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April 23, 2024

Board of Directors
Family and Youth Services Bureau
Porter County, Indiana

We have reviewed the audit report of Family and Youth Services Bureau which was opined upon by Swartz, Retson & Co., PC, Independent Public Accountants, for the period July 1, 2022 to June 30, 2023. Per the *Independent Auditors' Report*, the financial statements included in the report present fairly the financial condition of Family and Youth Services Bureau as of June 30, 2023, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Swartz, Retson & Co., PC prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

The audit report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

**FAMILY AND YOUTH
SERVICES BUREAU**

JUNE 30, 2023 AND 2022

SWARTZ, RETSON & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
235 E. 86TH AVENUE
MERRILLVILLE, INDIANA 46410

FAMILY AND YOUTH SERVICES BUREAU

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Family and Youth Services Bureau
253 W. Lincolnway
Valparaiso, IN 46383

Opinion

We have audited the accompanying financial statements of Family and Youth Services Bureau (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years 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 Family and Youth Services Bureau as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Family and Youth Services Bureau 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.

Responsibility 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 Family and Youth Services Bureau'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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Family and Youth Services Bureau'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 Family and Youth Services Bureau'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.

Schwartz, Peterson & Co., P.C.

Merrillville, IN

December 14, 2023

FAMILY AND YOUTH SERVICES BUREAU

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

ASSETS

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$1,369,946	\$1,373,637
Accounts Receivable – Net of Allowance of \$0 and \$0	98,620	148,463
Prepaid Expenses	17,351	13,378
Deposits	20,000	00
Land, Buildings and Equipment – Net	<u>367,951</u>	<u>541,134</u>
TOTAL ASSETS	<u>\$1,873,868</u>	<u>\$2,076,612</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Notes Payable	\$ 395,256	\$ 420,118
Accounts Payable	9,235	8,904
Accrued Salaries and Wages	3,070	2,755
Accrued Taxes and Expenses	(1,242)	(2,219)
Deferred Revenue	<u>00</u>	<u>51,220</u>
Total Liabilities	<u>406,319</u>	<u>480,778</u>
NET ASSETS		
Without Donor Restrictions	1,143,715	1,268,199
With Donor Restrictions	<u>323,834</u>	<u>327,635</u>
Total Net Assets	<u>1,467,549</u>	<u>1,595,834</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$1,873,868</u>	<u>\$2,076,612</u>

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

FAMILY AND YOUTH SERVICES BUREAU

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT			
Grants, Contracts, and Client Fees	\$ 980,505	\$323,834	\$1,304,339
Contributions	41,300	00	41,300
Interest	1,159	00	1,159
Fundraising Revenue	13,698	00	13,698
Other Income	19,966	00	19,966
Loss on Impairment of Asset	<u>(138,461)</u>	<u>00</u>	<u>(138,461)</u>
Revenues, Gains, and Other Support Prior to Net Assets Released from Restrictions	918,167	323,834	1,242,001
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	<u>327,635</u>	<u>(327,635)</u>	<u>00</u>
Total Revenues, Gains, and Other Support	<u>1,245,802</u>	<u>(3,801)</u>	<u>1,242,001</u>
EXPENSES			
Family Services	864,401	00	864,401
Management and General	493,141	00	493,141
Fundraising	<u>12,744</u>	<u>00</u>	<u>12,744</u>
Total Expenses	<u>1,370,286</u>	<u>00</u>	<u>1,370,286</u>
CHANGE IN NET ASSETS	(124,484)	(3,801)	(128,285)
NET ASSETS - Beginning of Year	<u>1,268,199</u>	<u>327,635</u>	<u>1,595,834</u>
NET ASSETS - End of Year	<u>\$1,143,715</u>	<u>\$323,834</u>	<u>\$1,467,549</u>

