RANCHO CIELO, INC.

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Rancho Cielo, Inc.
Salinas, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Rancho Cielo, Inc. (a California nonprofit benefit corporation), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rancho Cielo, Inc. as of September 30, 2022, and the results of its operations 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rancho Cielo, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rancho Cielo, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Board of Directors
Rancho Cielo, Inc.

Auditors' 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 auditors' 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 Rancho Cielo, Inc.'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 Rancho Cielo, Inc.'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

Hayashi Wayland, LLP previously audited Rancho Cielo, Inc.'s 2021 financial statements and expressed an unmodified audit opinion on those audited financial statements in their report dated April 5, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Salinas, California
May 24, 2023

RANCHO CIELO, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2022
(WITH SUMMARIZED TOTALS FOR SEPTEMBER 30, 2021)

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 3,588,011	$ 3,142,472
Accounts Receivable	379,242	252,329
Pledges Receivable, Net, Current Portion	186,213	236,693
Promise to Give - Land Lease, Net, Current Portion	99,732	104,233
Prepaid Expenses	18,852	1,233
Inventory	12,146	22,422
Total Current Assets	4,284,196	3,759,382
NONCURRENT ASSETS		
Pledges Receivable, Net, Less Current Portion	-	44,528
Promise to Give - Land Lease, Net, Noncurrent Portion	1,647,429	1,747,161
Investments	1,482,443	1,461,928
Cash Restricted for Construction	-	291,105
Property and Equipment, Net	11,927,472	11,870,509
Total Noncurrent Assets	15,057,344	15,415,231
Total Assets	$ 19,341,540	$ 19,174,613
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	$ 162,423	$ 146,041
Refundable Advance	-	323,533
Accrued Wages and Related Liabilities	151,887	105,641
Security Deposit and Incentive Fund Payable	29,282	25,738
Accrued Scholarships	48,770	27,400
Total Current Liabilities	392,362	628,353
Total Liabilities	392,362	628,353
NET ASSETS		
Without Donor Restrictions	16,088,985	15,023,653
With Donor Restrictions	2,860,193	3,522,607
Total Net Assets	18,949,178	18,546,260
Total Liabilities and Net Assets	$ 19,341,540	$ 19,174,613

See accompanying Notes to Financial Statements.

RANCHO CIELO, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2022
(WITH SUMMARIZED TOTALS FOR YEAR ENDED SEPTEMBER 30, 2021)

	Without Donor Restrictions	With Donor Restrictions	Totals 2022	Totals 2021
REVENUES AND SUPPORT				
Grants	$ 566,000	$ 776,911	$ 1,342,911	$ 1,036,756
Contributions	1,451,207	466,284	1,917,491	1,823,974
Facility Rental Income	352,428	-	352,428	313,393
Donated Rent, Services, and Materials	35,343	31,607	66,950	98,598
Program Revenues	259,052	-	259,052	239,967
Net Assets Released from Restrictions	1,779,481	(1,779,481)	-	-
Total Revenues and Support	4,443,511	(504,679)	3,938,832	3,512,688
OTHER INCOME (EXPENSE)				
Special Events, Net of $54,730 and $115,601 in Expenses in 2022 and 2021, Respectively	960,500	-	960,500	725,371
Bingo, Net of $131,430 and $286,336 in Expenses in 2022 and 2021, Respectively	(40,578)	-	(40,578)	(46,239)
Miscellaneous Income	61,043	-	61,043	34,716
Investment Return, Net	(50,551)	(157,735)	(208,286)	163,745
Gain (Loss) on Sale of Equipment	(12,673)	-	(12,673)	(288)
Total Other Income (Expense)	917,741	(157,735)	760,006	877,305
EXPENSES				
Program	3,248,719	-	3,248,719	2,483,674
General and Administrative	636,964	-	636,964	527,481
Fundraising	410,237	-	410,237	353,097
Total Expenses	4,295,920	-	4,295,920	3,364,252
CHANGE IN NET ASSETS	1,065,332	(662,414)	402,918	1,025,741
Net Assets - Beginning of Year	15,023,653	3,522,607	18,546,260	17,520,519
NET ASSETS - END OF YEAR	$ 16,088,985	$ 2,860,193	$ 18,949,178	$ 18,546,260

See accompanying Notes to Financial Statements.

RANCHO CIELO, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2022
(WITH SUMMARIZED TOTALS FOR YEAR ENDED SEPTEMBER 30, 2021)

