

**Center for Neighborhood Technology
and
Alternative Transportation
Services for Chicagoland**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

For the Year Ended December 31, 2021

**Center for Neighborhood Technology
and
Alternative Transportation
Services for Chicagoland**

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Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

To the Board of Directors of
Center for Neighborhood Technology and
Alternative Transportation Services for Chicagoland
Chicago, IL

We have audited the accompanying consolidated financial statements of Center for Neighborhood Technology and Alternative Transportation Services for Chicagoland (non-profit organizations), which comprise the consolidated statements of financial position as of December 31, 2021, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Center for Neighborhood Technology and Alternative Transportation Services for Chicagoland 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 Consolidated Financial Statements section of our report. We are required to be independent of Center for Neighborhood Technology and Alternative Transportation Services for Chicagoland 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 audits opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Center for Neighborhood Technology and Alternative Transportation Services for Chicagoland's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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. Misstatements, 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 consolidated 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 consolidated 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 consolidated 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 Center for Neighborhood Technology and Alternative Transportation Services for Chicagoland'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Center for Neighborhood Technology and Alternative Transportation Services for Chicagoland'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.

Report on Summarized Comparative Information

We have previously audited the Organization's December 31, 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 9, 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 consolidated financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Desmond & Ahern, Ltd

May 3, 2022
Chicago, IL

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2021 (with comparative totals for 2020)**

	2021	2020
<u>Assets</u>		
Current Assets		
Cash and cash equivalents	\$ 1,557,733	\$ 1,237,490
Receivables		
Contributions and grants,	558,462	219,975
Services performed	264,724	449,041
Other	134	3,978
Prepaid expenses	83,903	96,490
Total current assets	2,464,956	2,006,974
Property and equipment, net of accumulated depreciation	24,663	24,211
Total Assets	\$ 2,489,619	\$ 2,031,185
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Accounts payable	\$ 86,297	\$ 182,939
Accrued payroll and related costs	74,515	71,179
Total liabilities	160,812	254,118
Net Assets		
Without donor restrictions	739,654	530,539
With donor restrictions	1,589,153	1,246,528
Total net assets	2,328,807	1,777,067
Total Liabilities and Net Assets	\$ 2,489,619	\$ 2,031,185

See independent auditor's report and notes to financial statements.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
CONSOLIDATED STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 2021 (with comparative totals for 2020)**

	2021			2020 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<u>Public Support and Revenue</u>				
Contributions	\$ 259,457	\$ 1,655,500	\$ 1,914,957	\$ 1,574,998
Government grants	100,417	-	100,417	271,947
Program income	662,814	-	662,814	537,958
Rental income	55,200	-	55,200	47,250
Interest and dividends	320	-	320	2,459
Donated services	11,930	-	11,930	50,000
PPP Loan Forgiveness	247,587	-	247,587	247,500
Miscellaneous	7,641	-	7,641	2,618
Net assets released from restrictions - satisfaction of program restrictions	1,312,875	(1,312,875)	-	-
Total Public Support and Revenue	<u>2,658,241</u>	<u>342,625</u>	<u>3,000,866</u>	<u>2,734,730</u>
<u>Expenses</u>				
Program Services				
Transportation and community development	708,541	-	708,541	741,042
Water	763,911	-	763,911	648,512
Sustainability Strategies and Urban Analytics	499,455	-	499,455	476,850
Alternative Transportation Services	-	-	-	48,053
Total program services	<u>1,971,907</u>	<u>-</u>	<u>1,971,907</u>	<u>1,914,457</u>
Management and general	439,281	-	439,281	389,743
Fundraising	37,938	-	37,938	41,690
Total Expenses	<u>2,449,126</u>	<u>-</u>	<u>2,449,126</u>	<u>2,345,890</u>
Change in Net Assets	209,115	342,625	551,740	388,840
Net assets, beginning of year	<u>530,539</u>	<u>1,246,528</u>	<u>1,777,067</u>	<u>1,388,227</u>
Net assets, end of year	<u>\$ 739,654</u>	<u>\$ 1,589,153</u>	<u>\$ 2,328,807</u>	<u>\$ 1,777,067</u>