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

FAMILY AND YOUTH SERVICES BUREAU

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT			
Grants, Contracts, and Client Fees	\$ 961,014	\$327,635	\$1,288,649
Contributions	45,483	00	45,483
Interest	1,097	00	1,097
Fundraising Revenue	14,250	00	14,250
Other Income	<u>49,079</u>	<u>00</u>	<u>49,079</u>
Revenues, Gains, and Other Support Prior to Net Assets Released from Restrictions	1,070,923	327,635	1,398,558
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	<u>375,075</u>	<u>(375,075)</u>	<u>00</u>
Total Revenues, Gains, and Other Support	<u>1,445,998</u>	<u>(47,440)</u>	<u>1,398,558</u>
EXPENSES			
Family Services	818,425	00	818,425
Management and General	472,425	00	472,425
Fundraising	<u>22,962</u>	<u>00</u>	<u>22,962</u>
Total Expenses	<u>1,313,812</u>	<u>00</u>	<u>1,313,812</u>
CHANGE IN NET ASSETS	132,186	(47,440)	84,746
NET ASSETS - Beginning of Year	<u>1,136,013</u>	<u>375,075</u>	<u>1,511,088</u>
NET ASSETS - End of Year	<u>\$1,268,199</u>	<u>\$327,635</u>	<u>\$1,595,834</u>

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

FAMILY AND YOUTH SERVICES BUREAU
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Program Services Family Services	Support Services			Grand Total
		Mgmt and General	Fund- Raising	Total	
SALARIES AND RELATED EXPENSES					
Salaries and Wages	\$559,163	\$249,574	\$ 10,002	\$259,576	\$ 818,739
Employee Benefits	89,232	51,167	00	51,167	140,399
Payroll Taxes	<u>42,877</u>	<u>18,455</u>	<u>765</u>	<u>19,220</u>	<u>62,097</u>
Total Salaries and Related Expenses	691,272	319,196	10,767	329,963	1,021,235
EXPENSES					
Advertising	297	00	00	00	297
Bank Service Charges	3,326	00	00	00	3,326
Chalk the Walk	00	00	1,126	1,126	1,126
Conference and Training	12,457	333	00	333	12,790
Dues and Subscriptions	4,572	3,501	00	3,501	8,073
Equipment Rental and Repair	(972)	29,967	00	29,967	28,995
Insurance - Auto	00	2,339	00	2,339	2,339
Insurance - Business	00	15,408	00	15,408	15,408
Insurance - Workers' Comp	00	8,121	00	8,121	8,121
Insurance - Other	73	9,451	00	9,451	9,524
Interest	00	21,863	00	21,863	21,863
Miscellaneous	1,017	00	00	00	1,017
Office Supplies	8,000	16,045	851	16,896	24,896
Other Expenses	7,773	815	00	815	8,588
Postage and Delivery	00	2,138	00	2,138	2,138
Printing	1,216	673	00	673	1,889
Professional Fees	14,616	3,022	00	3,022	17,638
Recruitment	3,765	491	00	491	4,256
Repairs and Maintenance	19,625	34,774	00	34,774	54,399
Supplies	20,545	00	00	00	20,545
Telephone	9,637	6,540	00	6,540	16,177
Travel	9,863	61	00	61	9,924
Utilities	15,611	11,640	00	11,640	27,251
Volunteer Recognition	<u>3,384</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>3,384</u>
Total Expenses before Depreciation	826,077	486,378	12,744	499,122	1,325,199
Depreciation	<u>38,324</u>	<u>6,763</u>	<u>00</u>	<u>6,763</u>	<u>45,087</u>
TOTAL FUNCTIONAL EXPENSES	<u>\$864,401</u>	<u>\$493,141</u>	<u>\$ 12,744</u>	<u>\$505,885</u>	<u>\$1,370,286</u>