	Program Services					Support Services		Totals	
	Drummond Culinary Academy	Transitional Housing	Youth Corps	Other	Total Program	General and Administrative	Fundraising	2022	2021
EXPENSES									
Salaries and Related Costs	$ 378,826	$ 35,085	$ 280,171	$ 699,911	$ 1,393,993	$ 363,244	$ 266,544	$ 2,023,781	$ 1,664,681
Payroll Taxes	31,342	4,517	26,304	57,579	119,742	30,162	21,885	171,789	124,378
Employee Benefits	29,362	502	16,575	45,586	92,025	31,694	18,259	141,978	126,413
Total Salaries and Related Expenses	439,530	40,104	323,050	803,076	1,605,760	425,100	306,688	2,337,548	1,915,472
Depreciation	53,151	32,787	117,626	273,463	477,027	15,557	-	492,584	480,149
Rent	18,009	-	67,084	46,523	131,616	14,444	-	146,060	147,583
Utilities	24,817	21,352	25,902	74,649	146,720	9,865	6,687	163,272	142,589
Professional Consultants	8,269	395	6,757	65,416	80,837	102,379	11,796	195,012	132,223
Insurance	14,562	17,744	39,086	54,809	126,201	25,673	2,593	154,467	102,674
Program Costs	105,200	6,047	1,756	134,512	247,515	1,058	1,696	250,269	100,493
Supplies	15,596	675	1,850	146,927	165,048	9,134	1,457	175,639	77,750
Repairs and Maintenance	10,640	4,761	33,023	21,130	69,554	1,267	364	71,185	53,762
Security	3,053	354	6,411	5,575	15,393	720	64	16,177	47,448
Vehicle Expense	12,574	1,197	10,984	44,394	69,149	154	131	69,434	42,348
Travel	427	-	-	1,708	2,135	-	-	2,135	-
Office and Postage	6,733	263	6,926	21,945	35,867	21,800	8,205	65,872	38,041
Printing and Reproduction	710	-	85	365	1,160	190	34,895	36,245	30,809
Bank Charges	4,091	9	1,855	8,771	14,726	6,558	8,575	29,859	20,441
Public Relations	7,825	-	-	18,041	25,866	1,528	23,940	51,334	17,264
Scholarships	-	-	-	27,100	27,100	-	-	27,100	5,825
Taxes and Licenses	1,278	-	1,693	313	3,284	504	2,323	6,111	4,328
Dues and Subscriptions	411	157	-	242	810	870	740	2,420	3,349
Training	588	-	-	2,363	2,951	163	83	3,197	1,704
Total Expenses by Function	$ 727,464	$ 125,845	$ 644,088	$ 1,751,322	$ 3,248,719	$ 636,964	$ 410,237	$ 4,295,920	$ 3,364,252

See accompanying Notes to Financial Statements.

RANCHO CIELO, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2022
(WITH SUMMARIZED TOTALS FOR YEAR ENDED SEPTEMBER 30, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 402,918	$ 1,025,741
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Contributions Restricted for Construction	(120,300)	(250,150)
Contributions Restricted for Endowment	(274,120)	(423,154)
Depreciation	492,584	(122,888)
Change in Discount on Pledges and Grants Receivable	12,673	(7,502)
Change in Allowance for Uncollectible Receivable	104,233	1,367
Unrealized and Realized (Gain) Loss on Investments	270,704	480,149
Amortization of Discount - Promise to Give, Land Lease	-	108,937
(Gain) Loss on Sale of Property and Equipment	-	288
In-Kind Contribution of Property and Equipment	(15,008)	(21,824)
Change in Operating Assets and Liabilities:		
Accounts Receivable	(126,913)	(99,767)
Pledges Receivable	95,008	208,606
Inventory	10,276	802
Prepaid Expenses	(17,619)	(2,889)
Accounts Payable	16,382	43,846
Refundable Advance	(323,533)	19,393
Accrued Wages and Related Liabilities	46,246	3,945
Security Deposit and Incentive Fund Payable	3,544	10,261
Accrued Scholarships	21,370	2,750
Net Cash Provided by Operating Activities	598,445	977,911
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(249,475)	(695,975)
Purchases of Property and Equipment	(547,712)	(161,184)
Proceeds From Sale of Property and Equipment	500	-
Reinvestment of Investment Income	(41,744)	(27,603)
Net Cash Used by Investing Activities	(838,431)	(884,762)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions Restricted for Construction	120,300	250,150
Contributions Restricted for Endowment	274,120	423,154
Net Cash Provided by Financing Activities	394,420	673,304
NET CHANGE IN CASH AND RESTRICTED CASH	154,434	766,453
Cash and Restricted Cash - Beginning of Year	3,433,577	2,667,124
CASH AND RESTRICTED CASH - END OF YEAR	$ 3,588,011	$ 3,433,577

See accompanying Notes to Financial Statements.

RANCHO CIELO, INC.
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2022
(WITH SUMMARIZED TOTALS FOR YEAR ENDED SEPTEMBER 30, 2021)

	2022	2021
RECONCILIATION OF CASH AND RESTRICTED CASH		
Cash	$ 3,588,011	$ 3,142,472
Restricted Cash	-	291,105
Total	$ 3,588,011	$ 3,433,577
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Property and Equipment Acquired	$ 562,720	$ 183,008
In-Kind Contribution of Property and Equipment	(15,008)	(21,824)
Cash Paid to Acquire Property and Equipment	$ 547,712	$ 161,184

See accompanying Notes to Financial Statements.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Rancho Cielo, Inc. (the Organization) is a California nonprofit public benefit corporation founded in 2000 for the purpose of establishing and maintaining a comprehensive system of prevention and intervention services for juvenile offenders in Monterey County to ensure public safety and allow successful reintegration into the community.