See independent auditor's report and notes to financial statements.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2021 (with comparative totals for 2020)**

	2021				2020 Total
	Program Services	Management and General	Fundraising	Total	
Salaries	\$ 1,139,801	\$ 180,640	\$ 18,796	\$ 1,339,237	\$ 1,197,380
Payroll taxes and employee benefits	193,178	34,894	4,192	232,264	195,263
Professional and contractual fees	478,145	135,793	9,326	623,264	656,056
Workshops and meetings	1,301	2,169	-	3,470	16,632
Travel	1,176	416	-	1,592	8,157
Occupancy	121,683	15,819	1,701	139,203	140,137
Utilities	3,601	571	59	4,231	3,911
Telephone	9,256	1,471	150	10,877	8,913
Insurance	6,187	30,792	102	37,081	32,078
Equipment rental and maintenance	-	5,038	-	5,038	4,893
Supplies	2,452	3,419	-	5,871	3,422
Postage and printing	5,533	183	2,150	7,866	540
Advertising and promotion	1,241	2,155	-	3,396	1,683
Dues and subscriptions	2,464	12,005	399	14,868	20,759
Depreciation and amortization	5,620	908	94	6,622	53,091
Bank and merchant fees	-	381	-	381	267
Miscellaneous	269	783	969	2,021	2,708
Total Expenses	\$ 1,971,907	\$ 439,281	\$ 37,938	\$ 2,449,126	\$ 2,345,890

See independent auditor's report and notes to financial statements.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Year Ended December 31, 2021 (with comparative totals for 2020)**

	2021	2020
<u>Cash Flows from Operating Activities</u>		
Change in net assets	\$ 551,740	\$ 388,840
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	6,622	53,091
(Increase) decrease in operating assets		
Receivables	(162,170)	111,240
Prepaid expenses	12,587	16,970
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	(93,306)	25,724
Refundable advances and deferred revenue	-	(249,490)
Cash provided by operating activities	327,317	346,375
<u>Cash Flows from Investing Activities</u>		
Acquisition of property and equipment	(7,074)	(11,463)
Cash (used in) investing activities	(7,074)	(11,463)
Increase in cash and cash equivalents	320,243	334,912
Cash and cash equivalents, beginning of year	1,237,490	902,578
Cash and cash equivalents, end of year	\$ 1,557,733	\$ 1,237,490
<u>Supplemental Disclosure of Cash Flow Information</u>		
Cash paid during the year for interest	\$ -	\$ -
<u>Supplemental Disclosure of Noncash Information</u>		
PPP loan forgiveness	\$ 247,587	\$ 247,500

See independent auditor's report and notes to financial statements.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
AND ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies

Organizations

The Center for Neighborhood Technology (CNT) is a creative think-and-do tank whose mission is to promote more livable and sustainable urban communities. Founded in 1978 as an Illinois not-for-profit organization, CNT combines rigorous research and analysis with effective actions that offer paths to scale. CNT has tackled a wide range of issues, always with an eye toward simultaneously improving the environment, strengthening the economy, and advancing equity.

CNT works across disciplines and issues, including transportation and community development, energy, water, and climate change:

The *Transportation and Community Development* program promotes the creation of affordable and livable communities that minimize the need for cars; efficient, affordable, and accessible public transportation systems; and economic development that takes full advantage of passenger and freight rail assets.

The *Water* program promotes policies and implements programs that alleviate damage from urban flooding; encourages the adoption of green infrastructure to manage stormwater and improve communities; reduces waste in water use; and protects regional water resources.

CNT's *Sustainability Strategies and Urban Analytics* program helps consumers and communities obtain needed information and services to control energy costs.

CNT's affiliate, Alternative Transportation Services of Chicagoland (ATC), was founded in 2002 as an Illinois not-for-profit organization. ATC's mission is to create an integrated, multimodal transportation system, reducing reliance on vehicle ownership.

Income Tax Status

The Center for Neighborhood Technology was granted an exemption from federal income taxes by the Internal Revenue Service pursuant to the provisions of Internal Revenue Code Section 501(c)(3). The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). ATC is also exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code; thus, no provision for the income tax has been provided for in the financial statements.

