



August 30, 2021

Cameron Davis
Village of Oak Park
123 Madison Street
Oak Park, IL 60302

Dear Cameron,

Per your request, please find attached the draft 2022 budget for the Oak Park Economic Development Corporation (OPEDC), along with our 2021 budget and year-to-date expenditures, 2020 draft audit, and current staff salary and benefits. Presentation of the draft audit to the OPEDC Board of Directors is currently scheduled for September 10; we will forward the final 2020 audit upon approval of the draft, subject to any revisions.

After a 2020 full of adapting to COVID-related challenges and evolving economic development activities, 2021 has been a year defined by uncertainty and continued change. As the effects of the virus persist, the Oak Park business and development communities have been resilient in continuing to move forward. Many local business owners reported that early 2021 was still a challenging time after a bright holiday period. Business began to return closer to pre-pandemic levels during an optimistic spring and early summer of vaccine rollouts and loosening restrictions, but now in late summer there has been a renewed sense of uncertainty and slowdown given the rise of the Delta variant and lingering potential for renewed restrictions. Small Business Administration programs, combined with Village CDBG funds, provided support for local businesses, and there is potential for more help on the way from American Rescue Plan Act funds and Illinois State Business grants. Despite these uncertainties, however, an encouraging number of new business ventures are working to move forward with plans, with several recent and planned business openings in addition to ongoing development planning.

Building off efforts in 2020 to shift more focus toward supporting the local business community, OPEDC continued to prioritize local business assistance in 2021. Recognizing this as a key priority for the Village, we hired a new Economic Development Manager who brings a small business support professional background to the role. We participated in the Business Task Force efforts and helped craft the Pick Oak Park campaign that promoted the business community throughout the Village. We have offered one-on-one assistance to both incoming and existing small businesses in Oak Park, and we continue to work with other local business

support organizations like the Chamber and the Business District Organizations to provide an increasingly strong level of service to business owners who want to call Oak Park home.

On the real estate development front, we worked hard to ensure active projects during the most challenging COVID period – in particular the Focus development on South Marion Street – remained on track for approval and construction. The Village Board’s approval of the Focus project is certainly the largest development success story in Oak Park – if not the entire west suburban region – in 2021, and that success came on the heels of late-2020 approvals of development proposals at 435 Madison Street and 855 Lake Street.

These successes are particularly noteworthy in light of several challenges that have led to a slowdown in activity across the region. Ongoing COVID-related business operation uncertainty, spiking material costs of key construction components like lumber and metals, and uncertainty surrounding increased commercial tax assessments have all conspired to slow the development climate. Despite these obstacles, we continue to work closely with developers who want to do work in Oak Park, a group that notably includes the proposed developers of the former Mohr Concrete facility, and we are providing them a key channel for feedback, ideation, and assistance as they move their concepts forward amidst all of the uncertainties outlined above.

The following is a summary of our organizational accomplishments for the past year:

- Attraction and business development assistance for 11 new businesses totaling approximately 37,000 square feet of leased space and over \$3,400,000 in private investment. Tenants open or on track to be open in 2021 that OPEDC has assisted include:
 - Blackout Baking Co
 - Brewpoint Craft
 - EINNIM
 - Mosaic Behavioral Health
 - Oak Ave Barber
 - Sparkle Aesthetics
 - Taco Mucho
 - Whirlwind Coffee Co
 - Wintrust Bank (locations on North Oak Park Avenue and Madison Street)
 - YogaSix
- STRIDE
- Assistance with the redevelopment of key privately owned sites, including:
 - 203 S. Marion (Dreschler, Brown, and Williams)
 - 915 S. Maple Avenue (Mohr)
 - 6000 Roosevelt Road (former U.S. Bank)
 - 400 Madison Street (former Billy’s Market)
- Continuing developer support and identification of potential locations for market rate residential developments, progressive co-housing, entertainment/banquet facilities, and affordable housing opportunities.

If we can provide anything else in support of our 2021 budget submittal, please do not hesitate to contact us. We thank you for your support of the OPEDC and look forward to a productive 2022.

Sincerely,

OPEDC

A handwritten signature in black ink, appearing to read 'John Lynch', is positioned above a faint, light gray rectangular box.