The Organization is governed by a board of directors and receives contributions from individuals, corporations, and local foundations as well as fees for services.

The Organization provides educational programs for students who could not achieve their academic goals in a traditional school setting. The Organization also provides support services, vocational training, and job placement services to at-risk youth. The grounds of the Organization also provide opportunities for recreation and outdoor activities for youth. The Organization. offers disconnected and underserved youth aged 16-24 opportunities for vocational training, high school diplomas, mental health counseling, life skills and job readiness, and enrichment activities in order for them to lead healthy, happy, and self-sufficient futures.

Ag Mechanical and Electrical Program

The Ag Mechanical and Electrical program is a unique experience, giving students hands-on training, as well as academic instruction in the classroom, leading to the completion of a high school diploma in partnership with John Muir Charter School. Students who participate in the program will learn the mechanics, food safety, electrical of the salad factory line, commonly referred to as “Value Added.” Students have the opportunity to maintain and repair machinery and equipment that is essential to the agriculture industry as well as learn from industry professionals.

Auto and Diesel Repair Program

Students in this program develop automotive knowledge and receive basic level training in servicing and maintenance of gas and diesel engine vehicles. Vocational training includes a combination of hands-on and textbook teaching related to topics including safety, tool identification and usage, inspection processes, engine basics, power train/transmissions, suspensions/brakes, exhaust/emissions and electrical.

Drummond Culinary Academy

The Culinary Academy is dedicated to providing underserved youth with an opportunity to gain classroom training, work experience, and transferrable skills that help them become employable in the culinary and hospitality industry. The Executive Chef takes the students through a nationally recognized culinary arts curriculum, including Safe Food Handler’s Certification. The 10-month program, split between the kitchen and the high school academic classroom, results in a culinary certificate and a high school diploma. Students complete a 200-hour externship program working with local restaurants to gain additional employment experience. The program offers job readiness training, as well as placement and referral services for graduates.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nature of Activities (Continued)

Construction Academy

The Construction Academy is a unique experience, where students are engaged in our classroom, vocational activities, and workshops through the Organization's partnership with John Muir Charter School. Job readiness, referral, and placement are also part of the program.

Youth Corps Program

Youth Corps is an on-the-job training program, serving young people 18-24, to be prepared for regular full-time employment. Crews learn through their involvement in a variety of landscaping and maintenance projects and are employed by the Organization during their tenure in the program. This program is critical to the cultural change the Organization is trying to affect, providing youth with positive opportunities to learn new skills and self-sufficiency.

Silver Star Youth Program

The Organization's flagship program offers intensive educational instruction to students between the ages of 15 1/2 and 18. All students are screened prior to acceptance and must have a desire to make positive changes in their lives. Most students are on probation when referred to the Organization but may come recommended from the juvenile court, schools, or parents. Graduates receive a high school diploma. The program is operated in partnership with the Monterey County Probation Department, which provides supervision, case management for students involved in the juvenile court, meals, and transportation. The Monterey County Office of Education provides teachers and classroom aides for the Organization's Community School. Students benefit from a small classroom size and a curriculum tailored to meet their needs. They are taught a California State standards-based core curriculum in English, math, social studies, science, physical education, and fine arts.

Transitional Housing Program

With 22 residential beds, the Organization's Transitional Housing Village has 8,030 safe nights' rest per year for the Organization's students or graduates unsafe in their own neighborhood. The residents must be willing and able to take on the responsibility of living on campus. They must also be willing to participate in the program; it is not just housing. Case management works with each resident to identify barriers to success and connect the resident with services for which they are eligible.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The accompanying financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The net assets, revenues, gains and losses, other support and expenses and other changes in the accompanying financial statements are classified based on the existence or absence of donor-imposed restrictions. Accordingly, for reporting purposes, net assets of the Organization and changes therein are classified as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. This includes certain amounts designated by the board for various purposes.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time, or net assets that are perpetual in nature and subject to donor-imposed restrictions that they be maintained in perpetuity by the Organization. Generally, the donors of assets to be held in perpetuity permit the Organization to use all or a part of the income earned on related investments for general or specified purposes.

Revenue Recognition

The Organization recognizes revenue from programs, facility rentals, as well as special events. Program revenue consists of Drummond Culinary Academy catering services and related facility rentals as well as Youth Corps job readiness and placement program services. Facility rental income is recognized in the period in which agreed-upon access to the Organization’s facilities and grounds is provided. Special event revenue is comprised of sales of veggie bags and barbeque meals as well as bingo admissions. Program and special event revenue is recognized in the period in which the service is provided, or sale occurs. In the event there is a pre-payment, the Organization recognizes a liability until the related revenue is recognized.

Contributions, including unconditional promises to give and donations, have no exchange component, though many have restrictions as to purpose. Contributions are considered to be without donor restrictions unless specifically restricted by the donor or grantor. Grants received that are unconditional in nature with no barriers to overcome prior to recognition or exchange components are considered contributions. Contributions are recognized as revenues in the period received or promised. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Amounts received that are designed for future periods or restricted by the donor or grantor for specific purpose are reported as with donor restriction support that increases the related net asset class with donor restriction.