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

FAMILY AND YOUTH SERVICES BUREAU
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	Program Services Family Services	Support Services			Grand Total
		Mgmt and General	Fund- Raising	Total	
SALARIES AND RELATED EXPENSES					
Salaries and Wages	\$536,194	\$269,689	\$ 12,743	\$282,432	\$ 818,626
Employee Benefits	91,581	46,541	6,136	52,677	144,258
Payroll Taxes	<u>41,423</u>	<u>22,248</u>	<u>907</u>	<u>23,155</u>	<u>64,578</u>
Total Salaries and Related Expenses	669,198	338,478	19,786	358,264	1,027,462
EXPENSES					
Bank Service Charges	4,234	00	00	00	4,234
Chalk the Walk	00	00	1,943	1,943	1,943
Conference and Training	3,760	55	00	55	3,815
Dues and Subscriptions	4,204	4,060	00	4,060	8,264
Equipment Rental and Repair	1,762	23,774	00	23,774	25,536
Insurance - Auto	00	2,647	00	2,647	2,647
Insurance - Business	00	15,476	00	15,476	15,476
Insurance - Workers' Comp	00	10,629	00	10,629	10,629
Insurance - Other	117	10,289	00	10,289	10,406
Interest	00	22,251	00	22,251	22,251
Office Supplies	6,994	11,043	868	11,911	18,905
Other Expenses	3,524	00	00	00	3,524
Postage and Delivery	514	1,286	365	1,651	2,165
Printing	1,731	313	00	313	2,044
Professional Fees	15,263	1,728	00	1,728	16,991
Recruitment	2,537	1,163	00	1,163	3,700
Repairs and Maintenance	21,425	7,871	00	7,871	29,296
Supplies	14,081	00	00	00	14,081
Telephone	8,001	4,778	00	4,778	12,779
Travel	6,529	76	00	76	6,605
Utilities	14,652	9,557	00	9,557	24,209
Volunteer Recognition	<u>508</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>508</u>
Total Expenses before Depreciation	779,034	465,474	22,962	488,436	1,267,470
Depreciation	<u>39,391</u>	<u>6,951</u>	<u>00</u>	<u>6,951</u>	<u>46,342</u>
TOTAL FUNCTIONAL EXPENSES	<u>\$818,425</u>	<u>\$472,425</u>	<u>\$ 22,962</u>	<u>\$495,387</u>	<u>\$1,313,812</u>

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

FAMILY AND YOUTH SERVICES BUREAU

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (128,285)	\$ 84,746
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Depreciation	45,087	46,342
Loss on Asset Disposal	138,461	00
(Increase) Decrease in:		
Accounts Receivable	49,843	3,600
Prepaid Expenses	(3,973)	5,704
Deposits	(20,000)	00
Increase (Decrease) in:		
Accounts Payable	331	2,409
Accrued Taxes and Expenses	977	(2,048)
Accrued Salaries and Wages	315	(40,343)
Deferred Revenue	<u>(51,220)</u>	<u>00</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	31,536	100,410
 CASH FLOWS FROM INVESTMENT ACTIVITIES		
Acquisition of Property and Equipment	(10,365)	(4,574)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Notes Payable	<u>(24,862)</u>	<u>(44,007)</u>
 NET INCREASE (DECREASE) IN CASH	(3,691)	51,829
 CASH - Beginning of Year	<u>1,373,637</u>	<u>1,321,808</u>
 CASH - End of Year	<u>\$1,369,946</u>	<u>\$1,373,637</u>
 SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION		
CASH PAID DURING THE YEAR FOR:		
Interest	<u>\$ 21,863</u>	<u>\$ 22,251</u>

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

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The mission of the Family and Youth Services Bureau (the Organization) is to assist youth and families through supportive services that create a positive change for Porter County.

Accounting Methods

The financial statements of the Organization are prepared on the accrual basis of accounting.

Program Revenue

The Organization receives program revenue from federal, state, and local agencies. Receipt of these funds is subject to the fulfillment of certain obligations by the Organization as prescribed by these programs and funds may be subject to repayment upon a determination of noncompliance made by a funding agency.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Contributions whose restrictions are met in the same period as the recognition of the contribution are considered unrestricted for reporting purposes.

Contributions

Unconditional pledges by others to give cash and other assets to the Organization are reported at fair value at the date the pledge is received to the extent estimated to be collectible. Pledges and contributions received with donor restrictions that limit the use of the donated assets are reported as increases in net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose for which the donated assets were restricted is fulfilled, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Net Assets With Donor Restrictions

Net assets with donor restrictions are used to differentiate resources, the use of which is restricted by donors or grantors to a specific time period or purpose, from resources on which no restrictions have been placed or that arise from the general operations of the Organization. Gifts, grants, and bequests with donor restrictions are reported as an increase in net assets with donor restrictions in the period received.

Cash

Cash, as presented on the accompanying balance sheets and statements of cash flows, includes cash on hand and deposits in interest bearing and non-interest bearing accounts in financial institutions.

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Accounts Receivable

The Organization maintains an allowance for doubtful accounts carried at an amount which bad accounts are reasonably expected not to exceed. Receivables are considered past due when payment is not received within the period allowed under terms of the sales. Periodically, the Organization's management reviews past due receivables and allows for all accounts deemed uncollectible after all reasonable collection efforts have been exhausted.

