Massachusetts Association of Community Development Corporations

Financial Statements and Independent Auditor's Report

June 30, 2022

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MASSACHUSETTS ASSOCIATION OF COMMUNITY DEVELOPMENT CORPORATIONS

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Independent Auditor's Report

To the Board of Directors of
Massachusetts Association of Community Development Corporations

Opinion

We have audited the financial statements of Massachusetts Association of Community Development Corporations, (a nonprofit organization), (the Association), which comprise the statement of financial position as of June 30, 2022, and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as of June 30, 2022, 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Association's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 23, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

CohnReznick LLP

Braintree, Massachusetts
November 7, 2022

MASSACHUSETTS ASSOCIATION OF COMMUNITY DEVELOPMENT CORPORATIONS

Statement of Financial Position

As of June 30, 2022
With Comparative Totals as of June 30, 2021

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	$ 685,050	$ 605,219
Grants and contracts receivable, net	108,100	131,340
Prepaid expenses	42,806	35,160
Total current assets	835,956	771,719
Fixed Assets		
Property and equipment	121,057	122,621
Total fixed assets	121,057	122,621
Less: accumulated depreciation	(54,469)	(67,957)
Total net fixed assets	66,588	54,664
Other Assets		
Deposits	10,189	23,978
Total other assets	10,189	23,978
Total Assets	$ 912,733	$ 850,361
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accrued expenses	$ 94,726	$ 54,846
Accounts payable	26,572	51,084
Deferred revenue	32,750	35,941
Income tax payable	-	14,951
Total current liabilities	154,048	156,822
Net Assets		
Net assets without donor restrictions	608,685	545,009
Net assets with donor restrictions	150,000	148,530
Total net assets	758,685	693,539
Total Liabilities and Net Assets	$ 912,733	$ 850,361

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

MASSACHUSETTS ASSOCIATION OF COMMUNITY DEVELOPMENT CORPORATIONS

Statement of Activities

For the Year Ended June 30, 2022
With Comparative Totals for the Year Ended June 30, 2021

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2022 Total	2021 Total
Revenue and Support				
Grants and contracts				
Government	$ 487,500	$ -	$ 487,500	$ 419,097
Non-government	434,000	150,000	584,000	405,817
	921,500	150,000	1,071,500	824,914
Membership dues	185,351	-	185,351	173,191
Sponsorship	124,870	-	124,870	137,115
Mel King tuition and event	213,896	-	213,896	211,696
Contributions	186,576	-	186,576	225,849
In-kind donations and services	-	-	-	15,411
Insurance program fees	90,789	-	90,789	81,007
Other revenue	38,853	-	38,853	11,303
Released from restriction	148,530	(148,530)	-	-
Total revenue and support	1,910,365	1,470	1,911,835	1,680,486
Expenses				
Program services	1,531,466	-	1,531,466	1,359,072
General and administrative	277,981	-	277,981	224,269
Fundraising	37,242	-	37,242	93,482
Total expenses	1,846,689	-	1,846,689	1,676,823
Non-Operating Revenue				
PPP loan forgiveness	-	-	-	122,500
Total Non-Operating Revenue	-	-	-	122,500
Total Change in Net Assets	63,676	1,470	65,146	126,163
Net Assets at Beginning of Year	545,009	148,530	693,539	567,376
Net Assets at End of Year	$ 608,685	$ 150,000	$ 758,685	$ 693,539

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

MASSACHUSETTS ASSOCIATION OF COMMUNITY DEVELOPMENT CORPORATIONS

Statement of Functional Expenses

For the Year Ended June 30, 2022
With Comparative Totals for the Year Ended June 30, 2021

	Mel King Institute	Community Development Policy	Member Initiatives	Total Program Services	General and Administrative	Fundraising	2022 Total	2021 Total
Salaries	$ 282,203	$ 205,466	$ 275,889	$ 763,558	$ 121,673	$ 26,403	$ 911,634	$ 882,297
Payroll taxes	22,015	15,719	21,161	58,895	9,931	1,535	70,361	80,062
Fringe benefits	51,512	27,666	30,223	109,401	24,945	2,327	136,673	99,526
Subtotal	355,730	248,851	327,273	931,854	156,549	30,265	1,118,668	1,061,885
Consulting	187,024	139,724	58,938	385,686	69,897	3,138	458,721	378,995
Occupancy and utilities	35,267	20,044	22,536	77,847	20,634	2,236	100,717	106,126
Training and conferences	3,949	25,896	12,030	41,875	-	54	41,929	10,787
MKI meeting and training	22,877	-	-	22,877	-	-	22,877	28,011
Office expense	22,274	12,721	13,985	48,980	15,153	1,208	65,341	51,684
Memberships, subscriptions and donations	687	3,213	2,935	6,835	258	63	7,156	7,304
Printing	2,047	429	1,772	4,248	2,196	17	6,461	1,077
Depreciation	5,073	2,934	3,257	11,264	13,294	261	24,819	15,628
Miscellaneous	-	-	-	-	-	-	-	15,326
	$ 634,928	$ 453,812	$ 442,726	$ 1,531,466	$ 277,981	$ 37,242	$ 1,846,689	$ 1,676,823

