



**AUDITED
FINANCIAL STATEMENTS**

DECEMBER 31, 2021 AND 2020

CHAGRIN RIVER
WATERSHED PARTNERS, INC.

INDEX

DECEMBER 31, 2021

(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2020)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Chagrin River Watershed Partners, Inc.

Opinion

We have audited the accompanying financial statements of the Chagrin River Watershed Partners, Inc. ("CRWP"), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the CRWP as of December 31, 2021 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 CRWP 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of American 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 CRWP's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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. Misstatement, including omissions, 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, 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 CRWP'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, on our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CRWPS'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 matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited CRWP's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 13, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Cleveland, Ohio
May 19, 2022

H•J
Certified Public Accountants

CHAGRIN RIVER WATERSHED PARTNERS, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2021
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2020)

ASSETS	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2021	2020
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 238,330	\$ 115,984	\$ 354,314	\$ 237,064
Receivables	85,118	90,950	176,068	145,751
Total Current Assets	<u>323,448</u>	<u>206,934</u>	<u>530,382</u>	<u>382,815</u>
OTHER ASSETS				
Investments	200,000	-	200,000	200,000
Deposits	-	-	-	2,750
Total Other Assets	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>202,750</u>
TOTAL ASSETS	<u><u>\$ 523,448</u></u>	<u><u>\$ 206,934</u></u>	<u><u>\$ 730,382</u></u>	<u><u>\$ 585,565</u></u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts Payable	\$ 34,646	\$ -	\$ 34,646	\$ 14,560
Deferred Revenue	11,723	-	11,723	10,431
Total Current Liabilities	<u>46,369</u>	<u>-</u>	<u>46,369</u>	<u>24,991</u>
NET ASSETS				
Without Donor Restrictions				
Undesignated	277,079	-	277,079	191,188
Board-Designated Stabilization Fund	200,000	-	200,000	200,000
With Donor Restrictions	-	206,934	206,934	169,386
Total Net Assets	<u>477,079</u>	<u>206,934</u>	<u>684,013</u>	<u>560,574</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 523,448</u></u>	<u><u>\$ 206,934</u></u>	<u><u>\$ 730,382</u></u>	<u><u>\$ 585,565</u></u>

See accompanying notes.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

STATEMENTS OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2020)

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	
			2021	2020
PUBLIC SUPPORT AND REVENUE				
PUBLIC SUPPORT				
Governmental	\$ 427,741	\$ -	\$ 427,741	\$ 427,585
Foundations	-	195,050	195,050	72,500
Contributions - Membership Support	128,157	-	128,157	115,784
Paycheck Protection Program Grant	89,852	-	89,852	94,827
Donated Services	15,968	-	15,968	595
Contributions - Other	37,536	-	37,536	21,134
Net Assets Released from Restrictions	157,502	(157,502)	-	-
	<u>856,756</u>	<u>37,548</u>	<u>894,304</u>	<u>732,425</u>
REVENUE				
Program Service Fees	30,463	-	30,463	70,710
Investment Return	277	-	277	2,414
Other Income	-	-	-	9,001
	<u>30,740</u>	<u>-</u>	<u>30,740</u>	<u>82,125</u>
TOTAL PUBLIC SUPPORT AND REVENUE	887,496	37,548	925,044	814,550
EXPENSES				
Program Services	698,297	-	698,297	754,468
Management and General	101,465	-	101,465	101,895
Fundraising	1,843	-	1,843	1,515
	<u>801,605</u>	<u>-</u>	<u>801,605</u>	<u>857,878</u>
TOTAL EXPENSES	801,605	-	801,605	857,878
CHANGE IN NET ASSETS	85,891	37,548	123,439	(43,328)
NET ASSETS - BEGINNING OF YEAR	<u>391,188</u>	<u>169,386</u>	<u>560,574</u>	<u>603,902</u>
NET ASSETS - END OF YEAR	<u>\$ 477,079</u>	<u>\$ 206,934</u>	<u>\$ 684,013</u>	<u>\$ 560,574</u>

See accompanying notes.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2021
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2020)

