Expenditures for additions, major renewals and improvements are capitalized, where expenditures for maintenance and repairs are charged to expense as incurred. The cost of assets retired or disposed of and the related accumulated depreciation is recorded in the year of disposal. Depreciation expense was \$41,339 and \$44,921 for the years ended December 31, 2023 and 2022, respectively.
- 7- Lines of Credit:** The Association has a \$300,000 line of credit and a \$150,000 line of credit available with a bank bearing interest at prime plus 1.5% (10.00% and 9.00% at December 31, 2023 and 2022, respectively). The outstanding balances on the lines of credit were \$0 at both December 31, 2023 and 2022. The lines of credit are secured by substantially all of the Association's assets, including cash and accounts receivable.
- 8- Leases:** The Association exercised the option to renew the operating lease agreement for office space effective January 1, 2022, which will expire December 31, 2026, at a monthly rate including operational fees of \$5,613. The Association used its incremental borrowing rate of prime plus 1.5% (4.75% at January 1, 2022) to amortize the office space right of use asset and lease liability. The Association entered into an operating lease agreement for storage space effective January 1, 2023, which will expire December 31, 2024, at a monthly rate of \$1,269. The Association used its incremental borrowing rate of prime plus 1.5% (9.00% at January 1, 2023) to amortize the storage space right of use asset and lease liability. Lease expense charged to 2023 operations under these leases amounted to \$78,902.

Effective April 5, 2019, the Association entered into a four year finance lease for a copier expiring March 5, 2023 at a monthly rental of \$475. The lease has a 7% annual interest rate with a bargain purchase option at the expiration of the lease. The monthly rental expense is comprised of a \$193 service expense with the remaining \$282 split between principal and interest. Rental expense charged to 2023 operations under this lease amounted to \$1,425, of which \$837 went to principal and \$10 went to interest.

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County
For the Years Ended December 31, 2023 and 2022**

Notes to the Financial Statements

8- Leases (Continued):

Effective April 5, 2023, the Association entered into a four year finance lease for a copier expiring March 5, 2027 at a monthly rental of \$246. The lease has a 12% annual interest rate with a bargain purchase option at the expiration of the lease. Rental expense charged to 2023 operations under this lease amounted to \$2,214, of which \$1,516 went to principal and \$698 went to interest.

Quantitative information related to these leases for the years ended December 31, 2023 and 2022 is below:

	<u>2023</u>	<u>2022</u>
Lease expense		
Finance lease expense		
Amortization of ROU Assets	\$ 2,353	\$ 3,204
Interest on lease liabilities	708	181
Operating lease expense	78,902	78,902
Short-term lease expense	2,290	2,700
Variable lease expense	-	-
Sublease income	-	-
Total	<u>\$ 84,253</u>	<u>\$ 84,987</u>

Other Information

(Gains) losses on sale-leaseback transactions, net	\$ -	\$ -
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases (ie interest)	708	181
Financing cash flows from finance leases (ie principal portion)	2,353	3,204
Operating cash flows from operating leases	78,902	78,902
ROU assets obtained in exchange for new finance lease liabilities	10,346	4,041
ROU assets obtained in exchange for new operating lease liabilities	259,525	298,840
Weighted-average remaining lease term in years for finance leases	1	0
Weighted-average remaining lease term in years for operating leases	3	4
Weighted-average discount rate for finance leases	12.00%	7.00%
Weighted-average discount rate for operating leases	5.06%	4.75%

Maturity Analysis	<u>Finance</u>	<u>Operating</u>
2024	\$ 2,952	\$ 78,902
2025	2,952	63,670
2026	2,952	63,670
2027	739	-
2028	-	-
Thereafter	-	-
Total undiscounted cash flows	<u>9,595</u>	<u>206,242</u>
Less: present value discount	<u>(1,700)</u>	<u>(14,030)</u>
Total lease liabilities	<u>\$ 7,895</u>	<u>\$ 192,212</u>

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County
For the Years Ended December 31, 2023 and 2022**

Notes to the Financial Statements

9- Net Assets with Donor Restrictions: Net assets with donor restrictions by purpose consist of the following at December 31:

	<u>2023</u>	<u>2022</u>
Public Restroom Art Wrap	\$ 32,000	\$ -
PortaJohns	7,500	5,422
Gay Street Landscaping	3,303	3,303
High and Nationwide Landscaping	890	890
Downtown Safety	237,745	28,580
Employee Pass Program	128,045	87,306
Gay Street Medians	<u>7,700</u>	<u>7,700</u>
Total	<u>\$ 417,183</u>	<u>\$ 133,201</u>

10- Related Parties: The Association is related to Capital Crossroads through common management. In addition, four members of the Association's eight member board of directors are appointed by Capital Crossroads. Capital Crossroads and the Association entered into an agreement whereby the Association provides certain program and administrative services to Capital Crossroads. Total revenue recognized by the Association under this agreement was \$5,878,872 and \$3,636,739 for the periods ended December 31, 2023 and 2022, respectively. The statement of financial position includes a payable to Capital Crossroads of \$1,349,281 and \$1,428,535 as of December 31, 2023 and 2022, respectively.

The Association is related to Discovery through common management. In addition, four members of the Association's eight member board of directors are appointed by Discovery. Discovery and the Association entered into an agreement whereby the Association provides certain program and administrative services to Discovery. Total revenue recognized by the Association under this agreement was \$1,084,987 and \$842,024 for the periods ended December 31, 2023 and 2022, respectively. The statement of financial position includes a payable to Discovery of \$553,262 and \$659,757 as of December 31, 2023 and 2022, respectively.

11- Retirement Plan: The Association participates in a 401(k) defined contribution plan which allows eligible employees to contribute up to the legal limit into the participant's choice of investment accounts. The Association contributes a matching of up to 3% of employee contributions. In addition, the plan allows for the Association to make discretionary contributions. The Association's contribution for the year ended December 31, 2023 and 2022 was \$15,069 and \$12,593, respectively.

12- Liquidity and Availability of Resources: The Association's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Cash and cash equivalents	\$ 774,120
Accounts receivable	485,182
Beneficial interest in assets held by others	<u>1,019,679</u>
Total financial assets	<u>2,278,981</u>
Less those unavailable for general expenditures within one year, due to:	
Board designated endowment fund used primarily for long-term investing	<u>(1,019,679)</u>
Financial assets available within one year	<u>\$1,259,302</u>

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County
For the Years Ended December 31, 2023 and 2022**

Notes to the Financial Statements

12- Liquidity and Availability of Resources (Continued):

As part of the Association'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. This is primarily accomplished through monthly budgeting of cash inflows and outflows. The Association maintains excess cash on hand in the event of unexpected outflows. In the event this cash is insufficient to cover unanticipated liquidity needs, the Association could draw upon \$450,000 of available lines of credit.

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
COMBINING STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023**

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents:			
Cash-undesignated	\$ 246,682	\$ 527,438	\$ 774,120
Total cash and equivalents	<u>246,682</u>	<u>527,438</u>	<u>774,120</u>
Accounts Receivable	426,185	58,997	485,182
Prepaid expenses	26,115	21,920	48,035
Total Current Assets	<u>698,982</u>	<u>608,355</u>	<u>1,307,337</u>
Fixed Assets:			
Equipment and vehicles, at cost	581,585	88,718	670,303
Accumulated depreciation	<u>(481,183)</u>	<u>(78,408)</u>	<u>(559,591)</u>
Net Fixed Assets	100,402	10,310	110,712
Other Assets:			
Beneficial interest in assets held by others	1,019,679	-	1,019,679
Right of Use Asset	147,595	44,617	192,212
Total Assets	<u><u>1,966,658</u></u>	<u><u>663,282</u></u>	<u><u>2,629,940</u></u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts payable	413,917	57,907	471,824
Accounts payable-related party	1,349,281	553,262	1,902,543
Accrued expenses	29,011	5,506	34,517
Deferred revenue	11,451	-	11,451
Capital lease obligation, current portion	1,583	525	2,108
Operating lease obligation, current portion	56,295	14,668	70,963
Deposits	9,399	-	9,399
Total Current Liabilities	<u>1,870,937</u>	<u>631,868</u>	<u>2,502,805</u>
Noncurrent Liabilities:			
Capital lease obligation, less current portion	4,420	1,465	5,885
Operating lease obligation, less current portion	91,301	29,949	121,250
Total Noncurrent Liabilities	<u>95,721</u>	<u>31,414</u>	<u>127,135</u>
Total Liabilities	<u>1,966,658</u>	<u>663,282</u>	<u>2,629,940</u>
Net Assets:			
Without donor restrictions	(417,183)	-	(417,183)
With donor restrictions	417,183	-	417,183
Total Net Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Net Assets	<u><u>\$ 1,966,658</u></u>	<u><u>\$ 663,282</u></u>	<u><u>\$ 2,629,940</u></u>