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

MASSACHUSETTS ASSOCIATION OF COMMUNITY DEVELOPMENT CORPORATIONS

Statement of Cash Flows

For the Year Ended June 30, 2022
With Comparative Totals for the Year Ended June 30, 2021

	2022	2021
Cash Flows from Operating Activities		
Change in Net Assets	$ 65,146	$ 126,163
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	24,819	15,628
Forgiveness of PPP loan	-	(122,500)
(Increase) decrease in assets:		
Grants and contracts receivable, net	23,240	8,413
Prepaid expenses	(7,646)	(23,855)
Other assets	13,789	(10,240)
(Decrease) increase in liabilities:		
Accounts payable	(24,512)	24,266
Accrued expenses	39,880	10,459
Deferred revenue	(3,191)	(8,809)
Income taxes payable	(14,951)	14,951
Net Cash Provided by Operating Activities	116,574	34,476
Cash Flows from Investing Activities		
Acquisition of property and equipment	(36,743)	(25,902)
Net Cash Used in Investing Activities	(36,743)	(25,902)
Net Increase in Cash and Cash Equivalents	79,831	8,574
Cash and Cash Equivalents - Beginning	605,219	596,645
Cash and Cash Equivalents - Ending	$ 685,050	$ 605,219
Supplemental Data for Noncash Investing and Financing Activities		
Disposal of fully depreciated fixed assets	$ 38,307	$ -

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

(1) Summary of Significant Accounting Policies

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The significant accounting policies followed by Massachusetts Association of Community Development Corporations (the Association) are described below to enhance the usefulness of the financial statements to the reader.

(a) Nature of Activities

The Association is a membership organization that seeks to build and sustain a high performing and adaptive community development sector that is supported by private and public investment and sound public policies. The Association advances racial and economic equity by creating healthy communities where everyone lives in housing they can afford, benefits from economic opportunities and can fully participate in the civic life of their community.

<u>Mel King Institute</u> - The Mel King Institute for Community Building (the Institute), which the Association co-founded and operates, fosters vibrant and thriving Massachusetts communities by advancing the skills, knowledge and leadership ability of professional practitioners and volunteer leaders in the community development field. To achieve its mission, the Institute leverages collaborative educational partnerships that offer high quality learning opportunities to professionals and volunteers in the community development field, encourage innovation, and promote and institutionalize systemic success. In addition to offering courses and workshops, the Institute operates a number of programs, including a mentoring program, a training program for Public Housing tenants called the Resident Leadership Academy, and the Alliance for Racial Equity.

<u>Community Development Policy</u> - The Community Development Policy Program aims to help Community Development Corporations (CDCs) with their housing, economic development, and community development activities by creating a supportive policy environment. This includes working with local, state, and federal agencies and elected officials to design and fund various programs and it also includes working with private intermediaries, banks, foundations, and corporations to develop programs and establish partnerships.

<u>Member Initiatives</u> - The Member Initiatives Program seeks to strengthen the capacity of the Association's member organizations to meet the various needs of their communities in such areas as affordable housing, economic development, small business development, resident services, community organizing and fundraising. As part of this program, the Association conducts peer groups to serve as learning and networking opportunities for practitioners; collaborates with other organizations to offer trainings and develop partnerships; provides technical assistance to local organizations; collects and shares information about best practices in the field; and provides group sponsored insurance.

(1) Summary of Significant Accounting Policies - continued

(b) Basis of Presentation

The statement of activities reports all changes in net assets, including changes in net assets without donor restrictions from operating activities. Operating revenues consist of those monies received and other contributions attributable to the Association's ongoing efforts.

(c) Standards of Accounting and Reporting

The Association's net assets (excess of its assets over liabilities) and its revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

The statement of financial position presents two classes of net assets (net assets without donor restrictions and net assets with donor restrictions) and the statement of activities displays the change in each class of net assets. The classes of net assets applicable to the Association are presented as follows:

Net Assets without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions. Net assets without donor restrictions consist of assets and contributions available for the support of operations. These net assets may be designated for specific purposes by the Board of Directors.

Net Assets with Donor Restrictions - Net assets that are subject to donor-imposed stipulations that may or will be met, either by actions of the Association and/or passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the reporting period in which the contributions are recognized.