EXPENSES	PROGRAM	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL	
				2021	2020
Salaries	\$ 401,450	\$ 62,152	\$ 1,522	\$ 465,124	\$ 442,010
Program Consulting Services	193,394	-	-	193,394	255,259
Employee Benefits	34,770	8,160	140	43,070	39,057
Payroll Taxes	29,517	4,527	119	34,163	34,335
Professional Services	5,738	18,478	-	24,216	14,972
Office Rent	10,525	1,965	40	12,530	33,644
Supplies	7,788	2,506	-	10,294	13,804
Telecommunications	5,778	1,078	22	6,878	9,923
Insurance	2,461	1,686	-	4,147	4,147
Travel, Conferences and Meetings	4,003	-	-	4,003	5,269
Miscellaneous	1,436	356	-	1,792	2,129
Utilities	738	137	-	875	2,102
Dues and Subscriptions	304	420	-	724	709
Printing and Postage	395	-	-	395	518
TOTAL EXPENSES	\$ 698,297	\$ 101,465	\$ 1,843	\$ 801,605	\$ 857,878

See accompanying notes.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2021
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2020)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 123,439	\$ (43,328)
Adjustments to Reconcile Change in Net Assets to Cash Provided by (Used by) Operating Activities:		
Changes in:		
Receivables	(30,317)	60,445
Deposits	2,750	-
Accounts Payable	20,086	(96,117)
Deferred Revenue	<u>1,292</u>	<u>(5,777)</u>
Total Adjustments	<u>(6,189)</u>	<u>(41,449)</u>
Cash Provided by (Used by) Operating Activities	117,250	(84,777)
NET CHANGE IN CASH AND CASH EQUIVALENTS	117,250	(84,777)
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>237,064</u>	<u>321,841</u>
CASH & CASH EQUIVALENTS AT END OF YEAR	<u>\$ 354,314</u>	<u>\$ 237,064</u>

See accompanying notes.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

1. NATURE OF OPERATIONS AND MISSION STATEMENT

The Chagrin River Watershed Partners, Inc. (CRWP) is a 501(c)(3) nonprofit organization serving municipalities and park systems impacted by the Chagrin River. CRWP helps communities to better manage the problems of erosion and flooding through sustainable plans that benefit both the environment and community development.

CRWP provides technical assistance to its members and develops cost effective, prevention-focused solutions to minimize new and address current natural resource management problems as communities grow.

A high quality natural resource, the Chagrin River is increasingly impacted by urban and suburban development that increases flooding, erosion and water quality problems. The CRWP was formed in 1996 as communities were faced with rising infrastructure costs as a result of these impacts. CRWP started with 16 member cities, villages, townships, counties and park districts and now serves 36 members, representing 91% of the Chagrin River watershed.

CRWP's mission is to preserve and enhance the scenic and environmental quality of the ecosystem of the Chagrin River, Lake Erie and other Ohio watersheds in a manner which assures a sustainable future for people, plants and animals.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying financial statements of CRWP have been prepared on the accrual basis and include the assets, liabilities and financial activities of all program services of CRWP. In accordance with U.S. generally accepted accounting principles, the financial statements report the changes in and totals of each net asset class based on the existence of donor restrictions. Net assets are classified as without donor restrictions or with donor restrictions as described below:

Net assets without donor restrictions: Net assets are available for support of CRWP's operations and are not subject to donor-imposed restrictions or restricted gifts whose restrictions were met during the year. CRWP's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets are subject donor-imposed restrictions expected to be met either by actions of CRWP or passage of time. This includes amounts subject to donor-imposed restrictions stipulating that the corpus be help in perpetuity with investment income on the principal used for a specified purposes outline by the donor.

SUMMARIZED FINANCIAL INFORMATION

The financial statements and notes to financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the CRWP's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Certain amounts in the prior-year summarized comparative information have been reclassified to be consistent with the presentation in the current-year financial statements. These classifications had no impact on changes in net assets as previously presented.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

CASH AND CASH EQUIVALENTS/CONCENTRATION OF CREDIT RISK

CRWP's cash and cash equivalents, which are deposited in financial institutions, may at times exceed federally insured limits. CRWP has not experienced losses in such accounts and believes it is not exposed to significant credit risk on its cash and cash equivalents. Cash equivalents are highly liquid investments with an original maturity of three months or less at the date of purchase. Because of the short maturity of these financial instruments, the carrying value approximates the fair value.