The Organizations' Form 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for three years after they have been filed. The Organizations have adopted the requirements for accounting for uncertain tax positions and management has determined that the Organizations were not required to record a liability related to uncertain tax positions as of December 31, 2021.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
AND ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Consolidated Financial Statements

The accompanying financial statements reflect the consolidation of the financial statements of Center for Neighborhood Technology and Alternative Transportation Services for Chicagoland (collectively referred to as the Organizations). All material inter-organization accounts and transactions have been eliminated in consolidation.

Basis of Accounting

The accounts and consolidated financial statements are maintained on the accrual basis of accounting and accordingly, reflect all significant accounts receivable, payable, and other liabilities in conformity with accounting principles generally accepted in the U.S. and applicable to non-profit organizations.

Basis of Presentation

The Organizations report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions as required by Generally Accepted Accounting Principles (GAAP).

Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Items that affect this net asset category principally consist of gifts without restrictions, including those designated by the Board, fees for service and related expenses associated with the core activities of the Organization.

With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met, endowment gifts, pledges, and investment returns on endowment funds.

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 consolidated financial statements and the reported amounts of the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of bank deposits in federally insured accounts. The accounts may, at times, exceed the federally insured limit of \$250,000. The Organizations have never experienced any such losses in these accounts.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
AND ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Cash and Cash Equivalents (cont.)

For purposes of the Consolidated Statement of Cash Flows, the Organizations consider all highly liquid debt instruments, if any, purchased with an original maturity of one year or less to be cash equivalents. No cash was paid for taxes for the year ended December 31, 2021.

Contributions and Grants Receivable

Contributions and grants receivable consist of unconditional promises to give by donors, some of which are due in installments. Unconditional promises to give are recorded in the year the promises are made, either without restriction, or with restriction for the subsequent period. Contributions receivable are carried net an allowance for doubtful accounts. The Organization records an allowance for doubtful accounts based on specifically identified amounts that are not certain to be collected. Management has deemed no allowance for doubtful accounts to be necessary at December 31, 2021.

Property and Equipment

Property and equipment are stated at cost. Acquisitions of property and equipment in excess of \$1,000 and those items which substantially increase the useful lives of existing assets are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which are:

Buildings and improvements	25 - 40 years
Equipment	3 - 7 years
Furniture and fixtures	7 - 8 years
Vehicles	8 years
Web-site development costs	3 years

Advertising Costs

Advertising costs are expensed as incurred.

Net Assets Released from Restrictions

Net assets were released from restriction by incurrance of expenses satisfying the restricted purpose or by occurrence of events specified under the terms of the agreements.

Support and Revenue

The Organization recognizes contributions when cash, 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 on have been met. At December 31, 2021, the Organization had no conditional promises to give.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
AND ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

The Organizations report gifts of cash and other assets as restricted support 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 accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. If a restriction is fulfilled in the same period in which the contribution is received, the Organizations report the support as without restriction.

Government Grants and Fee for Service

Support funded by government and corporate contracts, some of which qualify as exchange transactions, are recognized when the contracted services have been performed. Revenue is therefore recognized as earned as the eligible expenses are incurred. These expenditures are subject to audit and acceptance by the granting organization and, as a result of such audit, adjustments could be required. Services provided and earned by the Organization during 2021 that remain unpaid were \$449,041 and are recognized in the statement of financial position as services performed receivables.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization did not receive any cost-reimbursable grants that have not been recognized at December 31, 2021 and therefore no amount is recognized in the statement of financial position as a refundable grant for these contracts and grants.

Contributed Services

Contributed services are required to be recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the year ending December 31, 2021, the Organizations received donated consulting services meeting the above criteria valued at \$11,930.

Certain Vulnerabilities and Concentrations

During 2021, the Organizations received approximately 43% of their revenue primarily from six entities. These six entities also make up 57% of total receivables. Any negative change in the economy could have an impact on contributions and fundraising efforts, as well as government grants. In recent years, the Organizations' funding base has become more diversified.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and the consolidated statement of functional expenses. Directly identifiable expenses are charged to the specific program or supporting service.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
AND ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021**

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (cont.)