Liquidity Management

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization maintains cash in excess of monthly requirements in an interest-bearing savings account.

Functional Expense Allocation Methodology

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. The financial statements report certain categories of expenses as attributable to one or more program or supporting functions of the Organization. Those expenses include depreciation, office space, and administrative department. Depreciation and office space are allocated based on square footage; the administrative department allocated a percentage of cost to each program based on the programs budget as it relates to the overall budget of the entire Organization.

Financial Instruments and Credit Risk

The Organization is a not-for-profit organization providing supportive services to youth and families in need in Porter County, Indiana. The Organization's accounts receivable from grantors, municipalities or other entities purchasing services on a contract basis or consumers are unsecured. Unsecured accounts receivable at June 30, 2023 and 2022 are \$98,620 and \$148,463, respectively. At June 30, 2023, the Organization has \$877,973 in financial institutions in excess of the Federal Deposit Insurance Corporations' (FDIC) insured level of \$250,000. The amount of potential exposure is computed based on the bank's statement balance at June 30, 2023 and is not adjusted for the outstanding checks and other in-transit items reflected in the Organization's records.

Property and Equipment

Property, equipment, and improvement expenditures in excess of \$1,000 are capitalized and carried at cost. Depreciation expense is computed using straight-line and accelerated methods over the estimated useful life of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any gain or loss resulting from the transactions is recognized as income for the period. The cost of repairs and maintenance is charged to income as incurred; significant renewals and betterments are capitalized. The depreciation expense for the years ended June 30, 2023 and 2022 was \$45,087 and \$46,342, respectively.

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Income Taxes

Family and Youth Services Bureau is exempt from the payment of federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and from state income taxes under Indiana law. The Organization is not a private foundation.

Revenue Recognition

Grants, Contributions, and Pledges - The Organization receives grants and contributions to support operating activities, to subsidize clients, and to support capital projects. The Organization records contributions receivable, net of allowance for estimated uncollectible amounts, when there is sufficient evidence in the form of verifiable documentation that an unconditional promise was received. The Organization discounts multi-year pledges which are recorded at fair value at the date of the pledge. Conditional promises to give are recognized only when the conditions on which they depend are substantially met. The Organization receives grants that are non-exchange transactions that are recognized upon award.

Exchange Transactions - The Organization has revenue streams that are accounted for as exchange transactions and receives payment after services are performed. The Organization's primary program is to provide support to persons in need including individual clients and families. Services are billed out and revenue is recognized monthly which matches the period of time when services were performed.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Uncertain Income Tax Positions

When applicable, changes in benefits arising from current and prior tax positions taken by the Organization are recognized in the period in which the change occurs. Changes resulting from settlements with taxing authorities are recognized in the period that settlement occurs. Reductions in unrecognized tax benefits as a result of a lapse of the applicable statute of limitations are recognized in the period the statute lapses. Projected penalties and interest recognized on tax positions where it is reasonably possible that the Organization's tax position will not prevail in a review by taxing authorities is recognized as part of current period income tax expense. Management believes that the current and three prior tax periods remain subject to examination by taxing jurisdictions.

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 2 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Grant and Contracts Receivable - Net of Allowance for Uncollectable of \$0 and \$0 for the years ended June 30, 2023 and 2022, respectively	\$ <u>98,620</u>	\$ <u>148,463</u>

NOTE 3 - PROPERTY AND EQUIPMENT

A summary of property and equipment at June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Land	\$ 44,222	\$ 44,222
Building and Improvements	703,979	1,196,621
Furniture and Fixtures	117,030	115,060
Vehicles	19,373	19,373
Accumulated Depreciation	(516,653)	(834,142)
Total Property and Equipment	<u>\$367,951</u>	<u>\$ 541,134</u>

NOTE 4 - COMMITMENTS

The Organization has long-term lease commitments for office equipment. Rent expense for these leases was \$5,285 and \$5,285 for the years ended June 30, 2023 and 2022, respectively.

