

GREATER MINNEAPOLIS CRISIS NURSERY
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Greater Minneapolis Crisis Nursery
Minneapolis, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Greater Minneapolis Crisis Nursery (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, 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 Greater Minneapolis Crisis Nursery as of June 30, 2022 and 2021, 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 (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 Greater Minneapolis Crisis Nursery 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 Greater Minneapolis Crisis Nursery's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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 Greater Minneapolis Crisis Nursery'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 Greater Minneapolis Crisis Nursery'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.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
January 18, 2023

GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,855,481	\$ 1,088,615
Promises to Give, Less Allowance for Uncollectible		
Promises of \$23,691 in 2022 and \$23,691 in 2021	78,950	36,100
Government Grants Receivable	192,126	180,431
Other Receivables	34,790	26,617
Prepaid Expenses	20,622	14,836
Total Current Assets	2,181,969	1,346,599
OTHER ASSETS		
Intangible Asset	40,000	-
Property and Equipment, Net	1,906,827	1,988,476
Long-Term Promises to Give, Net of Current Portion	25,000	-
Total Other Assets	1,971,827	1,988,476
 Total Assets	 \$ 4,153,796	 \$ 3,335,075
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 78,623	\$ 50,626
Accrued Expenses and Other Liabilities	127,401	268,152
Total Liabilities	206,024	318,778
NET ASSETS		
Without Donor Restrictions	3,611,723	2,821,369
With Donor Restrictions	336,047	194,928
Total Net Assets	3,947,772	3,016,297
 Total Liabilities and Net Assets	 \$ 4,153,796	 \$ 3,335,075

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022			2021		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
PUBLIC SUPPORT AND REVENUE						
Public Support:						
Contributions and Grants	\$ 2,183,145	\$ 386,214	\$ 2,569,359	\$ 1,771,738	\$ 268,428	\$ 2,040,166
United Way	78,744	-	78,744	95,572	-	95,572
Government Grants	941,398	-	941,398	756,398	-	756,398
PPP Loan Forgiveness	-	-	-	517,700	-	517,700
In-Kind Contributions	102,141	-	102,141	120,465	-	120,465
Special Events Revenues	560,525	-	560,525	553,117	-	553,117
Special Events Expenses	(132,010)	-	(132,010)	(54,122)	-	(54,122)
Total Public Support	<u>3,733,943</u>	<u>386,214</u>	<u>4,120,157</u>	<u>3,760,868</u>	<u>268,428</u>	<u>4,029,296</u>
Other Revenue	442	-	442	25,239	-	25,239
Net Assets Released from Restrictions	245,095	(245,095)	-	188,770	(188,770)	-
Total Public Support and Revenue	<u>3,979,480</u>	<u>141,119</u>	<u>4,120,599</u>	<u>3,974,877</u>	<u>79,658</u>	<u>4,054,535</u>
EXPENSES						
Program Services	2,309,474	-	2,309,474	2,499,585	-	2,499,585
Supporting Activities:						
Management and General	404,136	-	404,136	593,795	-	593,795
Fundraising	475,516	-	475,516	427,641	-	427,641
Total Supporting Activities	<u>879,652</u>	<u>-</u>	<u>879,652</u>	<u>1,021,436</u>	<u>-</u>	<u>1,021,436</u>
Total Expenses	<u>3,189,126</u>	<u>-</u>	<u>3,189,126</u>	<u>3,521,021</u>	<u>-</u>	<u>3,521,021</u>
CHANGE IN NET ASSETS	790,354	141,119	931,473	453,856	79,658	533,514
Net Assets - Beginning of Year	<u>2,821,369</u>	<u>194,928</u>	<u>3,016,297</u>	<u>2,367,513</u>	<u>115,270</u>	<u>2,482,783</u>
NET ASSETS - END OF YEAR	<u><u>\$ 3,611,723</u></u>	<u><u>\$ 336,047</u></u>	<u><u>\$ 3,947,772</u></u>	<u><u>\$ 2,821,369</u></u>	<u><u>\$ 194,928</u></u>	<u><u>\$ 3,016,297</u></u>