Gains and losses on investments and other assets and liability are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial instruments included in the Organization's statement of financial position include accounts receivable, pledges receivable, accounts payable and accrued liabilities. They are carried at cost which approximates their fair value due to the short-term maturity of these instruments.

Cash and Cash Equivalents

Cash and Cash equivalents include currency on hand, cash in banks, and money market instruments maturing within 90 days.

Certificates of Deposit

Certificates of deposit are classified as current if they have a maturity date within one year and as noncurrent if they mature in greater than one year.

Accounts Receivable

Accounts receivable are composed of rental fees, service fees, and miscellaneous receivables. Receivables are recorded using the allowance method and are presented net of the allowance for uncollectible accounts. The allowance is based on prior years' experience and management analysis of receivable balances. Management believes that all accounts receivable are fully collectible; therefore, no allowance for doubtful accounts has been recorded at September 30, 2022 and 2021, respectively.

Pledges Receivable

Pledges receivable that are expected to be collected within one year are recorded at their net realizable value. Pledges receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Pledges receivable during the year ended September 30, 2022 and 2021 were discounted using interest rates of 7.85% and 4.27%, respectively. Amortization of these discounts is included in contribution revenue in the accompanying statement of activities and changes in net assets. Pledges receivable are stated at the amount expected to be collected on the outstanding balances and are presented net of an allowance for uncollectability. The allowance is based on an assessment of pledges receivable collectability by management. At September 30, 2022 and 2021, the allowance was $35,573 and $35,573, respectively.

Prepaid Expenses

Prepaid amounts represent advance payments for goods or services that will be expensed in the periods in which they benefit.

Inventory

Inventory consists of food and supplies for the Organization's culinary program. The Organization records inventory at its fair value when received based on lower of cost or net realizable value.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining fair value, the Organization considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability.

The three-level hierarchy for fair value measurements is defined as follows:

Level 1 – Valuation is based on observable inputs using quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.

Level 2 – Valuation is based on inputs from sources other than quoted prices in active markets that are either directly or indirectly observable as of the reporting date. This may include quoted prices for similar assets in an active market, quoted prices for similar assets in a market that is not active or valuation methods using models, interest rates and yield curves as observable inputs.

Level 3 – Valuation is based on unobservable inputs for the assets, reflecting the Organization’s consideration about the assumptions that a market participant would use in pricing the asset or liability, to the extent that observable inputs (Levels 1 and 2) are not available. Level 3 assets and liabilities include situations where there is little or no market activity for the asset or liabilities, and significant management judgment or estimates are required.

The following tables present fair values on the accompanying statement of financial position by fair value hierarchy:

	Level 1	Level 2	Level 3	Total
September 30, 2022				
Certificates of Deposit	$ 226,575	$ -	$ -	$ 226,575
Endowment Fund	-	785,639	-	785,639
Stewardship Fund	-	340,030	-	340,030
Albany Road	-	-	130,199	130,199
Promise to Give - Land Lease, Net	-	-	1,747,161	1,747,161
Total	$ 226,575	$ 1,125,669	$ 1,877,360	$ 3,229,604
September 30, 2021				
Certificates of Deposit	$ 247,289	$ -	$ -	$ 247,289
Endowment Fund	-	742,407	-	742,407
Stewardship Fund	-	414,394	-	414,394
Albany Road	-	-	57,838	57,838
Promise to Give - Land Lease, Net	-	-	1,851,394	1,851,394
Total	$ 247,289	$ 1,156,801	$ 1,909,232	$ 3,313,322

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

A portion of the Organization's certificates of deposit (CDs) are classified as noncurrent in investments as they have a maturity date greater than one year from September 30, 2022. The CDs are classified as Level 1 as valuation is based on observable inputs using quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.

The Community Foundation of Monterey County (CFMC) Stewardship and Endowment funds are classified as Level 2, because they are valued using published market quotes reported by a third-party trustee. The Organization records the values based on the statements received from CFMC as of September 30 (See Notes 5 and 9).

The Albany Road investment is classified as Level 3 since observable inputs are minimal (See Note 5). The promise to give – land lease is also classified as Level 3 because it is measured at fair value using significant unobservable inputs to determine rent and cost of living adjustments (See Note 4).

While the Organization believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. Those estimated values may differ significantly from the values that would have been used had a readily available market for such assets and liabilities existed, or had such assets and liabilities been liquidated, and these differences could be material to the financial statements.

