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April 16, 2021

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

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, 2019 to June 30, 2020. 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, 2020 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 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 blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

**FAMILY AND YOUTH
SERVICES BUREAU**

JUNE 30, 2020 AND 2019

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

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, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Family and Youth Services Bureau as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Merrillville, IN
December 8, 2021

FAMILY AND YOUTH SERVICES BUREAU

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

ASSETS

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	\$1,338,054	\$ 943,655
Accounts Receivable – Net of Allowance of \$0 and \$0	117,094	149,139
Prepaid Expenses	16,016	15,740
Land, Buildings and Equipment – Net	<u>562,781</u>	<u>601,720</u>
TOTAL ASSETS	<u>\$2,033,945</u>	<u>\$1,710,254</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Notes Payable	\$ 690,540	\$ 464,206
Accounts Payable	8,527	90,030
Accrued Taxes and Expenses	(3,037)	1,755
Accrued Salaries and Wages	44,314	29,878
Deferred Revenue	<u>4,586</u>	<u>00</u>
Total Liabilities	<u>744,930</u>	<u>585,869</u>
NET ASSETS		
Without Donor Restrictions	910,175	790,485
With Donor Restrictions	<u>378,840</u>	<u>333,900</u>
Total Net Assets	<u>1,289,015</u>	<u>1,124,385</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$2,033,945</u>	<u>\$1,710,254</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, 2020

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT			
Grants, Contracts, and Client Fees	\$1,406,295	\$378,840	\$1,785,135
Contributions	16,786	00	16,786
Interest	1,578	00	1,578
Fundraising Revenue	7,037	00	7,037
Program Income	<u>3,639</u>	<u>00</u>	<u>3,639</u>
Revenues, Gains, and Other Support Prior to Net Assets Released from Restrictions	1,435,335	378,840	1,814,175
Net Assets Release from Restrictions:			
Satisfaction of Program Restrictions	<u>333,900</u>	<u>(333,900)</u>	<u>00</u>
Total Revenues, Gains, and Other Support	<u>1,769,235</u>	<u>44,940</u>	<u>1,814,175</u>
EXPENSES			
Family Services	1,085,296	00	1,085,296
Management and General	<u>564,249</u>	<u>00</u>	<u>564,249</u>
Total Expenses	<u>1,649,545</u>	<u>00</u>	<u>1,649,545</u>
CHANGE IN NET ASSETS	119,690	44,940	164,630
NET ASSETS - Beginning of Year	<u>790,485</u>	<u>333,900</u>	<u>1,124,385</u>
NET ASSETS - End of Year	<u>\$ 910,175</u>	<u>\$378,840</u>	<u>\$1,289,015</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, 2019

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT			
Grants, Contracts, and Client Fees	\$1,395,648	\$333,900	\$1,729,548
Contributions	45,373	00	45,373
Interest	1,315	00	1,315
Other Income	(9,224)	00	(9,224)
Fundraising Revenue	<u>15,559</u>	<u>00</u>	<u>15,559</u>
Revenues, Gains, and Other Support Prior to Net Assets Released from Restrictions	1,448,671	333,900	1,782,571
Net Assets Release from Restrictions:			
Satisfaction of Program Restrictions	<u>300,000</u>	<u>(300,000)</u>	<u>00</u>
Total Revenues, Gains, and Other Support	<u>1,748,671</u>	<u>33,900</u>	<u>1,782,571</u>
EXPENSES			
Family Services	1,059,228	00	1,059,228
Management and General	<u>597,976</u>	<u>00</u>	<u>597,976</u>
Total Expenses	<u>1,657,204</u>	<u>00</u>	<u>1,657,204</u>
CHANGE IN NET ASSETS	91,467	33,900	125,367
NET ASSETS - Beginning of Year	<u>699,018</u>	<u>300,000</u>	<u>999,018</u>
NET ASSETS - End of Year	<u>\$ 790,485</u>	<u>\$333,900</u>	<u>\$1,124,385</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, 2020