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022**

	Supporting Activities			Total Supporting Activities	Total
	Program Services	Management and General	Fundraising		
Salaries	\$ 1,439,094	\$ 277,660	\$ 297,833	\$ 575,493	\$ 2,014,587
Benefits	105,515	12,230	20,599	32,830	138,345
Payroll Taxes	246,873	9,805	51,020	60,825	307,698
Total Salaries and Related	1,791,482	299,695	369,452	669,148	2,460,630
Contract Services	86,391	21,870	16,049	37,919	124,310
Child Care and Parent Program General Expense	61,646	9,904	27,316	37,220	98,866
Medical Supplies and Assessments	2,763	-	-	-	2,763
Event Expenses	-	-	132,010	132,010	132,010
Food Service	36,119	-	-	-	36,119
Occupancy	50,411	9,921	2,732	12,653	63,064
Repairs and Maintenance	47,869	7,405	2,265	9,670	57,539
Printing and Publications	4,453	1,193	20,332	21,525	25,978
Professional Fees	68,386	12,835	8,190	21,025	89,411
Insurance	23,518	15,950	3,203	19,153	42,671
Staff Education and Development	9,698	5,853	1,748	7,601	17,299
Public Relations	-	-	7,408	7,408	7,408
Office Supplies and Expenses	2,704	2,252	249	2,501	5,205
Postage and Shipping	231	(1,370)	6,842	5,472	5,703
Travel	1,785	217	95	312	2,097
Gain/Loss on Sale of Stock	-	-	300	300	300
Other Expenses	1,865	207	670	877	2,742
Total Expenses Before Depreciation and Amortization	2,189,321	385,932	598,861	984,794	3,174,115
Depreciation and Amortization	120,153	18,204	8,665	26,869	147,022
Total	2,309,474	404,136	607,526	1,011,663	3,321,137
Expenses Netted Against Revenues	-	-	(132,010)	(132,010)	(132,010)
Total Expenses by Function	\$ 2,309,474	\$ 404,136	\$ 475,516	\$ 879,652	\$ 3,189,126

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021**

	Supporting Activities				Total
	Program Services	Management and General	Fundraising	Total Supporting Activities	
Salaries	\$ 1,552,645	\$ 345,511	\$ 284,061	\$ 629,572	\$ 2,182,217
Benefits	266,519	42,366	48,861	91,227	357,746
Payroll Taxes	93,165	27,511	16,888	44,399	137,564
Total Salaries and Related	1,912,329	415,388	349,810	765,198	2,677,527
Contract Services	132,513	25,778	16,111	41,889	174,402
Child Care and Parent Program General Expense	79,989	10,647	6,638	17,285	97,274
Medical Supplies and Assessments	7,901	377	-	377	8,278
Event Expenses	-	-	54,122	54,122	54,122
Food Service	36,802	-	-	-	36,802
Repairs and Maintenance	40,805	10,620	4,472	15,092	55,897
Printing and Publications	3,426	7,871	12,122	19,993	23,419
Professional Fees	130,727	11,851	7,407	19,258	149,985
Insurance	20,626	16,090	2,344	18,434	39,060
Staff Education and Development	8,833	2,902	859	3,761	12,594
Public Relations	1,030	-	7,825	7,825	8,855
Office Supplies and Expenses	3,158	772	85	857	4,015
Postage and Shipping	357	2,247	6,928	9,175	9,532
Travel	725	372	28	400	1,125
Bad Debt Expense	31	21,386	220	21,606	21,637
Interest	-	-	-	-	-
Other Expenses	89	6,708	-	-	89
Total Expenses Before Depreciation and Amortization	2,419,546	543,473	473,377	1,016,850	3,436,396
Depreciation and Amortization	80,039	50,322	8,386	58,708	138,747
Total	2,499,585	593,795	481,763	1,075,558	3,575,143
Expenses Netted Against Revenues	-	-	(54,122)	(54,122)	(54,122)
Total Expenses by Function	\$ 2,499,585	\$ 593,795	\$ 427,641	\$ 1,021,436	\$ 3,521,021