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
COMBINING STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022**

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents:			
Cash-undesignated	\$ 917,686	\$ 633,442	\$ 1,551,128
Total cash and equivalents	<u>917,686</u>	<u>633,442</u>	<u>1,551,128</u>
Accounts Receivable	222,943	35,604	258,547
Prepaid expenses	31,234	32,650	63,884
Total Current Assets	<u>1,171,863</u>	<u>701,696</u>	<u>1,873,559</u>
Fixed Assets:			
Equipment and vehicles, at cost	570,803	99,063	669,866
Accumulated depreciation	<u>(484,488)</u>	<u>(85,091)</u>	<u>(569,579)</u>
Net Fixed Assets	86,315	13,972	100,287
Other Assets:			
Beneficial interest in assets held by others	921,843	-	921,843
Right of Use Asset	174,343	57,188	231,531
Total Assets	<u><u>2,354,364</u></u>	<u><u>772,856</u></u>	<u><u>3,127,220</u></u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts payable	330,631	50,249	380,880
Accounts payable-related party	1,428,535	659,757	2,088,292
Accrued expenses	291,563	5,445	297,008
Deferred revenue	119,643	-	119,643
Capital lease obligation, current portion	619	218	837
Operating lease obligation, current portion	40,537	13,297	53,834
Deposits	9,029	-	9,029
Total Current Liabilities	<u>2,220,557</u>	<u>728,966</u>	<u>2,949,523</u>
Noncurrent Liabilities:			
Operating lease obligation, less current portion	133,806	43,891	177,697
Total Noncurrent Liabilities	<u>133,806</u>	<u>43,891</u>	<u>177,697</u>
Total Liabilities	<u><u>2,354,363</u></u>	<u><u>772,857</u></u>	<u><u>3,127,220</u></u>
Net Assets:			
Without donor restrictions	(133,201)	-	(133,201)
With donor restrictions	133,201	-	133,201
Total Net Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Net Assets	<u><u>\$ 2,354,363</u></u>	<u><u>\$ 772,857</u></u>	<u><u>\$ 3,127,220</u></u>

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
COMBINING STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023**

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
Change in Net Assets without Donor Restrictions:			
Revenue:			
Assessments	\$ 1,892,886	\$ 777,171	\$ 2,670,057
Contributions	510,364	184,672	695,036
Promotions	111,485	2,990	114,475
Contracted income	277,616	12,413	290,029
Interest	163	271	434
Miscellaneous	1,151	975	2,126
Right of way improvements	33,000	-	33,000
Gain/loss on investment held by others	67,764	-	67,764
Other income (expense)	79,254	106,495	185,749
Net assets released from restrictions	2,621,208	-	2,621,208
	<hr/>	<hr/>	<hr/>
Total revenue without donor restrictions	5,594,891	1,084,987	6,679,878
Expenses:			
Clean and safe	2,755,016	846,745	3,601,761
Landscaping and maintenance	304,108	15,439	319,547
Communications and research	374,554	132,268	506,822
Employee pass program	613,415	-	613,415
Public Restrooms program	1,593,131	-	1,593,131
General and administrative	238,648	90,535	329,183
	<hr/>	<hr/>	<hr/>
Total Expenses	5,878,872	1,084,987	6,963,859
	<hr/>	<hr/>	<hr/>
Change in Net Assets without Donor Restrictions	(283,981)	-	(283,981)
Change in Net Assets with Donor Restrictions:			
Grant revenue	657,904	-	657,904
Public Restroom Program	1,593,131	-	1,593,131
Employee Pass Program	654,154	-	654,154
Net assets released from restrictions	(2,621,208)	-	(2,621,208)
	<hr/>	<hr/>	<hr/>
Change in Net Assets with Donor Restrictions	283,981	-	283,981
	<hr/>	<hr/>	<hr/>
Change in Net Assets	-	-	-
Net Assets-Beginning of Year	-	-	-
	<hr/>	<hr/>	<hr/>
Net Assets-End of Year	\$ -	\$ -	\$ -