	<u>Program Services Family Services</u>	<u>Support Services Mgmt and General</u>	<u>Grand Total</u>
SALARIES AND RELATED EXPENSES			
Salaries and Wages	\$ 764,136	\$286,293	\$1,050,429
Employee Benefits	92,921	80,521	173,442
Payroll Taxes	<u>61,235</u>	<u>18,498</u>	<u>79,733</u>
Total Salaries and Related Expenses	918,292	385,312	1,303,604
EXPENSES			
Agency Events	00	730	730
Auto Maintenance	00	459	459
Bank Service Charges	651	1,600	2,251
Conference and Training	6,998	2,111	9,109
Dues and Subscriptions	6,083	5,859	11,942
Equipment Rental and Repair	12,377	36,079	48,456
Insurance - Auto	00	1,897	1,897
Insurance - Business	00	8,816	8,816
Insurance - Workers' Comp	00	12,489	12,489
Insurance - Other	1,379	13,800	15,179
Interest	00	23,106	23,106
Newsletter	00	1,027	1,027
Office Supplies	8,159	7,395	15,554
Postage and Delivery	1,644	2,464	4,108
Printing	820	904	1,724
Professional Fees	4,067	19,049	23,116
Recruitment	925	585	1,510
Repairs and Maintenance	10,991	14,274	25,265
Retention	17,481	00	17,481
Supplies	30,184	6,934	37,118
Telephone	7,520	3,970	11,490
Travel	9,650	470	10,120
Utilities	<u>14,977</u>	<u>9,078</u>	<u>24,055</u>
Total Expenses before Depreciation	1,052,198	558,408	1,610,606
Depreciation	<u>33,098</u>	<u>5,841</u>	<u>38,939</u>
TOTAL FUNCTIONAL EXPENSES	<u>\$1,085,296</u>	<u>\$564,249</u>	<u>\$1,649,545</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, 2019

	<u>Program Services</u> Family <u>Services</u>	<u>Support Services</u> Mgmt and <u>General</u>	<u>Grand Total</u>
SALARIES AND RELATED EXPENSES			
Salaries and Wages	\$ 763,463	\$312,303	\$1,075,766
Employee Benefits	90,404	80,886	171,290
Payroll Taxes	<u>59,890</u>	<u>21,428</u>	<u>81,318</u>
Total Salaries and Related Expenses	913,757	414,617	1,328,374
EXPENSES			
Agency Events	00	326	326
Auto Maintenance	00	450	450
Bank Service Charges	1,058	1,150	2,208
Conference and Training	6,198	1,440	7,638
Dues and Subscriptions	3,734	6,110	9,844
Equipment Rental and Repair	10,332	33,683	44,015
Fundraising	1,682	00	1,682
Insurance - Auto	493	1,237	1,730
Insurance - Business	00	8,547	8,547
Insurance - Workers' Comp	00	10,979	10,979
Insurance - Other	1,504	13,650	15,154
Interest	00	23,963	23,963
Networking	00	149	149
Newsletter	00	1,297	1,297
Office Supplies	7,628	6,032	13,660
Postage and Delivery	1,281	1,291	2,572
Printing	480	1,324	1,804
Professional Fees	6,124	18,881	25,005
Recruitment	620	457	1,077
Repairs and Maintenance	11,312	26,350	37,662
Retention	4,759	00	4,759
Supplies	21,702	7,114	28,816
Telephone	7,812	3,897	11,709
Travel	11,696	658	12,354
Utilities	<u>13,637</u>	<u>8,477</u>	<u>22,114</u>
Total Expenses before Depreciation	1,025,809	592,079	1,617,888
Depreciation	<u>33,419</u>	<u>5,897</u>	<u>39,316</u>
TOTAL FUNCTIONAL EXPENSES	<u>\$1,059,228</u>	<u>\$597,976</u>	<u>\$1,657,204</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, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 164,630	\$125,367
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	38,939	39,316
Loss on Asset Disposal	00	12,725
(Increase) Decrease in:		
Accounts Receivable	32,045	40,210
Prepaid Expenses	(276)	(865)
Increase (Decrease) in:		
Accounts Payable	(81,503)	79,617
Accrued Taxes and Expenses	(4,792)	(1,521)
Accrued Salaries and Wages	14,436	8,265
Deferred Revenue	<u>4,586</u>	<u>(36,483)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>168,065</u>	<u>266,631</u>
 CASH FLOWS FROM INVESTMENT ACTIVITIES		
Payments for Purchases of Fixed Assets	00	(42,484)
Proceeds from the Sale of Fixed Assets	<u>00</u>	<u>3,500</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>00</u>	<u>(38,984)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of Notes Payable	241,592	00
Repayment of Notes Payable	<u>(15,258)</u>	<u>(14,860)</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>226,334</u>	<u>(14,860)</u>
 NET INCREASE IN CASH	394,399	212,787
 CASH - Beginning of Year	<u>943,655</u>	<u>730,868</u>
 CASH - End of Year	<u>\$1,338,054</u>	<u>\$943,655</u>
 SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION		
CASH PAID DURING THE YEAR FOR:		
Interest	\$ <u>23,106</u>	\$ <u>23,963</u>

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

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

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, 2020 AND 2019

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

At June 30, 2020, the Organization has \$851,188 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, 2020 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, 2020 and 2019 was \$38,939 and \$39,316, respectively.