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in Net Assets	\$ 931,473	\$ 533,514
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	147,022	138,747
Noncash PPP Loan Forgiveness	-	(517,700)
Amortization of Discount of Unconditional Promises to Give Restricted for Long-Term Purposes	-	(578)
Changes in Assets and Liabilities:		
Promises to Give	(67,850)	(2,831)
Government Grants Receivable	(19,868)	(141,696)
Other Receivables and Prepaid Expenses	(5,786)	33,307
Intangible Asset	(40,000)	
Accounts Payable	27,997	(943)
Accrued Expenses and Other Liabilities	(140,751)	(6,810)
Net Cash Provided by Operating Activities	832,237	35,010
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(66,525)	(68,320)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	766,866	(33,310)
Cash and Cash Equivalents - Beginning of Year	1,088,615	1,121,925
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,855,481	\$ 1,088,615

See accompanying Notes to Financial Statements.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Greater Minneapolis Crisis Nursery (the Nursery) was incorporated under the Minnesota Nonprofit Corporation Act in 1981. In September 1983, GMCN was determined to be a nonprofit 501(c)(3) organization and was also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

The Nursery's mission is to assist in the prevention of child abuse and neglect and create strong, healthy families. The Crisis Nursery provides free, voluntary services 24 hours a day, 365 days a year to families in crisis with young children at risk of abuse or neglect. The families that the Nursery serves are primarily low-income families of which 91% are of color or those identifying as Native or Hispanic, and of those, 61% have annual incomes of \$10,000 or less.

The core program at the Nursery is a residential shelter open 24 hours/365 days per year for at-risk children whose parents are in crisis. Children newborn through age six may stay for up to three nights at a time for 30 nights per year, and parents set developmentally appropriate goals for children during their stay.

The Family Services program offers a 24-hour hotline for parents in crisis through which our Family Advocates provide strength-based crisis de-escalation services and emotional support, community resource connections, and arrange transportation for child placement if needed. The Home Visiting program offers our families a chance to receive home-visiting services if they experience several barriers to stability or could benefit from more intensive support. Our Home Visitors meet weekly with families for up to two years to stabilize crises, meet basic needs, and promote stability through empowerment and validating client strengths.

Rounding off our services is the Adult Mental Health Services program which offers parents that we serve in-home mental health services if they are referred from Family Services or Home Visiting. Our licensed, master's-level clinicians assist parents with anxiety, depression, post-traumatic stress disorder, substance abuse disorders, and other diagnoses related to their own childhood trauma.

The Crisis Nursery's continuum of care programs yield positive results year after year. In the past year, 96% of parents/guardians report the Crisis Nursery helped them alleviate their crisis.

Income Taxes

The Nursery is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state income tax laws. The Nursery is a nonprivate foundation and contributions to the Nursery qualify as a charitable tax deduction by the contributor. The Nursery's tax returns are subject to review and examination by federal, state, and local authorities.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Nursery has adopted the provisions for accounting for uncertainty in income taxes. This prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The implementation of accounting for uncertainty in income taxes had no impact on the Nursery's financial statements.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Nursery considers all cash and other highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Financial Statement Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue Recognition

Contributions are recognized as revenue when they are received or unconditionally pledged. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Government Grants

Governmental grant funds are recorded when reimbursements are requested. All governmental grant funds are received on a reimbursement basis.

Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Nursery will record such disallowance at the time the final assessment is made.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Promises to Give

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Promises to give represent amounts committed by donors that have not been received by the Nursery. The Nursery determines and establishes an allowance for estimated uncollectible promises to give (contributions receivable).

Unconditional promises to give due within the next 12 months from the statements of financial position date are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-adjusted interest rates as of fiscal year-end (i.e., are discounted). Amortization of the discount is included in contributions revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met.