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
COMBINING STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022**

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
Change in Net Assets without Donor Restrictions:			
Revenue:			
Assessments	\$ 1,829,917	\$ 774,483	\$ 2,604,400
Contributions	482,085	181,980	664,065
Promotions	55,932	750	56,682
Contracted income	201,872	1,482	203,354
Interest	391	275	666
Miscellaneous	4,943	4,000	8,943
Right of way improvements	20,593	-	20,593
Gain/loss on investment held by others	(111,013)	-	(111,013)
Other income (expense)	451,727	(120,946)	330,781
Net assets released from restrictions	650,271	-	650,271
	<hr/>	<hr/>	<hr/>
Total revenue without donor restrictions	3,586,718	842,024	4,428,742
Expenses:			
Clean and safe	2,315,294	680,975	2,996,269
Landscaping and maintenance	274,069	15,619	289,688
Communications and research	273,908	61,804	335,712
Employee pass program	487,713	-	487,713
Public Restrooms program	35,120	-	35,120
General and administrative	250,637	83,626	334,263
	<hr/>	<hr/>	<hr/>
Total Expenses	3,636,741	842,024	4,478,765
	<hr/>	<hr/>	<hr/>
Change in Net Assets without Donor Restrictions	(50,023)	-	(50,023)
Change in Net Assets with Donor Restrictions:			
Grant revenue	125,275	-	125,275
Employee Pass Program	575,019	-	575,019
Net assets released from restrictions	(650,271)	-	(650,271)
	<hr/>	<hr/>	<hr/>
Change in Net Assets with Donor Restrictions	50,023	-	50,023
	<hr/>	<hr/>	<hr/>
Change in Net Assets	-	-	-
Net Assets-Beginning of Year	-	-	-
	<hr/>	<hr/>	<hr/>
Net Assets-End of Year	\$ -	\$ -	\$ -

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023**

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets	\$ -	\$ -	\$ -
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation	35,309	6,030	41,339
Loss on disposal of asset	(6,000)	-	(6,000)
(Increase) decrease in assets:			
Accounts receivable	(203,242)	(23,393)	(226,635)
Prepaid expenses	5,120	10,730	15,850
Beneficial interest in assets held by others	(97,836)	-	(97,836)
Increase (decrease) in liabilities:			
Accounts payable	83,285	7,658	90,943
Accounts payable-related party	(79,254)	(106,495)	(185,749)
Accrued expenses	(262,552)	61	(262,491)
Deferred revenue	(108,192)	-	(108,192)
Deposits	370	-	370
 Net Cash Provided (Used) by Operating Activities	 <u>(632,992)</u>	 <u>(105,409)</u>	 <u>(738,401)</u>
 Cash Flows from Investing Activities:			
Purchase of fixed assets	(36,254)	-	(36,254)
 Net Cash Provided (Used) by Financing Activities	 <u>(36,254)</u>	 <u>-</u>	 <u>(36,254)</u>
 Cash Flows from Financing Activities:			
Principal payments of capital lease obligation	(1,758)	(595)	(2,353)
 Net Cash Provided (Used) by Financing Activities	 <u>(1,758)</u>	 <u>(595)</u>	 <u>(2,353)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 <u>(671,004)</u>	 <u>(106,004)</u>	 <u>(777,008)</u>
 Cash and Cash Equivalents at Beginning of Year	 917,686	 633,442	 1,551,128
 Cash and Cash Equivalents at End of Year	 <u>\$ 246,682</u>	 <u>\$ 527,438</u>	 <u>\$ 774,120</u>