Property and Equipment

All acquisitions and major improvements of property and equipment in excess of $2,500 are capitalized. Maintenance and repairs which do not extend the useful life of the respective assets are expensed as incurred. Property and equipment are stated at cost or, if donated, at the approximate fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions otherwise, the contributions are recorded as net assets without donor restrictions. Depreciation is computed using the straight-line method over the following estimated useful lives:

Building and Building Improvement	39 Years
Land Improvements	15 to 50 Years
Equipment	5 to 7 Years
Vehicles	3 Years

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Vacation

Employees in "regular" and "interim" positions who are regularly paid at least 30 hours per week are eligible for vacation. Upon initial eligibility, employees earn 80 hours (10 days) per year with maximum earned 160 hours (20 days). After completing five years employees earn 120 hours (15 days) per year with maximum earned 240 hours (30 days). After completing 15 years, employees earn 160 hours (20 days) per year with maximum earned hours of 320 hours (40 days).

Donated Services and Materials

The Organization records various types of in-kind contributions. Contributed services are recognized at their fair value if the services received (a) create or enhance long-lived 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. Contributions of donated noncash assets are recorded at their fair values in the period received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property and equipment.

A number of volunteers have made significant contributions of their time and talent to promote the Organization's programs and activities. No amounts have been recognized in the statement of activities for this time and talent because the recognition criteria have not been satisfied.

Advertising Costs

The Organization expenses the production costs of advertising the first time the advertising takes place. Advertising expenses totaled $8,426 and $5,646 for the years ending September 30, 2022 and 2021, respectively.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries and benefits are allocated on the basis of estimates of time and effort. Other allocated expenses, such as depreciation, internet, insurance, utilities and rent are allocated based on actual or estimated use using various allocated basis including square footage.

Income Taxes

As a tax-exempt nonprofit organization, the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) and from state franchise tax under California Revenue and Taxation Code Section 23701(d) but is subject to taxes on unrelated business income when earned.

Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and liabilities, the disclosure of any 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.

Summarized Totals

The financial statements include certain summarized comparative information for the prior year. The information is not presented by net asset class and does not include sufficient detail to be in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2021, from which the summarized information was derived.

Reclassifications

Certain prior year amounts have been reclassified to conform with the current year financial statement's presentation.

Effects of New Pronouncement

The Organization adopted the following Financial Accounting Standards Board (FASB) Accounting Standards Updates (ASU) during the year ended September 30, 2022:

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 was issued to improve U.S. GAAP by increasing the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this ASU address certain stakeholders' concerns about the lack of transparency about the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in an NFP's programs and other activities. The amendments in this ASU are effective for annual periods beginning after June 15, 2021. The effect of adopting this ASU resulted in no modification of the presentation of contributed nonfinancial assets.

Recent Accounting Pronouncements Not Yet Implemented

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. Under the new standard, a lessee recognizes in the balance sheet a liability to make lease payments and a right-of-use asset representing its right to use the underlying asset for the lease term. For nonpublic entities, this new standard is effective for annual reporting periods beginning after December 15, 2021, with early adoption permitted. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The Organization has no plan for early implementation of this standard. At this time, the Organization is evaluating the effect, if any, that the adoption of ASU 2016-02 will have on the financial statements.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Subsequent events have been evaluated through May 24, 2023, which is the date the financial statements were available to be issued.

NOTE 2 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents consist of the following as of September 30:

	2022	2021
Cash in Bank	$ 1,113,929	$ 1,466,896
Certificates of Deposit	2,155,683	1,531,017
Money Market Accounts	317,899	434,914
Petty Cash	500	750
Total Cash and Cash Equivalents	3,588,011	3,433,577
Less: Restricted for Construction	-	291,105
Total Nonconstruction Cash and Cash Equivalents	$ 3,588,011	$ 3,142,472

NOTE 3 PLEDGES RECEIVABLE

Pledges receivable consist of the following as of September 30:

	2022	2021
Pledges Receivable	$ 238,220	$ 333,227
Allowance for Uncollectible Receivables	(35,573)	(35,573)
Discount to Present Value	(16,434)	(16,433)
Total Pledges Receivable, Net	$ 186,213	$ 281,221

Pledges receivable are due as follows:

	2022	2021
Pledges Receivable:		
Less than One Year	$ 186,213	$ 236,693
Within One to Five Years	-	44,528
Total Pledges Receivable, Net	$ 186,213	$ 281,221

NOTE 4 PROMISE TO GIVE – LAND LEASE

The Organization entered into a land-lease agreement with the County of Monterey in 2006. The term of the lease is 49 years, with two 25-year options to renew. The annual lease payment is $1. An unconditional promise to give has been recorded to reflect the fair value of the use of the land based upon the fair value of the donated rent. Prior to the year ended September 30, 2016, this had been determined to be $60,000 per year with a 4.5% cost of living increase at 10-year intervals. During the year ended September 30, 2016, the land was appraised, and the value of the donated rent was determined to be $135,840 per year. The future value of the donated rent has been discounted to its present value using a rate of 4.51% for the years ending September 30, 2022 and 2021. The amount of amortization recorded as support for the years ended September 30, 2022 and 2021, was $31,607 and $26,902, respectively.

For the years ended September 30, 2022 and 2021, the Organization recorded donated lease expense of $135,840, which is included in occupancy expenses in the accompanying statement of functional expenses.