Expenses related to more than one function are allocated to program expenses and supporting services on the basis of periodic time and expense reviews made by management.

Subsequent Events

Accounting principles generally accepted in the United States of America establish general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The Organization has evaluated subsequent events through May 3, 2022, which is the date the statements were available to be issued. No subsequent events have been identified that are required to be disclosed as of that date.

Note 2 – Financial Assets and Liquidity Resources

The Organization receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. The following table reflects the Organization’s financial assets as of December 31, 2021, reduced by amounts that are not available to meet general expenditures within one year of the consolidated statement of financial position date because of contractual restrictions or internal board designations. Amounts not available to meet general expenditures within one year include net assets with donor restrictions. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities described in Note 1 as well as the conduct of services undertaken to support those activities to be general expenditures.

Financial assets at December 31, 2021	
Cash and cash equivalents	\$ 1,557,733
Accounts and contributions receivable	<u>853,570</u>
Total financial assets, at year-end	<u>2,411,303</u>
Less donor-imposed restrictions:	
Restricted by donor for purpose	<u>(1,589,153)</u>
Financial assets available to meet cash need for general expenditures within one year	<u><u>\$ 822,150</u></u>

In addition to financials assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
AND ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021**

Note 3 – Property and Equipment

As of December 31, 2021, property and equipment consist of the following:

	<u>CNT</u>	<u>ATC</u>	<u>Total</u>
Equipment	\$ 483,544	\$ 927,885	\$ 1,411,429
Furniture and fixtures	46,109	-	46,109
Software	1,790	-	1,790
	<u>531,443</u>	<u>927,885</u>	<u>1,459,328</u>
Less accumulated depreciation and amortization	<u>(506,780)</u>	<u>(927,885)</u>	<u>(1,434,665)</u>
Property and equipment, net	<u>\$ 24,663</u>	<u>\$ -</u>	<u>\$ 24,663</u>

Note 4 – Retirement Plan

The Organizations have a 401(k) defined contribution plan for the benefit of its employees, allowing both employee and employer contributions. Contributions to the plan are made for all employees over twenty-one years of age, with at least one (1) year of service. Employer contributions are at the annual discretion of the Board of Directors. The Organizations did not contribute to the 401(k) plan for the year ended December 31, 2021.

Note 5 – Net Assets with Donor Restrictions

Net assets with donor restrictions at December 31, 2021 are available for the following projects:

Transportation	\$ 423,127
Water program	<u>1,166,026</u>
Total	<u>\$ 1,589,153</u>

Note 6 – CNT Consulting, Inc.

CNT Consulting, Inc., was incorporated by CNT in 2004. CNT Consulting, Inc. has not initiated operations as of the date of this report.

Note 7 – Riverside Power and Thermal, LLC

CNT is the sole owner of Riverside Power and Thermal, LLC, an unfunded development vehicle for a prospective cogeneration project, in exchange for future payments contingent upon successful completion of the project. As of May 3, 2022, there were no investments made in the LLC by any of the partners, and the contingent payment is the only liability.

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
AND ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021**

Note 8 – Lease Commitments and Rental Income

The Organization entered in a lease agreement for the rental of office space beginning December 1, 2017 and expiring August 31, 2023. The lease calls for monthly rent payments in the amount of \$11,920 plus annual escalations as defined in the lease agreement. The Organization received an abatement for the first four months of the lease. The difference between the rent expense using the straight-line method and the actual rent paid is recorded as deferred rent. Rental expense included in the statement of activities amounts to \$134,905 for the year ended December 31, 2021.

Future minimum rental payments consist of the following:

2022	\$ 155,205
2023	105,296
Total	<u>\$ 260,501</u>

The Organization subleases a portion of their space to another Organization under an operating lease. The lease which commenced January 2020 and expires December 31, 2022 requires monthly payments of \$4,500 in year one. \$4,600 in year two and \$4,700 in year 3. Rental income for the year ended December 31, 2021 is \$55,200. Future minimum rental income consists of \$56,400 to received in 2022.