In-Kind Contributions

Contributions of noncash assets (materials and equipment) are recorded at their fair values in the period received. Contributions of services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and which would typically need to be purchased if not provided by donation, are recorded at their estimated fair values in the period received.

Investments

The Nursery receives contributions of equity securities from donors on occasion. It is the policy of the Nursery to sell these equity securities as soon as is reasonably possible. Any equity holdings at year-end are in the process of being sold or are restricted in some way. The Nursery held \$-0- of investments at June 30, 2022 and 2021.

The finance committee of the Nursery has the primary responsibility for directing and monitoring the investment of the Nursery's funds in accordance with the Nursery's investment policy for any investments that are held during the year.

Investment earnings available for distribution are recorded in net assets without donor restrictions on the statements of financial position. If restrictions on investment earnings are fulfilled in the same period in which the earnings are received, the Nursery reports the earnings as without donor restrictions.

Property and Equipment

The Nursery capitalizes all expenditures for property and equipment with a useful life of three or more years, and a cost in excess of \$1,000. Buildings and equipment are recorded at cost, or in the case of contributed property and equipment, at the estimated fair value at the date of donation. If donors stipulate how long the asset must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued)

Expenditures for renewals and improvements are capitalized while repairs and maintenance costs are charged to expense as incurred. When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Depreciation of building and components is computed on the straight-line method over estimated useful lives of 5 to 30 years. Depreciation of equipment is computed on the straight-line method over estimated useful lives of 3 to 10 years.

Use of 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The cost of providing programs and services has been summarized on a functional basis. Accordingly, salaries and benefits have been allocated between program and the supporting services benefited based on management's best estimates of such amounts and the ratio of each program's personnel costs. Occupancy and facilities expenses, including depreciation, telephone, repairs and maintenance, insurance are allocated based on usable square footage. Other joint costs (including dues, licenses, and fees) are allocated on a basis determined to be appropriate to the particular costs. All other costs are directly charged to the program for which the work has been done or is allocated based on management's best estimates.

Subsequent Events

In preparing these financial statements, the Nursery has evaluated events and transactions for potential recognition or disclosure through January 18, 2023, the date the financial statements were available to be issued.

GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 1,855,481	\$ 1,088,615
Pledges Receivable	78,950	36,100
Accounts Receivable	<u>226,916</u>	<u>207,048</u>
Liquid Financial Assets Available to Meet General Expenditures Within One Year	2,161,347	1,331,763
Less: Those Unavailable for General Expenditures Within One Year, Due to Donor-Imposed Time or Purpose Restrictions	<u>(336,047)</u>	<u>(194,928)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,825,300</u>	<u>\$ 1,136,835</u>

The Nursery's board of directors meets annually to review and approve the annual budget. The organization has a \$250,000 line of credit (see Note 5) available to meet cash flow needs.

NOTE 3 PROMISES TO GIVE

The details of promises to give receivables as of June 30 are as follows:

	<u>2022</u>	<u>2021</u>
Receivable in:		
Less than One Year	\$ 102,641	\$ 59,791
One to Five Years	<u>25,000</u>	<u>-</u>
Total	127,641	59,791
Allowance for Doubtful Collections	(23,691)	(23,691)
Discount to Present Value	<u>-</u>	<u>-</u>
Total Promises to Give Receivable	103,950	36,100
Less: Current Portion	<u>78,950</u>	<u>36,100</u>
Total Noncurrent Portion	<u>\$ 25,000</u>	<u>\$ -</u>

The discount rate used in calculating the present value of long-term pledges for the years ended June 30, 2022 and 2021 was 5%.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment components at June 30 are as follows:

	2022	2021
Land	\$ 70,991	\$ 70,991
Building	3,234,410	3,140,384
Equipment:	230,577	259,231
Total Property and Equipment	3,535,978	3,470,606
Less: Accumulated Depreciation	1,629,151	1,482,130
Property and Equipment, Net	\$ 1,906,827	\$ 1,988,476

NOTE 5 LINE OF CREDIT

The Nursery had a \$250,000 line of credit at both June 30, 2022 and 2021. Interest on the line of credit for years ended June 30, 2022 and 2021 was a variable rate which equaled 3.25% for both years then ended. Payments of interest only are due each month on any outstanding balance.