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022**

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets	\$ -	\$ -	\$ -
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation	38,671	6,250	44,921
Loss on disposal of asset	(2,317)	-	(2,317)
(Increase) decrease in assets:			
Accounts receivable	89,574	37,999	127,573
Prepaid expenses	517	7,073	7,590
Beneficial interest in assets held by others	93,634	-	93,634
Increase (decrease) in liabilities:			
Accounts payable	(87,664)	31,920	(55,744)
Accounts payable-related party	(451,727)	120,946	(330,781)
Accrued expenses	223,146	(177)	222,969
Deferred revenue	17,125	-	17,125
Deposits	2,299	-	2,299
 Net Cash Provided (Used) by Operating Activities	 <u>(76,742)</u>	 <u>204,011</u>	 <u>127,269</u>
 Cash Flows from Investing Activities:			
Purchase of fixed assets	(55,984)	(8,022)	(64,006)
Proceeds from sale of fixed assets	2,500	-	2,500
 Net Cash Provided (Used) by Financing Activities	 <u>(53,484)</u>	 <u>(8,022)</u>	 <u>(61,506)</u>
 Cash Flows from Financing Activities:			
Principal payments of capital lease obligation	(2,370)	(834)	(3,204)
 Net Cash Provided (Used) by Financing Activities	 <u>(2,370)</u>	 <u>(834)</u>	 <u>(3,204)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 <u>(132,596)</u>	 <u>195,155</u>	 <u>62,559</u>
 Cash and Cash Equivalents at Beginning of Year	 1,050,282	 438,287	 1,488,569
 Cash and Cash Equivalents at End of Year	 <u>\$ 917,686</u>	 <u>\$ 633,442</u>	 <u>\$ 1,551,128</u>

**SPECIAL IMPROVEMENT DISTRICT PUBLIC SERVICE ASSOCIATION
FRANKLIN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program/Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF TREASURY			
<i>Passed Through by City of Columbus</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds			
Downtown Public Restroom	21.027	E212WH2HVV55	\$ 415,389
Downtown Port-a-John Placement and Maintenance	21.027	E212WH2HVV55	33,827
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			<u>449,216</u>
Total U.S. Department of Treasury			<u><u>449,216</u></u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed Through by City of Columbus</i>			
CDBG - Entitlement Grants Cluster			
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	E212WH2HVV55	1,177,742
Total COVID-19 Community Development Block Grants/Entitlement Grants			<u>1,177,742</u>
Total U.S. Department of Housing and Urban Development			<u><u>1,177,742</u></u>
U.S. DEPARTMENT OF AGRICULTURE			
<i>Direct Program</i>			
Farmers Market and Local Food Promotion	10.175	N/A	71,488
Total U.S. Department of Agriculture			<u><u>71,488</u></u>
Total Expenditures of Federal Awards			<u><u>\$ 1,698,446</u></u>

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County
For the Year Ended December 31, 2023**

Notes to Schedule of Expenditures of Federal Awards

Note A - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Special Improvement District Public Services Association (the Association) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Association, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Association.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

Note C – Indirect Cost Rate

The Association has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note D – Matching Requirements

Certain Federal programs require the Association to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Association has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



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

Special Improvement District Public Services Association
Franklin County
23 North Fourth Street
Columbus, Ohio 43215

To the Board of Directors:

We have audited, 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, the financial statements of the Special Improvement District Public Services Association, Franklin County, (the Association) (a nonprofit organization) which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated September 4, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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 Association's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

September 4, 2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Special Improvement District Public Services Association
Franklin County
23 North Fourth Street
Columbus, Ohio 43215

To the Board of Directors:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Special Improvement District Public Services Association, Franklin County, (the Association) (a nonprofit organization) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Association's major federal program for the year ended December 31, 2023. The Association's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of audit findings.

In our opinion, the Association complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Association's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The Association's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Association's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Association's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Association's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Association's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Association's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Report on Internal Control Over Compliance (Continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

September 4, 2024

**SPECIAL IMPROVEMENT DISTRICT
PUBLIC SERVICES ASSOCIATION
Franklin County
Schedule of Audit Findings
For the Year Ended December 31, 2023**

1. SUMMARY OF AUDIT RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Were there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR Section 200.596(a)?	No
(d)(1)(vii)	Major Programs (list):	AL #14.218 Community Development Block Grant
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR Section 200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

OHIO AUDITOR OF STATE KEITH FABER



SPECIAL IMPROVEMENT DISTRICT (SID) PUBLIC SERVICE ASSOCIATION

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 12/3/2024

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
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