Promise to give – land lease at September 30, is as follows:

	2022	2021
Within One Year	$ 135,840	$ 135,840
In One to Five Years	679,200	679,200
Over Five Years	3,531,840	3,667,680
Total Promises to Give	4,346,880	4,482,720
Less: Discounts to Net Present Value	2,599,719	2,631,326
Promise to Give - Land Lease, Net	1,747,161	1,851,394
Less: Current Portion	99,732	104,233
Total Noncurrent Portion	$ 1,647,429	$ 1,747,161

NOTE 5 INVESTMENTS

Investments held at September 30 are as follows:

	2022	2021
Certificates of Deposit - Noncurrent	$ 226,575	$ 247,289
CFMC Stewardship Fund	340,030	414,394
CFMC Endowment Fund	785,639	742,407
Albany Road - Alternative Investment	130,199	57,838
Total	$ 1,482,443	$ 1,461,928

The Organization has established a Stewardship Fund (the Fund) with CFMC for the benefit of the Organization, and it can either take the annual payout as determined by the CFMC Board of Directors or the annual payout amount can be reinvested until the Organization requests it. The Organization has the option of withdrawing a portion or all of the Fund's principal at any time upon written request by the board of the Organization. CFMC is acting as an investment agent, investing assets that continue to belong to the Organization.

NOTE 5 INVESTMENTS (CONTINUED)

The Organization’s endowment consists of funds held at Community Foundation for Monterey County (CFMC). The Organization has granted variance power to CFMC. In the event of the dissolution of the Organization or, in the event it shall no longer be an organization described in Section 170(c) of the IRC of 1954, as amended, CFMC shall continue to hold the funds and shall distribute the income therefrom to such organizations as in their opinion most nearly serve the purposes and objectives of the Organization. All funds held are subject to the power of CFMC to modify any restrictions or conditions on the distribution of funds for any specified charitable purpose or to specified organizations if in their sole judgment such restriction becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the area served by them. The earnings payout of the fund is evaluated at least annually by CFMC. Considering the total return from investments, fees, expenses, and the effects of inflation, the annual payout is typically between 5% and 7% of the fair market value of the fund at December 31 of the preceding calendar year.

The Organization invested in Albany Road Real Estate Partners Fund III, LLC (the LLC), which is stated at fair value as estimated in an unquoted market. The fair value of the Organization’s interest in the LLC is determined based upon the most recent net asset value information provided by the LLC. The LLC invests in real estate assets. The fair value of the marketable securities held by the LLC are valued at their last sale price on such date or, if no sale occurred on any such date, the mean between the closing “bid” and “asked” prices on such date. The LLC values the derivatives at fair value based on quotations obtained from valuation agents or swap counterparties based on recent market transactions.

The related gain/loss is included in realized gain (loss) on investments-net in the statement of activities and changes in net assets. The LLC values alternative investments in the underlying funds utilizing the net asset valuations provided by the underlying private investment companies, without adjustment, when the net asset valuations of the investments are determined using a measurement basis consistent with U.S. GAAP for investment companies. The underlying fund’s management may determine fair value using methodologies that consider a range of factors, including but not limited to, the price at which the investment was acquired, the nature of the investment, local market conditions, current and projected performance and expected cash flows. The Fund manager has designed ongoing due diligence processes with respect to its underlying fund and their investment managers, which assist the manager in assessing the quality of the information provided and determining whether further investigation is necessary.

The Fund manager has established a valuation committee to oversee the valuation process. The valuation committee is responsible for developing the master funds’ written valuation processes and procedures, conducting periodic reviews of the valuation policies, and evaluating the overall fairness and consistent application of the valuation policies. Withdrawals are subject to certain requirements.

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment, net, consists of the following as of September 30:

	2022	2021
Buildings	$ 12,323,678	$ 11,912,392
Land Improvements	1,577,523	1,544,554
Furniture and Equipment	619,723	551,544
Autos and Trucks	96,904	101,904
Technology	150,937	142,612
Total	14,768,765	14,253,006
Less: Accumulated Depreciation	(2,874,867)	(2,391,674)
Total Depreciable Property and Equipment, Net	11,893,898	11,861,332
Construction in Progress:		
Recreation Fields	1,729	1,729
Culinary Academy	18,895	-
Modulars	950	-
Donated Vehicles	7,000	7,000
Garden	-	448
Tiny Home	5,000	-
Total Construction in Progress	33,574	9,177
Property and Equipment, Net	$ 11,927,472	$ 11,870,509

For the years ended September 30, 2022 and 2021, depreciation expense was $492,584 and $480,149, respectively.

NOTE 7 REFUNDABLE ADVANCE

The Organization received two rounds of funding in the form of loans from Pinnacle Bank under the Paycheck Protection Program (PPP) created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration (SBA). The Organization anticipated that it would be eligible for forgiveness up to 100% of the loans, upon meeting certain requirements. The loans are uncollateralized and fully guaranteed by the federal government. The Organization has accounted for the loans as refundable advances in accordance with the guidance in ASC 958-605 in which the loan proceeds are considered a conditional contribution. Upon forgiveness, contribution income is recognized.