Note 9 – Paycheck Protection Loan

In April 2021, CNT received loan proceeds in the amount of \$247,587 under the 2nd round of the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight or twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty four week period.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. CNT has used the proceeds for purposes consistent with the PPP and elected to follow ASC 958-605 and record the loan as a refundable advance where once forgiveness conditions are substantially met or explicitly waived, the entity would reduce the refundable advance and record a contribution for the amount forgiven. As of December 31, 2021, the Organization has elected to record the \$247,587 as income due to conditions being met and the expectation that the loan will be completely forgiven.

SUPPLEMENTARY INFORMATION

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
As of December 31, 2021**

	<u>CNT</u>	<u>ATC</u>	<u>Elimination</u>	<u>Consolidated</u>
<u>Assets</u>				
Current Assets				
Cash and cash equivalents	\$ 1,557,143	\$ 590	\$ -	\$ 1,557,733
Receivables				
Contributions and grants	558,462	-	-	558,462
Services performed	264,724	-	-	264,724
Other	134	-	-	134
Due from related party, ATC	4,871	-	(4,871)	-
Prepaid expenses	83,903	-	-	83,903
Total current assets	<u>2,469,237</u>	<u>590</u>	<u>(4,871)</u>	<u>2,464,956</u>
Property and equipment, net	<u>24,663</u>	<u>-</u>	<u>-</u>	<u>24,663</u>
Total Assets	<u>\$ 2,493,900</u>	<u>\$ 590</u>	<u>\$ (4,871)</u>	<u>\$ 2,489,619</u>
<u>Liabilities and Net Assets</u>				
Current Liabilities				
Accounts payable	\$ 86,297	\$ -	\$ -	\$ 86,297
Accrued payroll and related costs	74,515	-	-	74,515
Due to related party, CNT	-	4,871	(4,871)	-
Total current liabilities	<u>160,812</u>	<u>4,871</u>	<u>(4,871)</u>	<u>160,812</u>
Net Assets				
Without donor restrictions	743,935	(4,281)	-	739,654
With donor restrictions	<u>1,589,153</u>	<u>-</u>	<u>-</u>	<u>1,589,153</u>
Total net assets	<u>2,333,088</u>	<u>(4,281)</u>	<u>-</u>	<u>2,328,807</u>
Total Liabilities and Net Assets	<u>\$ 2,493,900</u>	<u>\$ 590</u>	<u>\$ (4,871)</u>	<u>\$ 2,489,619</u>

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
CONSOLIDATING STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 2021**

	CNT		ATC		Consolidated		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>Eliminations</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Public Support and Revenue</u>							
Contributions	\$ 259,457	\$ 1,655,500	\$ -	\$ -	\$ 259,457	\$ 1,655,500	\$ 1,914,957
Government grants	100,417	-	-	-	100,417	-	100,417
Program income	662,814	-	-	-	662,814	-	662,814
Rental income	55,200	-	-	-	55,200	-	55,200
Interest and dividends	320	-	-	-	320	-	320
Donated services	5,067	-	6,863	-	11,930	-	11,930
PPP Loan Forgiveness	247,587	-	-	-	247,587	-	247,587
Miscellaneous	7,641	-	-	-	7,641	-	7,641
Net assets released from restrictions satisfaction of program restrictions	<u>1,312,875</u>	<u>(1,312,875)</u>	<u>-</u>	<u>-</u>	<u>1,312,875</u>	<u>(1,312,875)</u>	<u>-</u>
Total Public Support and Revenue	<u>2,651,378</u>	<u>342,625</u>	<u>6,863</u>	<u>-</u>	<u>2,658,241</u>	<u>342,625</u>	<u>3,000,866</u>
<u>Expenses</u>							
Program Services							
Transportation and community development	708,541	-	-	-	708,541	-	708,541
Water	763,911	-	-	-	763,911	-	763,911
Sustainability Strategies and Urban Analytics	499,455	-	-	-	499,455	-	499,455
Total program services	<u>1,971,907</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,971,907</u>	<u>-</u>	<u>1,971,907</u>
Management and general	419,825	-	19,456	-	439,281	-	439,281
Fundraising	37,938	-	-	-	37,938	-	37,938
Total Expenses	<u>2,429,670</u>	<u>-</u>	<u>19,456</u>	<u>-</u>	<u>2,449,126</u>	<u>-</u>	<u>2,449,126</u>
Change in Net Assets	221,708	342,625	(12,593)	-	209,115	342,625	551,740
Net assets, beginning of year	<u>522,227</u>	<u>1,246,528</u>	<u>8,312</u>	<u>-</u>	<u>530,539</u>	<u>1,246,528</u>	<u>1,777,067</u>
Net assets, end of year	<u>\$ 743,935</u>	<u>\$ 1,589,153</u>	<u>\$ (4,281)</u>	<u>\$ -</u>	<u>\$ 739,654</u>	<u>\$ 1,589,153</u>	<u>\$ 2,328,807</u>