(d) Cash and Cash Equivalents

The Association considers all highly liquid investments purchased with an original maturity of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash equivalents.

The Association maintains its cash balances at financial institutions located in Massachusetts. The cash balances are insured by the Federal Deposit Insurance Corporation.

(1) Summary of Significant Accounting Policies - continued

(d) Cash and Cash Equivalents - continued

At times these balances may exceed the federal insurance limits; however, the Association has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of June 30, 2022.

(e) Revenue Recognition

The Association earns revenue as follows:

The Association generally measures revenue based on the amounts of consideration it expects to be entitled for the transfers of goods and services to a customer, then recognizes its revenue as performance obligations are satisfied under a contract, except in transactions where U.S. GAAP provides other applicable guidance. The Association evaluates its revenue contracts with customers based on the five-step model under Topic 606: (1) Identify the contract with the customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to separate performance obligations; and (5) Recognize revenue when (or as) each performance obligation is satisfied.

Contracts - Federal and state contracts that are considered reciprocal transactions or purchases of services, the results of which are turned over to the grantor, are recognized as the work under the contract is performed. Contracts that are considered nonreciprocal transactions that further the programs of the Association are recorded when the Association receives notification of the contract, or if, conditions for performance are imposed, revenue is recognized when conditions have been met. All contracts consists of two types, unit-rate and cost reimbursement contracts, all with ceiling amounts. Unit-rate contracts provide that revenue is to be earned and recognized at a negotiated or class rate for each unit-of-service that is provided for under the terms of the contract. Under the cost-reimbursement contracts, revenue recognition takes place as costs related to the services provided are incurred. Billings on the contracts are subject to final approval by the governmental agency.

Grants - The Association receives funding from federal and state governmental agencies and various other grantors for direct and indirect program costs associated with specific programs and projects. Various grants are subject to certain barriers as outlined in the agreement. Revenue is recognized as the barrier is met. For unconditional grants, revenue is recognized as contribution revenue that increases net assets with donor restrictions at the time the grant is received or pledged and the funds are released from restriction when the restriction has been met.

Membership Dues - Membership dues are on an annual basis that coincide with the Association's fiscal year. Revenue is recognized by the Association in the applicable membership period.

(1) Summary of Significant Accounting Policies - continued

(e) Revenue Recognition - continued

Sponsorship - Sponsorship revenue is earned and recognized by the Association at the time of the sponsored event.

Mel King Tuition and Events - Mel King tuition and event revenue is earned and recognized by the Association at the time of the event or training session.

Contributions - In accordance with ASC Sub Topic 958-605, *Revenue Recognition*, and the Association must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution. 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 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. Topic 958 prescribes that the Association should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met.

Contributions without donor restrictions are recognized as revenue when received or unconditionally pledged. Contributions with donor restrictions are recorded as revenues and net assets with donor restrictions when received or unconditionally pledged. Transfers are made to net assets without donor restrictions as services are performed and costs are incurred pro-rata over the period covered by the grant or contribution as time restrictions lapse. Contributions with donor restrictions received and satisfied in the same period are included in contributions without donor restrictions.

For the year ended June 30, 2022, approximately 60% of all contributions were from four donors.

Insurance Program Fees - Insurance program fees revenue is earned and recognized by the Association over the contract term. 100% of all insurance program fees were earned from one organization.

Deferred revenue represents program service fee income received prior to year-end. These amounts are deferred and recognized over the periods to which the fees will be earned.

Substantially all of the Association's revenue is derived from its activities in Massachusetts. All revenue is recorded at the estimated net realizable amounts.

(1) Summary of Significant Accounting Policies - continued

(f) Grants and Contracts Receivable

Grants and contracts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants and contracts receivable. No balances were written off during the year ended June 30, 2022 and as of June 30, 2022, management has determined any allowance would be immaterial.

The Association does not have a policy to accrue interest on receivables. The Association has no policies requiring collateral or other security to secure the accounts receivable.

(g) Property and Equipment

Property and equipment are recorded at cost or if donated, fair value on the date of receipt. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. Improvements, including planned major maintenance activities are capitalized, while expenditures for routine maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities.

The Association computes depreciation using the straight-line method over the following estimated lives:

Office equipment	3-5 years
Computer software	5 years

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator or possible impairment is noted. If the carrying amount for the asset is not recoverable, the value is written down to the asset’s fair value.

(h) Fundraising Expense

Fundraising expense relates to the activities of raising general and specific contributions to the Association.

(i) Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are allocated to programs and supporting services. Administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Association. Costs are allocated to functions based upon time charges.

(1) Summary of Significant Accounting Policies - continued

(j) Use of Estimates

In preparing the Association's financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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.