At times during the year, cash balances may exceed the related amount of federal depository insurance. CRWP has cash balances in its banks in excess of amounts federally insured. CRWP maintains its cash with high quality financial institutions which CRWP believes limit these risks.

CRWP also invests funds in a professionally managed portfolio that contains various securities. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. The investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

Primarily all of the CRWP's revenue and receivables are from donors and agencies located in northeastern Ohio.

RECEIVABLES AND CREDIT POLICIES

Receivables are stated at the amounts management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to expense and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management evaluated receivables as of December 31, 2021 and has determined that an allowance for doubtful accounts is immaterial to these financial statements.

INVESTMENTS

Investments in marketable securities with readily determinable fair values are included in the statement of financial position at fair value. Fair value is determined by reference to exchange or dealer-quoted market prices. If a quoted market price is not available, fair value is estimated using quoted market prices for similar investment securities. Changes in investments carried at fair value are reflected as investment income in the accompanying statement of activities.

FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). CRWP groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

These levels are:

- | | |
|---------|--|
| Level 1 | Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date. |
| Level 2 | Other observable inputs, either directly or indirectly, including: <ul style="list-style-type: none"> • Quoted prices for similar assets/liabilities in active markets; • Quoted prices for identical or similar assets in non-active markets; • Inputs other than quoted prices that are observable for the asset/liability; and, • Inputs that are derived principally from or corroborated by other observable market data. |
| Level 3 | Unobservable inputs that cannot be corroborated by observable market data. |

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

PROPERTY AND EQUIPMENT

These assets are stated at cost or fair value at date of acquisition. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. CRWP's policy is to capitalize equipment and fixtures with a cost in excess of \$5,000 per unit and real property and improvements with a cost in excess of \$10,000.

Repairs and maintenance, which are not considered betterments and do not extend the useful life of property, are charged to expense as incurred. When property and equipment are retired or otherwise disposed of, the asset and accumulated depreciation are removed from the accounts and the resulting profit or loss is reflected in income.

REVENUE AND REVENUE RECOGNITION

Unconditional donor promises to give are reported at fair value at the date that there is sufficient verifiable evidence documenting that a promise was made by the donor and received by CRWP. The gifts are reported as either net assets without donor restriction or net assets with donor restriction if they are received with donor stipulations that sufficiently limit the use of the donated assets. When a donor restriction expires, through the passage of time or when the purpose is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and are reported on the statement of activities and changes in net assets as net assets released from restriction. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support.

CRWP receives grants and contracts from federal, state, and local agencies, as well as from private organizations, to be used for specific programs. Unconditional grant awards are recorded as contribution revenue in the period which they are awarded. Grants awards having the existence of a condition, but lacking in both the existence of a barrier and right of return to the resource provider, are classified as restricted contribution revenue until conditions of the award are met. Conditional grant awards, having both the existence of a barrier and right of return to the resource provider, are classified as refundable advances when received as a cash advance and are recognized as revenue when the awards are expended for the purpose of the grant or other conditions are satisfied.

Revenue from fees for services is earned as services are provided and is reported at an estimated net realizable amount due from third-party payers, and others for services rendered.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restriction; otherwise, the contributions are recorded as net assets without donor restriction. CRWP recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Contributed income of cash or other assets that must be used to acquire long-lived assets are recorded as contributions with donor restrictions and grants until the assets are acquired and placed in service.

Gains and losses on investments are reported as increases or decreases to net assets without donor restrictions unless their use is restricted by donor-imposed stipulation or by state law.

CRWP records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

CRWP recognizes in-kind services in accordance with applicable accounting standards if the services received (a) create or enhance non-financial assets or (b) require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

In 2021 and 2020, donated legal and technical other services amounted to \$15,868 and \$595, respectively.