John Lynch
Executive Director

Enclosures: OPEDC 2021 Audit Draft, Draft 2022 Budget



OPEDC 2022 Budget Submittal

2021				2022	
REVENUE	APPROVED BUDGET	YTD EXPENSES	YEAR END FORECAST	REVENUE	REQUESTED BUDGET
General Fund Admin Support	521,500.00	434,583.30	521,500.00	General Fund Admin Support	-
Other Revenue		1,480.31	1,480.31		
TOTAL REVENUE	521,500.00	436,063.61	522,980.31	TOTAL REVENUE	-
EXPENSES				EXPENSES	
Auto/Parking	5,000.00	2,588.74	4,783.32	Auto/Parking	5,000.00
Business Expenses	500.00	1,451.46	2,207.28	General Business Expenses	2,500.00
Depreciation	1,000.00	476.39	1,000.00	Depreciation	1,000.00
Dues & Subscriptions	15,000.00	7,696.51	14,315.17	Dues & Subscriptions	4,000.00
				Data Services	29,000.00
Corporate Insurance	9,500.00	8,868.18	12,572.96	Corporate Insurance	13,000.00
Employee Insurance	9,000.00	7,663.44	11,245.64	Employee Insurance	11,500.00
				Marketing/Advertising	5,000.00
Software	2,400.00	2,783.10	3,665.46	Software	4,000.00
Equipment	3,900.00	2,903.47	4,834.12	Equipment & Supplies	5,500.00
Supplies	400.00	199.03	400.00		
Payroll & Taxes	428,000.00	182,546.93	408,521.58	Payroll & Taxes	430,000.00
Professional Fees / Audit	10,000.00	8,000.00	8,000.00	Professional Fees / Audit	10,000.00
Professional Fees / Accounting	6,300.00	4,025.00	6,900.00	Professional Fees / Accounting & IT	7,000.00
Professional Fees / IT	600.00			Professional Fees / Consulting	5,000.00
Rent	18,700.00	10,883.95	18,658.20	Rent	19,500.00
Payroll & Benefits Administration	3,200.00	1,881.99	2,706.46	Payroll & Benefits Administration	3,000.00
Telephone & Internet	7,000.00	3,591.91	6,702.56	Telephone & Internet	7,000.00
Workshops & Conferences	1,000.00	6,105.81	8,793.97	Workshops & Conferences	9,500.00
TOTAL EXPENSES	521,500.00	251,665.91	515,306.72	TOTAL EXPENSES	571,500.00

Existing Staff Salary & Benefit Information

Salary:

Executive Director	John Lynch	\$185,000
Economic Development Manager	Eric Mazelis	\$86,000
Office Manager	Allison Marola	\$45,000

Current benefits are 4% salary match for Safe Harbor 401K, health, dental and life insurance with employee contributions.
All salaries are subject to change at any time.

Budget Submittal Supplement
Oak Park Economic Development Corporation
September 14, 2021

The following detail supplements the budget line item for "Payroll and Taxes"
as submitted in our 2021 budget submittal:

<u>Budget Year</u>	<u>2020 Actual</u>	<u>2021 Projected</u>	<u>2022 Budget</u>
Base Salaries	\$333,203	\$310,625	\$327,500
Payroll Taxes	\$26,646	\$24,632	\$26,000
Retirement Contributions	\$15,040	\$14,765	\$15,500
Discretionary/Incentive Compensation Pool	\$60,500	\$58,500	\$61,000
Total	\$435,388	\$408,522	\$430,000

July 12, 2021

Board of Directors

Oak Park Economic Development Corporation

We have audited the financial statements of Oak Park Economic Development Corporation for the year ended December 31, 2020, and have issued our report thereon dated July 12, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 1, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Oak Park Economic Development Corporation are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020.

We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We have attached such misstatements noted during our audit to the end of this letter.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.



Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 12, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Future Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard will be effective for the Organization's December 31, 2022 financial statements. Early adoption is permitted.

The Organization is currently evaluating the impact of the adoption of the above standard on its financial statements.

This information is intended solely for the use of the Board of Directors and management of Oak Park Economic Development Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Sassetti LLC



Oak Park Economic Development Corporation

Financial Statements
Years Ended December 31, 2020 and 2019



Sassetti

CERTIFIED PUBLIC ACCOUNTANTS



OAK PARK ECONOMIC DEVELOPMENT CORPORATION
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

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Board of Directors
Oak Park Economic Development Corporation
Oak Park, Illinois

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of Oak Park Economic Development Corporation (a not-for-profit organization) which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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 America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Oak Park Economic Development Corporation at December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Sassetti LLC