(k) Income Taxes

The Association qualifies as an organization formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is generally not subject to income tax. However, income from certain activities not directly related to the Association's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Association is not a private foundation under Section 509(a)(1) of the IRC.

Generally, the Association's information and tax returns remain open for federal income tax examination for three years from the filing date. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2018 remain open.

(l) Summarized Financial Information for 2021

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Also, the financial statements do not include a full presentation of the statement of functional expenses, as certain prior year summarized comparative information is presented in total but not by functional classification. In addition, the financial statements do not include full financial statement disclosures for the prior year.

Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

(m) Reclassifications

Certain amounts in the prior year have been reclassified to conform to the current year presentation.

(1) Summary of Significant Accounting Policies - continued

(n) Recent Accounting Standards

In June 2020, FASB issued ASU 2020-05, *Revenue from Contracts with Customers* (Topic 606) and *Leases* (Topic 842). ASU 2020-05 deferred the implementation date of ASU 2016-02 and ASU 2014-09 by one year. The Association has adopted ASU 2014-09 in a prior year. ASU 2016-02 is described below.

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)* which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e., lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today.

The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. The ASU was set to be effective on January 1, 2021, with early adoption permitted. The effective date was extended to fiscal years beginning after December 15, 2021. The Association is currently evaluating the impact the adoption of this new standard will have on its financial statements.

In July 2018, FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases* and *ASU 2018-11, Leases (Topic 842), Targeted Improvements*. In December 2019, FASB issued ASU 2018-20, *Leases (Topic 842), Narrow-Scope Improvements for Lessors*. Adoption of these ASUs will run concurrent with the Association's adoption of ASU 2016-02.

(2) Conditional Grants

As of June 30, 2022, the Association has received approximately $240,000 of conditional commitments to contributions and grants that have not been recognized in these financial statements. Revenues on these grants and contributions will be recognized by the Association in future periods as the conditions are met.

As of June 30, 2022, future conditional commitments is as follows:

2023	$ 120,000
2024	120,000

(3) Property and Equipment

Property and equipment consists of the following as of June 30, 2022:

Office equipment	$	82,055
Computer software		39,002
	$	121,057

Depreciation expense for the year ended June 30, 2022 was $24,819.

(4) Operating Lease Commitments

During the prior year, the Association entered into a new, non-cancelable lease agreement for office space in Boston, Massachusetts, the term of which commenced on December 1, 2021 and runs through November 30, 2028. The new lease contains immaterial escalation clauses each year. The minimum annual operating non-cancelable lease commitments on property leased by the Association are as follows:

2023	$	107,906
2024		110,666
2025		113,426
2026		116,193
2027		118,958

Rent expense for the year ended June 30, 2022 was $92,589.

(5) Defined Contribution Plan

The Association has a defined contribution pension plan that qualifies as a tax-sheltered account under Section 403(b)(7) of the IRC for the benefit of eligible employees. Under the plan, benefit eligible employees can invest pre-tax dollars. The Association’s contributions under this plan amounted to $48,100 for the year ended June 30, 2022.

(6) Net Assets With Donor Restrictions

Net assets with donor restrictions consist of resources available to meet future obligations, but only in compliance with the restrictions specified by donors. As of June 30, 2022, net assets with donor restrictions are restricted for the following purposes or periods:

Member Initiatives	$	30,000
Time		120,000
	$	150,000

Net assets released from restrictions during the year ended June 30, 2022 were $148,530, $40,000 of which was from time restrictions and $108,530 of which was from program restrictions.

(7) Liquidity and Availability of Resources

The following reflects the Association's financial assets as of June 30, 2022, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year from the statement of financial position date.

Financial assets at year end:		
Cash and cash equivalents	$	685,050
Grants receivable		108,100
	$	793,150
Less those unavailable for general expenditure within one year, due to:		
Net assets with donor restrictions	$	30,000
Financial assets available to meet cash need for general expenditures within one year	$	763,150

The Association is supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Association must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Association's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

(8) COVID-19 - Risks and Uncertainties

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity. The Association is not able to estimate the length or severity of this outbreak and the related financial impact. Management plans to adjust its operations accordingly and will continue to assess and monitor the situation as it evolves. If the length of the outbreak and related effects on the Association's operations continue for an extended period of time the Association may have to seek alternative measures to finance its operations. The Association does not believe that the impact of COVID-19 would have a material adverse effect on its financial condition or liquidity.

(9) Subsequent Events

The Association has performed an evaluation of subsequent events through November 7, 2022 which is the date the Association's financial statements were available to be issued. No material subsequent events have occurred since June 30, 2022 that required recognition or disclosure in these financial statements.

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