As of June 30, 2022 and 2021, the Nursery had no outstanding balances on the line of credit. The current line of credit matures in March 2023.

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

Net Assets With Donor Restrictions

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2022	2021
Future Periods	\$ 223,430	\$ 146,347
Purpose Restricted	112,617	48,581
Total	\$ 336,047	\$ 194,928

Releases from Restriction

Net assets released from restrictions for the years ended June 30 are as follows:

	2022	2021
Expiration of Time Restrictions	\$ 236,514	\$ 188,770
Satisfaction of Purpose Restrictions	8,581	-
Total	\$ 245,095	\$ 188,770

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 7 CONTRIBUTIONS AND GRANTS REVENUE

Contributions and grants to the Nursery for the years ended June 30 are classified as follows:

	<u>2022</u>	<u>2021</u>
Foundations	\$ 671,250	\$ 477,275
Corporations	552,691	382,649
Churches and Community Groups	83,848	42,425
Individuals	<u>1,261,570</u>	<u>1,137,817</u>
Total Contributions and Grants	<u>\$ 2,569,359</u>	<u>\$ 2,040,166</u>

NOTE 8 IN-KIND CONTRIBUTIONS

The Nursery records in-kind contributions of food and supplies at estimated fair market value at date of donation. Donated professional fees are recorded at the respective fair values of the services received. The donated intangible asset related to software code was valued using a specialist's valuation report. In-kind contributions for the years ended June 30 include the following:

	<u>2022</u>	<u>2021</u>
Supplies Child Care and Parent Program (Program Services)	\$ 34,589	\$ 35,106
Food (Program Services)	11,119	6,552
Professional Fees (Program and Management and General)	15,974	76,352
Intangible Asset - Software Code	40,000	-
Medical Assessments (Program Services)	<u>459</u>	<u>2,455</u>
Total In-Kind Contributions	<u>\$ 102,141</u>	<u>\$ 120,465</u>

The Nursery receives significant amounts of donated services from a substantial number of unpaid volunteers who assist in the Nursery's programs, fundraising and special projects. No amounts have been recognized in the accompanying statements of activities because the criteria for recognition of such volunteer effort have not been satisfied. The estimated fair market value of these services for the years ended June 30, 2022 and 2021 was \$126,156 and \$49,305, respectively.

NOTE 9 SIGNIFICANT CONCENTRATIONS

Approximately 66% of the employees of the Nursery are subject to a collective bargaining agreement with the Federation of Social Justice Advocates. The agreement expires on June 30, 2025.

Approximately 68% of pledges receivable were from two donors and 39% were from one donor for the years ended June 30, 2022 and 2021, respectively.

**GREATER MINNEAPOLIS CRISIS NURSERY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 9 SIGNIFICANT CONCENTRATIONS (CONTINUED)

The majority of governmental revenues are from one agency. Governmental revenues from that agency were approximately 16% and 14% of total revenue for the years ended June 30, 2022 and 2021, respectively.

NOTE 10 RELATED PARTY TRANSACTIONS

Contribution revenues from members of the board of directors totaled \$163,784 and \$219,722 for the years ended June 30, 2022 and 2021, respectively.

NOTE 11 EMPLOYEE RETIREMENT PLAN

On January 1, 2021, the Nursery changed from a SIMPLE IRA Retirement Plan to a 403(b) Retirement Plan. Employees who are .75 FTE to 1.0 FTE and have been employed for one year qualify for a dollar-for-dollar match up to 3% of wages. The 403(b) plan gives staff the option to make adjustments to their contributions throughout the year. Payout of the match, upon termination, is based on a Vesting Schedule designed to retain staffing. The total contributions for the fiscal years ended June 30, 2022 and 2021 were \$34,284 and \$40,447, respectively.



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