Future minimum payments over the remaining terms of the leases are as follows:

<u>Year Ending</u>	<u>Amount</u>
June 30, 2024	\$ 3,196
June 30, 2025	\$ 568

NOTE 5 - NOTES PAYABLE

The Organization has the following long-term notes payable at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Teachers Credit Union, monthly installments of \$1,302, including interest at 5.08%, matures on May 31, 2038, secured by real estate with a carrying value of \$212,407	\$142,594	\$149,071

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

NOTE 5 - NOTES PAYABLE CONTINUED

	<u>2023</u>	<u>2022</u>
Teachers Credit Union, monthly installments of \$1,895, including interest at 5.08%, matures on May 31, 2038, secured by real estate with a carrying value of \$45,102	\$235,445	\$246,552
Pulse Technology, 5.08%, monthly payments of \$559, matures November 2025, secured by equipment with a carrying value of \$14,540	15,229	21,005
Sourcewell, 5.08%, monthly payments of \$413, matures June 2024, secured by equipment with a carrying value of \$2,792	<u>1,988</u>	<u>3,490</u>
Total	395,256	420,118
Less: Current Portion of Debt	<u>22,173</u>	<u>18,698</u>
Total Long-Term Notes Payable	<u>\$373,083</u>	<u>\$401,420</u>

A summary of maturities of debt for the next five years are as follows:

<u>Year Ending</u>	<u>Amount</u>
June 30, 2024	\$ 22,173
June 30, 2025	\$ 22,276
June 30, 2026	\$ 19,260
June 30, 2027	\$ 17,590
June 30, 2028	\$ 18,753

NOTE 6 - LOSS ON IMPAIRMENT OF ASSETS

During the fiscal year ending June 30, 2023, management became aware that one of the Organization's facilities structural integrity was impaired and is unfit to occupy. The Organization wrote off the structural portions of the property, recognizing a loss on the impaired asset of \$138,461. The Organization has put the property up for sale. The market value of the property is expected to exceed the carrying value of the underlying real property and the cost of demolishing the impaired structure.

NOTE 7 - INTEREST EXPENSE

Interest expense incurred for the years ended June 30, 2023 and 2022 was \$21,863 and \$21,276, respectively.

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 8 - RETIREMENT PLAN

The Organization has a 403(b) plan with Capital Bank and Trust whereby eligible employees make elective deferrals, and the Organization funds 4% of their salary. Employees who are 21 years of age and meet the minimum service requirement are eligible to participate. Full-time employees must be employed a minimum of 12 consecutive months, and part-time employees must be employed a minimum of 36 consecutive months to be eligible to participate. The retirement plan expense for the years ended June 30, 2023 and 2022 totaled \$25,776 and \$25,045, respectively.

NOTE 9 - AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>Amount</u>
Cash	\$1,369,947
Accounts Receivable	<u>98,620</u>
Total Financial Assets Available Within One Year	1,468,567
Less: Amounts Unavailable for General Expenditures Within One Year, due to Restricted by Donors With Purpose Restrictions	<u>327,635</u>
Total Financial Assets Available to Management for General Expenditures Within One Year	<u>\$1,140,932</u>

NOTE 10 - CONCENTRATION OF REVENUE

During the years ended June 30, 2023 and 2022, the Organization received 78% and 72% of its revenues from three sources. No determination has been made as to the effect on the financial statements should funding cease.

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

Cash, as reported on the statement of financial position, includes amounts which are restricted for specific purposes by the direction of the donor or grantor:

	<u>2023</u>	<u>2022</u>
Services for the Residents of Porter County, Indiana -		
Total Net Assets With Donor Restrictions	<u>\$327,635</u>	<u>\$327,635</u>

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

NOTE 12 - SUBSEQUENT EVENT - CORONAVIRUS (COVID-19)

In December 2019, an outbreak of a new strain of coronavirus, COVID-19, emerged in Wuhan, China. Within weeks, despite efforts to contain the virus in China that included widespread shutdowns of cities and businesses, the number of those infected grew significantly, and beyond China's borders. During the first quarter of 2020, the coronavirus spread worldwide. The virus continues to spread in the United States and effect, business operations, supply chains, business and leisure travel, commodity prices, consumer confidence and business sentiment, and as companies consider the impact on their businesses of employees working from home and consumers avoiding air travel, stores, restaurants, sports events and other venues, most businesses and industry sectors will be affected. In December 2020, the United States approved two COVID-19 vaccines. A third vaccine was approved in February 2021 and boosters became available in September 2021. As of the report date, vaccinations are being distributed and administered to individuals throughout the United States. The coronavirus outbreak is still evolving and its effects on the Organization cannot be reasonably determined.

NOTE 13 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 14, 2023, the date the financial statements were available for issuance.