Oak Park, Illinois
July 12, 2021

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 162,863	\$ 127,884
Restricted cash	50,000	26,875
Prepaid expenses	6,632	6,688
Property and equipment, net	10,058	11,045
	<u>229,553</u>	<u>172,492</u>
Total Assets	<u>\$ 229,553</u>	<u>\$ 172,492</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 63,624	\$ 58,816
Grant refundable	29,127	-
	<u>92,751</u>	<u>58,816</u>
Total Liabilities	<u>92,751</u>	<u>58,816</u>
NET ASSETS		
Without donor restrictions	<u>136,802</u>	<u>113,676</u>
Total Net Assets	<u>136,802</u>	<u>113,676</u>
Total Liabilities and Net Assets	<u>\$ 229,553</u>	<u>\$ 172,492</u>

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

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
REVENUES AND OTHER SUPPORT		
Village of Oak Park	\$ 542,373	\$ 571,500
In-kind donations	23,635	20,413
Interest income	16	11
Other income	<u>1,469</u>	<u>1,942</u>
Total Revenue and Other Support	<u>567,493</u>	<u>593,866</u>
EXPENSES		
Program services	465,627	486,435
Management and general	<u>78,740</u>	<u>80,556</u>
Total Expenses	<u>544,367</u>	<u>566,991</u>
CHANGE IN NET ASSETS	23,126	26,875
NET ASSETS -		
Beginning of year	<u>113,676</u>	<u>86,801</u>
End of year	<u><u>\$ 136,802</u></u>	<u><u>\$ 113,676</u></u>

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

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and benefits	\$ 375,256	\$ 41,695	\$ 416,951	\$ 384,817	\$ 42,758	\$ 427,575
Payroll taxes	23,981	2,665	26,646	25,025	2,781	27,806
Rent	24,300	2,700	27,000	24,300	2,700	27,000
Utilities	6,750	750	7,500	6,750	750	7,500
Insurance	8,846	983	9,829	8,708	968	9,676
Telephone	5,289	588	5,877	4,978	553	5,531
Professional fees	3,637	20,612	24,249	2,795	15,841	18,636
Supplies	-	3,938	3,938	-	3,648	3,648
Marketing and advertising	4,750	-	4,750	5,450	-	5,450
Auto	159	3,027	3,186	237	4,494	4,731
Dues and subscriptions	12,453	795	13,248	12,844	820	13,664
Depreciation	-	987	987	-	1,027	1,027
Workshops and conferences	-	-	-	7,732	1,365	9,097
Miscellaneous	206	-	206	2,799	2,851	5,650
	<u>\$ 465,627</u>	<u>\$ 78,740</u>	<u>\$ 544,367</u>	<u>\$ 486,435</u>	<u>\$ 80,556</u>	<u>\$ 566,991</u>

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

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 23,126	\$ 26,875
Adjustments to reconcile change in net assets to net cash provided by operating activities -		
Depreciation	987	1,027
Decrease in assets		
Prepaid expenses	56	1,287
Increase in liabilities		
Accounts payable and accrued expenses	4,808	2,107
Grant refundable	<u>29,127</u>	<u>-</u>
Net Cash Provided by Operating Activities	<u>58,104</u>	<u>31,296</u>
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	58,104	31,296
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH -		
Beginning of year	<u>154,759</u>	<u>123,463</u>
End of year	<u><u>\$ 212,863</u></u>	<u><u>\$ 154,759</u></u>
SUPPLEMENTAL DATA:		
Interest paid	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Income taxes	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization - The Oak Park Economic Development Corporation (the "Organization"), an Illinois not-for-profit corporation, was organized in 1974 to serve and function as a civic league for the economic development and betterment of the Village of Oak Park ("VOP"). The Organization is funded by a grant from the Village of Oak Park.

Classification of Net Assets - Net assets of the Organization are classified as with or without donor restrictions depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets.

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time to time, the Board designates a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion. The Organization has no board designated funds at December 31, 2020 and 2019.

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Organization reports gifts of cash or other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is fulfilled, the net assets are reclassified as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. At December 31, 2020 and 2019, there were no net assets with donor restrictions.

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

Donated Services and Commodities - Contributed services, totaling \$23,635 and \$20,413 are reflected as revenue and expense in the Statements of Activities for the years ended December 31, 2020 and 2019, respectively. For December 31, 2020, the total consisted of \$8,885 for rent, \$7,500 for utilities, and \$7,250 for professional services. For December 31, 2019, the total consisted of \$9,413 for rent, \$7,500 for utilities, and \$3,500 for professional services. These amounts are recorded at estimated fair value on the date of receipt of service.

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

Functional Expense Allocation – The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of that functional area. Costs that benefit multiple functional areas are allocated across program and management and general expenses based on functional salary expenses. Salary expenses are attributed to a functional area based on estimates of time and effort.