In addition, CRWP receives services from volunteers who give significant amounts of their time to CRWP's programs, fundraising campaigns, and management. No amounts have been reflected for these types of donated services as they do not meet the criteria for recognition.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of program and supporting service activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses reflects the natural classification detail of expenses by function. Certain costs are attributed to more than one program or supporting function and, therefore, require allocation amount the programs and supporting services benefited. Management believes their allocations are done on a reasonable and consistent basis.

INCOME TAX STATUS

The CRWP is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. CRWP currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

ACCOUNTING GUIDANCE PENDING ADOPTION

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the statement of activities and changes in net assets and the statement of cash flows will be substantially unchanged from the existing lease accounting guidance. In 2020, the FASB delayed the effective date for nonpublic entities to fiscal years beginning after December 15, 2021. Early adoption is permitted. CRWP is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

3. FAIR VALUE MEASUREMENT

The fair value of investment assets, measured on a recurring basis at December 31 are as follows:

	Fair Value Measurements Using:			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<u>2021</u>				
Cash Equivalents	\$ 32,987	\$ -	\$ -	\$ 32,987
Certificates of Deposit	162,252	-	-	162,252
Money Market Funds	4,761	-	-	4,761
	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000</u>
<u>2020</u>				
Cash Equivalents	\$ 44,370	\$ -	\$ -	\$ 44,370
Certificates of Deposit	151,954	-	-	151,954
Money Market Funds	3,676	-	-	3,676
	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000</u>

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

4. COVID RELIEF FUNDING

In 2021 and 2020, CRWP received Paycheck Protection Program (PPP) term notes through a financial institution of \$89,852 and \$94,827, respectively. The notes were issued pursuant to the Coronavirus Aid, Relief and Economic Security (CARES) Act's PPP. The notes' structure required CRWP's management to certify certain statements that permitted the CRWP to qualify for the loan and provides loan forgiveness for a portion or all of the borrowed amount if the CRWP uses the loan proceeds for the permitted loan purpose described in the note agreements.

While the legal form of the PPP agreement is a loan, CRWP concluded the loans represent, in substance, grants that are expected to be forgiven and therefore has accounted for the agreements as conditional contributions. The primary measurable barrier that must be substantially overcome before the contribution can be considered unconditional and recorded as revenue is to incur eligible expenses.

As the barriers of each of the loans were met as of December 31, 2021 and 2020, the full balance of the loans of \$89,852 (2021) and \$94,827 (2020) were recognized as grant revenue on the respective statements of activities.

5. NET ASSETS

Board-Designated

CRWP maintains a "Budget Stabilization Fund" to create asset balances to allow for shortfalls from economic fluctuations, single or multi-year project opportunities, or capital expenditures. All withdrawals from the account require Board approval. Interest and earnings from the cash reserve accrue to general operations. The fund is not considered to be a quasi-endowment fund, but a liquidity reserve.

At December 31, 2021 and 2020, the balance in the board designated fund was \$200,000.

Donor-Restricted

Net assets with donor restrictions were as follows for the years ended December 31:

		2021			
		NET ASSETS			
FUNDER	PURPOSE	BEGINNING NET ASSETS	CONTRIBUTIONS	RELEASED FROM RESTRICTION	ENDING NET ASSETS
Bingham Foundation	Flood/Erosion Prevention	\$ 23,241	\$ -	\$ (23,241)	\$ -
Dominion Foundation	Meadows Restoration	2,500	-	-	2,500
Dominion Foundation	Eastlake Tree Planting	-	3,450	-	3,450
The Cleveland Foundation	Eastlake Erie Road Park	29,109	-	(1,242)	27,867
Lubrizon	Eastlake Erie Road Park	20,000	-	-	20,000
Process Technology	Eastlake Erie Road Park	500	-	-	500
Various	Chagrin/Lake Erie Trail	-	41,600	(300)	41,300
The Cleveland Foundation	Lakefront Trail	56,536	-	(56,536)	-
The George Gund Foundation	Central Lake Erie Basin Collaborative	35,000	150,000	(76,183)	108,817
Dominion Foundation	Eastlake Erie Road Park	2,500	-	-	2,500
		<u>\$ 169,386</u>	<u>\$ 195,050</u>	<u>\$ (157,502)</u>	<u>\$ 206,934</u>
		2020			
		NET ASSETS			
FUNDER	PURPOSE	BEGINNING NET ASSETS	CONTRIBUTIONS	RELEASED FROM RESTRICTION	ENDING NET ASSETS
Bingham Foundation	Flood/Erosion Prevention	\$ -	\$ 35,000	\$ (11,759)	\$ 23,241
Dominion Foundation	Meadows Restoration	-	2,500	-	2,500
Beachwood	2020 Membership Dues	5,100	-	(5,100)	-
The Cleveland Foundation	Eastlake Erie Road Park	29,609	-	-	29,609
Lubrizon	Eastlake Erie Road Park	20,000	-	-	20,000
Great Lakes Commission	Sediment and Nutrient Reduction Program	95,204	-	(95,204)	-
The Cleveland Foundation	Lakefront Trail	60,000	-	(3,464)	56,536
The George Gund Foundation	Central Lake Erie Basin Collaborative	25,056	35,000	(25,056)	35,000
Dominion Foundation	Master Rain Garden Program	5,500	-	(5,500)	-
Dominion Foundation	Eastlake Erie Road Park	2,500	-	-	2,500
		<u>\$ 242,969</u>	<u>\$ 72,500</u>	<u>\$ (146,083)</u>	<u>\$ 169,386</u>

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

For the year ended December 31, 2021 CRWP realized a total increase in net assets of \$123,439. The total decrease is comprised of 1) an increase in net assets with donor restrictions of \$37,548 (reflected in the above table) resulting from the application of generally accepted principles to grants pledged or received with donor-imposed restrictions, and 2) an increase of \$85,891 in net assets without donor restrictions.

For the year ended December 31, 2020 CRWP realized a total decrease in net assets of \$43,328. The total decrease is comprised of 1) a decrease in net assets with donor restrictions of \$73,583 (reflected in the above table) resulting from the application of generally accepted principles to grants pledged or received with donor-imposed restrictions, and 2) an increase of \$30,255 in net assets without donor restrictions.

6. OFFICE LEASE

CRWP had an office lease agreement at \$2,700 per month which expired on April 30, 2021. On September 29, 2021, CRWP moved its office and entered into a lease at \$650 per month through September 2022.

7. RETIREMENT PLAN

CRWP has a SIMPLE IRA defined contribution retirement plan. CRWP's contribution to the plan was approximately \$13,400 (2021) and \$13,100 (2020).

8. AVAILABILITY AND LIQUIDITY

The following represents CRWP's financial assets at December 31:

	2021	2020
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 354,314	\$ 321,841
Receivables	176,068	206,196
Investments	200,000	200,000
	<hr/>	<hr/>
Total Financial Assets	730,382	728,037
Less Amounts not Available to be Used Within One Year:		
Net Assets with Donor Restrictions - Cash	(115,984)	(169,046)
Net Assets with Donor Restrictions - Receivables	(90,950)	(73,923)
Designated by the Board for Operating Reserve	(200,000)	(200,000)
	<hr/>	<hr/>
	(406,934)	(442,969)
Financial Assets Available to meet General Expenditures Over the Next Twelve Months	<hr/> <hr/> \$ 323,448	<hr/> <hr/> \$ 285,068

CRWP is supported in part by restricted grants. Because a grantor's restriction requires resources to be used in a particular manner or in a future period, CRWP must maintain sufficient resources to meet those responsibilities to its donors. This, financial assets may not be available for general expenditure within one year. As part of CRWP'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. In addition, CRWP invests its cash in excess of daily requirements in interest-bearing savings and money market funds. Additionally, there is a fund established by the governing board that may be drawn upon the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. The balance in this fund was \$200,000 as of December 31, 2021.

9. SUBSEQUENT EVENTS

In preparing these financial statements, CRWP has evaluated events and transactions for potential recognition or disclosure through _____, 2022, the date the financial statements were available to be issued.