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
CONSOLIDATING STATEMENTS OF FUNCTIONAL EXPENSES - BEFORE ELIMINATIONS
For the Year Ended December 31, 2021**

	Program Services					Supporting Services		
	Transportation and Community Development	Water	Sustainability Strategies and Urban Analytics	ATC Services	Total	Management and General	Fundraising	Total
Salaries	\$ 359,196	\$ 457,186	\$ 323,419	\$ -	\$ 1,139,801	\$ 180,640	\$ 18,796	\$ 1,339,237
Payroll taxes and employee benefits	48,956	78,743	65,479	-	193,178	34,894	4,192	232,264
Professional and contractual fees	253,134	156,231	68,780	-	478,145	135,793	9,326	623,264
Workshops and meetings	-	1,301	-	-	1,301	2,169	-	3,470
Travel	600	576	-	-	1,176	416	-	1,592
Occupancy	38,248	49,749	33,686	-	121,683	15,819	1,701	139,203
Utilities	1,112	1,471	1,018	-	3,601	571	59	4,231
Telephone	2,879	3,741	2,636	-	9,256	1,471	150	10,877
Insurance	1,905	2,528	1,754	-	6,187	30,792	102	37,081
Equipment rental and maintenance	-	-	-	-	-	5,038	-	5,038
Supplies	77	1,805	570	-	2,452	3,419	-	5,871
Postage and printing	-	5,492	41	-	5,533	183	2,150	7,866
Advertising and promotion	106	780	355	-	1,241	2,155	-	3,396
Dues and subscriptions	500	1,780	184	-	2,464	12,005	399	14,868
Depreciation and amortization	1,810	2,281	1,529	-	5,620	908	94	6,622
Bank and merchant fees	-	-	-	-	-	381	-	381
Miscellaneous	18	247	4	-	269	783	969	2,021
Total Expenses	\$ 708,541	\$ 763,911	\$ 499,455	\$ -	\$ 1,971,907	\$ 439,281	\$ 37,938	\$ 2,449,126

**CENTER FOR NEIGHBORHOOD TECHNOLOGY AND
ALTERNATIVE TRANSPORTATION SERVICES FOR CHICAGOLAND
CONSOLIDATING STATEMENTS OF MANAGEMENT AND GENERAL EXPENSES -
BEFORE ELIMINATIONS
For the Year Ended December 31, 2021**

	Management and General		Total
	CNT	ATC	
Salaries	\$ 180,640	\$ -	\$ 180,640
Payroll taxes and employee benefits	34,894	-	34,894
Professional and contractual fees	127,665	8,128	135,793
Workshops and meetings	2,169	-	2,169
Travel	16	400	416
Occupancy	15,819	-	15,819
Utilities	571	-	571
Telephone	1,471	-	1,471
Insurance	20,245	10,547	30,792
Equipment rental and maintenance	5,038	-	5,038
Supplies	3,419	-	3,419
Postage and printing	183	-	183
Advertising and promotion	2,155	-	2,155
Dues and subscriptions	12,005	-	12,005
Depreciation and amortization	908	-	908
Bank and merchant fees	-	381	381
Bad debts expense	11,844	-	11,844
Miscellaneous	783	-	783
Total Expenses	\$ 419,825	\$ 19,456	\$ 439,281