In April 2020, the Organization received its first round of PPP funding of $304,140 accruing interest at 1%. No payments were required until the date that the SBA remitted the Organization's loan forgiveness amount to Pinnacle Bank. In February 2021, the loan was fully forgiven. The Organization recognized contribution income in the full amount of the loan for the year ended September 30, 2021, as all conditions for recognition were met.

NOTE 7 REFUNDABLE ADVANCE (CONTINUED)

In February 2021, the Organization received its second round of PPP funding of $323,533 accruing interest at 1%. No payments were required until the date the SBA remits the Organization's loan forgiveness amount to Pinnacle Bank. In October 2021, the loan was fully forgiven. The Organization recognized contribution income in the full amount of the loan for the year ended September 30, 2022, as all conditions for recognition were met.

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as of September 30:

	2022	2021
Subject to the Passage of Time:		
Promise to Give - Land Lease, Net	$ 1,747,160	$ 1,851,394
Other Pledges, Net	145,315	79,585
Subject to Expenditure for Specified Purpose:		
Capital Campaign	-	562,965
Youth Program	141,465	170,720
Endowment Earnings	-	86,788
CEO Search	-	50,000
Scholarship	66,596	44,850
Program Logic Model	14,200	19,600
Donor Endowment Corpus Net Assets:		
General Endowment	745,457	656,705
Total	$ 2,860,193	$ 3,522,607

During the course of the year, net assets that were subject to donor-imposed restrictions were fulfilled by actions of the Organization pursuant to those restrictions. These net assets are shown in the statement of activities as "net assets released from restrictions." The detail of the net assets released from restrictions at September 30 is as follows:

	2022	2021
Promise to Give - Land Lease, Net	$ 135,840	$ 135,840
Other Pledges - Time Restriction	195,617	187,833
Capital Campaign	411,405	1,136,636
Youth Programs	951,424	224,849
Endowment Earnings	14,420	9,395
Scholarship	15,375	5,825
Program Logic Model	5,400	5,400
Infrastructure Grant	-	25,990
CEO Search	50,000	-
Total	$ 1,779,481	$ 1,731,768

NOTE 9 ENDOWMENT

The Organization's endowment was established for on-going operating support. The endowment include both donor-restricted endowment funds and fund designated by the board of directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law – The Organization's Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not held in perpetuity under net assets with donor restrictions is classified as net assets with donor restrictions that are restricted by purpose until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

Spending Policy – The Organization has a policy of appropriating for distribution all investment earnings from the endowments as designated by its donors.

From time to time, certain endowment funds may have fair values that are less than the amount required to be maintained by donors or by law (underwater endowments). The Organization has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At September 30, 2022, funds with original gift values of $930,825, fair values of $834,539, and deficiencies of $96,286 were reported in net assets with donor restrictions. During the year, the Organization received distributions in the amount of $14,420from underwater endowments. Management expects these amounts to be fully recovered during 2023 due to favorable market fluctuations.

All other policies are governed by the Organization's agreement with Community Foundation which has been granted variance power.

NOTE 9 ENDOWMENT (CONTINUED)

The activity in the CFMC Endowment Fund for the years ended September 30 is as follows:

Endowment Net Asset Composition

September 30, 2022	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowments	$ -	$ 745,457	$ 745,457
Board-Designated Endowments (Program Endowment)	89,082	-	89,082
Total	$ 89,082	$ 745,457	$ 834,539
September 30, 2021			
Donor-Restricted Endowments	$ -	$ 742,407	$ 742,407
Board-Designated Endowments (Program Endowment)	-	-	-
Total	$ -	$ 742,407	$ 742,407

Changes in Endowment Net Assets

September 30, 2022	Without Donor Restrictions	With Donor Restrictions	Total
Balance at Beginning of Year	$ -	$ 742,407	$ 742,407
Investment Return:			
Investment Income	2,748	24,905	27,653
Realized/Unrealized Gain (Loss)	(13,058)	(173,482)	(186,540)
Investment Fees	(608)	(8,073)	(8,681)
Total Investment Return	(10,918)	(156,650)	(167,568)
Contributions	100,000	174,120	274,120
Distributions	-	(14,420)	(14,420)
Balance at End of Year	$ 89,082	$ 745,457	$ 834,539
September 30, 2021			
Balance at Beginning of Year	$ -	$ 246,108	$ 246,108
Investment Return:			
Investment Income	-	16,060	16,060
Realized/Unrealized Gain (Loss)	-	71,628	71,628
Investment Fees	-	(5,148)	(5,148)
Total Investment Return		82,540	82,540
Contributions	-	423,154	423,154
Distributions	-	(9,395)	(9,395)
Balance at End of Year	$ -	$ 742,407	$ 742,407

NOTE 10 DONATED SERVICES AND MATERIALS

The following is a summary of donated rent, services, and materials during the years ended September 30:

	General Operations	Youth Programs	Capital Improvements	Total
September 30, 2022				
Fixed Assets	$ -	$ -	$ 15,008	$ 15,008
Land Lease	1,476	30,131	-	31,607
Supplies	1,584	7,897	-	9,481
Discounts	4,558	4,496	-	9,054
Vehicles	-	1,800	-	1,800
Total before Special Events	7,618	44,324	15,008	66,950
Special Events	26,018	-	-	26,018
Total	$ 33,636	$ 44,324	$ 15,008	$ 92,968