Cash, Cash Equivalents and Restricted Cash and Concentration of Credit Risk - For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

The operating agreement between the Organization and the Village of Oak Park states that the Organization may hold up to \$50,000 of unspent funds in a reserve account which shall be used for expenditures in special instances and shall be reported to the Village. Restricted cash amounted to \$50,000 and \$26,875 at December 31, 2020 and 2019, respectively.

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

	2020	2019
Cash and cash equivalents	\$ 162,863	\$ 127,884
Restricted cash	50,000	26,875
 Total cash, cash equivalents, and restricted cash shown in the statements of cash flows	 <u>\$ 212,863</u>	 <u>\$ 154,759</u>

The Organization maintains its cash balances at various financial institutions. The balances of all accounts may, at times, exceed federally insured credit limits.

Income Tax Status - The Organization is exempt from federal income taxes under the provisions of the Internal Revenue Code Section 501(c)(4). However, organizations which are exempt may be subject to unrelated business income taxes when an organization generates revenues from activities which are unrelated to the exempt purpose of the organization. The Organization's Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by the IRS, generally for three years after they were filed.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

Revenue Recognition – The Organization evaluates whether a contribution (or a promise) is conditional or unconditional. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance-related barrier or other measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement.

Property and Equipment - The Organization capitalizes asset additions greater than \$500. Property and equipment are being depreciated over their estimated useful lives, from their date of acquisition, using the straight-line method. Useful lives are estimated to be 39 years for building and building improvements, 5 years for computer equipment and between 5 and 7 years for furniture and equipment. Depreciation expense totaled \$987 and \$1,027 for the years ended December 31, 2020 and 2019, respectively.

Balances of major classes of depreciable assets are as follows (at cost) as of December 31:

	2020	2019
Furniture and equipment	\$ 33,030	\$ 33,030
Less accumulated depreciation	22,972	21,985
	<u>\$ 10,058</u>	<u>\$ 11,045</u>

Subsequent Events - The Organization has evaluated subsequent events through July 12, 2021, the date the financial statements were available to be issued.

2. LEASE COMMITMENT

The Organization leases its office space under a lease that expires December 31, 2022. Future base rental minimum lease payments are as follows:

2021	\$ 18,658
2022	19,218
	<u>\$ 37,876</u>

Rent expense was \$27,000 for both years ended December 31, 2020 and 2019.

3. CONCENTRATIONS

During the years ended December 31, 2020 and 2019, grants from the Organization's largest donor amounted to ninety-six percent of total revenues and support.

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

4. RELATED PARTY TRANSACTIONS

During the years ended December 31, 2020 and 2019, the Organization's Board of Directors included two trustees for the Village of Oak Park which includes the Village President of the Village of Oak Park. In addition to the two trustees, the Board of Directors included the Village Manager of the Village of Oak Park. Revenues from the Village of Oak Park totaled \$542,373 and \$571,500 for the years ended December 31, 2020 and 2019, respectively.

5. RECENT ACCOUNTING PRONOUNCEMENTS

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard will be effective for the Organization's December 31, 2022 financial statements.

6. RETIREMENT PLAN

The Organization maintains a 401(k) retirement plan. The plan covers full-time employees who, if they elect to participate, are eligible to participate in employer contributions after attaining 21 years of age and six months of service. Employees may make contributions to the plan equal to the maximum amount allowed by the Internal Revenue Code. The Organization matches up to 4% of gross salaries for qualified employees. For the years ended December 31, 2020 and 2019, the Organization contributed \$15,040 and \$15,583, respectively, to the plan.

7. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over the next 12-month period, the Organization considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures.

OAK PARK ECONOMIC DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

The Organization's financial assets available within one year of the statements of financial position date for general expenditure are as follows for December 31:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 162,863	\$ 127,884
Restricted cash	<u>50,000</u>	<u>26,875</u>
 Total financial assets available to management for general expenditure within one year	 <u>\$ 212,863</u>	 <u>\$ 154,759</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and obligations become due.

8. RISKS AND UNCERTAINTIES

On March 10, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, and on March 13, 2020, the President of the United States declared the COVID-19 pandemic a national emergency, invoking powers under the Stafford Act, the legislation that directs federal emergency disaster response. The Organization cannot predict how on-going legal and regulatory responses to concerns about COVID-19 or other major public health issues will continue to impact the Organization. The magnitude, timing, and duration of any such potential financial impacts cannot be reasonably estimated at this time. The effects of the pandemic are expected to continue into fiscal 2021.