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.

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

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, 2020 AND 2019

NOTE 2 - ACCOUNTING PRONOUNCEMENTS ADOPTED

In August 2016, the FASB issued Accounting Standards Update ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adopted ASU 2016-14 as of and for the year ended June 30, 2019 and has adjusted the presentation of these financial statements accordingly. The ASU has been applied retrospectively. The Organization has opted not to disclose liquidity and availability information for 2018 as permitted under the ASU in the year of adoption.

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update ASU 2018-08, Not-for-Profit Entities (Topic 958) – *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This update provides guidance for evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The Organization has adopted ASU 2018-08 as of and for the year ended June 30, 2019 and has recognized transactions based on the guidance therein. There were no significant changes in financial statement line items as a result of the adoption of ASU 2018-08.

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU and all subsequently issued clarifying ASUs replaces most existing revenue recognition guidance in U.S. GAAP. The goal of ASU 2014-09 is to improve comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets. The new guidance requires entities to recognize revenue based on the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Organization has adopted ASU 2014-09 as of January 1, 2019, using the modified retrospective approach which requires cumulative effect adjustment to opening retained earnings be recorded for the effects of revenue recognition on years prior to adoption. Management has determined that application of ASU 2014-09 and subsequent amendments did not have a material effect on the financial statements for years prior to adoption and, therefore, a cumulative effect adjustment is not necessary.

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Grant and Contracts Receivable -		
Net of Allowance for Uncollectable of \$0 and \$0		
for the years ended June 30, 2020 and 2019, respectively	\$ <u>117,094</u>	\$ <u>149,139</u>

NOTE 4 - PROPERTY AND EQUIPMENT

A summary of property and equipment at June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Land	\$ 44,222	\$ 44,222
Building and Improvements	1,176,391	1,176,391
Furniture and Fixtures	67,929	67,929
Vehicles	19,373	19,373
Accumulated Depreciation	<u>(745,134)</u>	<u>(706,195)</u>
Total Property and Equipment	\$ <u>562,781</u>	\$ <u>601,720</u>

NOTE 5 - COMMITMENTS

The Organization has long-term lease commitments for office equipment. Rent expense for these leases was \$11,771 and \$13,550 for the years ended June 30, 2020 and 2019, respectively.

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

<u>Year Ending</u>	<u>Amount</u>
June 30, 2021	\$ 9,931
June 30, 2022	\$ 1,704
June 30, 2023	\$ 1,704
June 30, 2024	\$ 1,704
June 30, 2025	\$ 568

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 6 - NOTES PAYABLE

The Organization has the following long-term notes payable at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Payroll Protection Loan, monthly installments of \$10,172, including interest at 1.000%, matures on April 23, 2022	\$241,591	\$ 00
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 \$182,723	182,723	188,943
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 \$266,225	<u>266,225</u>	<u>275,263</u>
Total	690,539	464,206
Less: Current Portion of Debt	<u>257,517</u>	<u>15,131</u>
Total Long-Term Notes Payable	<u>\$433,022</u>	<u>\$449,075</u>

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

<u>Year Ending</u>	<u>Amount</u>
June 30, 2021	\$ 257,517
June 30, 2022	\$ 16,753
June 30, 2023	\$ 17,624
June 30, 2024	\$ 18,541
June 30, 2025	\$ 19,505

NOTE 7 - INTEREST EXPENSE

Interest expense incurred for the years ended June 30, 2020 and 2019 was \$23,106 and \$23,963, respectively.

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, 2020 and 2019 totaled \$30,350 and \$29,796, respectively.

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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	\$1,338,054
Accounts Receivable	<u>117,094</u>
Total Financial Assets Available Within One Year	1,455,148
Less: Amounts Unavailable for General Expenditures Within One Year, due to Restricted by Donors With Purpose Restrictions	<u>378,840</u>
Total Financial Assets Available to Management for General Expenditures Within One Year	<u>\$1,076,308</u>

NOTE 10 - CONCENTRATION OF REVENUE

During the years ended June 30, 2020 and 2019, the Organization received 54% and 67% of its revenues from two and three funding sources, respectively. 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>2020</u>	<u>2019</u>
Services for the Residents of Porter County, Indiana - Total Net Assets With Donor Restrictions	<u>\$378,840</u>	<u>\$333,900</u>

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 2020, the coronavirus has spread worldwide, including the United States. The virus continues to spread in the United States and it affects 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. The coronavirus outbreak is still evolving and its effects on the Organization cannot be reasonably determined.

FAMILY AND YOUTH SERVICES BUREAU

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 13 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 8, 2021, the date the financial statements were available for issuance.