	General Operations	Youth Programs	Capital Improvements	Total
September 30, 2021				
Fixed Assets	$ -	$ -	$ 21,824	$ 21,824
Land Lease	1,256	25,646	-	26,902
Supplies	1,000	27,169	-	28,169
Discounts/Services	895	20,808	-	21,703
Total before Special Events	3,151	73,623	21,824	98,598
Special Events	111,274	-	-	111,274
Total	$ 114,425	$ 73,623	$ 21,824	$ 209,872

Contributed assets and supplies received by the Organization are recorded as in-kind contribution revenue with a corresponding increase to fixed assets or program supply expense. The Organization values these items based on stated price as generally supported by an invoice.

The Organization entered into a long-term land lease agreement with the County of Monterey which covers the area that Rancho Cielo occupies. The rental payments stated in the agreement are stated at $1 per year. The Organization conducted an appraisal to determine value of annual rent. The amount of contributed rent over the remaining lease term is reported as a promise to give in the accompanying statements of financial position, and the related rent expense is recorded straight line over the life of the lease in the accompanying statements of activities. See note 4 for additional details.

The Organization receive items to be used or sold at their special events. These contributed items are valued at the stated value as noted from the donor. The selling price of these items are recorded at the gross selling price. Donors contributing items have not restricted the proceeds from the sale.

The Organization also receives a significant amount of donated services from unpaid volunteers who assist in in projects around the campus and at events. No amounts have been recognized in the statements of activities for these fundraising and special projects services because the criteria for recognition have not been satisfied.

NOTE 11 LEASING ACTIVITIES

The Organization leases a portion of its facilities in Salinas, California to several tenants under noncancellable operating lease agreements, on multi-year and month-to-month arrangements expiring through September 2023. Rental income for the years ended September 30, 2022 and 2021 totaled $352,428 and $313,393, respectively. Future minimum rental income on operating lease agreements as of September 30, 2022 is as follows:

Year Ending September 30,	Amount
2023	$ 226,575
Total	$ 226,575

NOTE 12 RELATED PARTY TRANSACTIONS

Several members on the board of directors own companies which provide construction, materials, and other related services to the Organization.

During the years ended September 30, 2022 and 2021, the Organization's revenue consisted of $330,196 and $182,788, respectively, from related parties. Amounts due from these related parties, as of September 30, 2022 and 2021, were $106,933 and $156,217, respectively. During the years ended September 30, 2022 and 2021, the Organization paid $410,933 and $5,908, respectively, to related parties. Amounts due to these related parties, as of September 30, 2022 and 2021, were $2,804 and $–0–, respectively.

Approximately $1,365 and $1,990 in services and materials were donated by related parties during the years ended September 30, 2022 and 2021, respectively.

NOTE 13 RETIREMENT PLAN

In June 2010, the board of directors approved a Simple Individual Retirement Account Plan (the Plan), which is available to employees who are 18 years of age, have completed one year of service, and where their prior-year compensation exceeds $5,000 in the year that proceeds the current Plan year. Employees voluntarily make contributions to the Plan based on limits established under the IRC. In addition, the Organization will match the employee's contribution up to 3% of compensation, in accordance with the Plan. During the years ended September 30, 2022 and 2021, employer contributions aggregated $21,593 and $25,060, respectively.

NOTE 14 CONCENTRATION OF CREDIT RISK

Cash and cash equivalents and investments at September 30, 2021, include accounts insured by the Federal Depository Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). As of September 30, 2022 and 2021, balances exceeded FDIC limits by $2,246,740 and $571,881, respectively. As of September 30, 2022 and 2021, balances exceeded SIPC limits by $1,456,495 and $864,143, respectively. The Organization has not experienced any losses in such accounts and believes it was not exposed to any significant risk at September 30, 2022.

NOTE 15 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Sources of liquidity include cash and cash equivalents, accounts receivable, and current pledges receivable.

The Organization manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets and
- Maintaining sufficient reserves to provide reasonable assurance that mission fulfillment will continue to be met, ensuring the sustainability of the Organization.

The Organization considers support and investment income without donor restrictions as well as distributions from the CFMC endowment fund to be available to meet liquidity needs for general expenditures. General expenditures include administrative and general expenses, program expenses, and fundraising expenses to be paid within one year of the statement of position date.

The following table reflects the Organization's financial assets available for general expenditure, that is, without donor or other contractual restrictions limiting their use, within one year of the statement of position. Amounts unavailable for general expenditures within one year include net assets with donor restrictions.

	2022	2021
Cash and Cash Equivalents	$ 3,579,111	$ 2,787,077
Accounts Receivable	379,242	252,329
Pledges Receivable, Current Portion	900	236,693
Investments	696,804	-
Financial Assets Available for General Expenditure Within One Year	$ 4,656,057	$ 3,276,099