

St. Vincent and Sarah Fisher Center

Financial Statements

December 31, 2023

With Comparative Totals

For the Year Ended December 31, 2022

St. Vincent and Sarah Fisher Center
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December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
St. Vincent and Sarah Fisher Center
Detroit, MI

Opinion

We have audited the accompanying financial statements of St. Vincent and Sarah Fisher Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, 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 St. Vincent and Sarah Fisher Center as of December 31, 2023, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 St. Vincent and Sarah Fisher Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 St. Vincent and Sarah Fisher Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 St. Vincent and Sarah Fisher Center'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 St. Vincent and Sarah Fisher Center's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited St. Vincent and Sarah Fisher Center's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 13, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Cole, Newton & Duran

Cole, Newton & Duran CPAs
Livonia, Michigan
October 16, 2024

St. Vincent and Sarah Fisher Center
Statement of Financial Position
December 31, 2023
With Comparative Totals for December 31, 2022

ASSETS	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 219,970	\$ 327,615
Interest receivable	761	10,786
Accounts receivable	83,988	137,390
Prepaid expenses	34,723	116,789
Total current assets	339,442	592,580
 PROPERTY AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION		
	2,553,172	2,409,379
 OTHER ASSETS		
Investments	4,320,337	4,799,691
Right-of-use assets	27,462	16,393
	4,347,799	4,816,084
TOTAL ASSETS	\$ 7,240,413	\$ 7,818,043
 LIABILITIES AND NET ASSETS		
 CURRENT LIABILITIES		
Accounts payable	\$ 35,697	\$ 133,010
Operating lease liability, current portion	6,418	2,996
Accrued expenses	148,576	121,345
Line of credit	315,000	-
Total current liabilities	505,691	257,351
 LONG-TERM LIABILITIES		
Operating lease liability, long-term portion	21,044	13,397
Total liabilities	526,735	270,748
 NET ASSETS		
Without donor restrictions	6,712,702	7,546,319
With donor restrictions	976	976
Total net assets	6,713,678	7,547,295
TOTAL LIABILITIES AND NET ASSETS	\$ 7,240,413	\$ 7,818,043

See Notes to the Financial Statements

St. Vincent and Sarah Fisher Center
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Totals	Summarized Totals
SUPPORT AND REVENUE				
Contributions	\$ 348,698	\$ -	\$ 348,698	\$ 1,268,552
Grants and contracts	662,552	-	662,552	414,629
In-kind donations	16,114	-	16,114	64,033
Total Support and Revenue	1,027,364	-	1,027,364	1,747,214
FUNCTIONAL EXPENSES				
Program	2,064,332	-	2,064,332	1,922,054
Management and general	126,954	-	126,954	105,588
Fundraising	315,756	-	315,756	277,179
Total Expenses	2,507,042	-	2,507,042	2,304,821
Changes in Net Assets from Operations	(1,479,678)	-	(1,479,678)	(557,607)
Investment income	646,061	-	646,061	(951,744)
Increase (Decrease) in Net Assets	(833,617)	-	(833,617)	(1,509,351)
Net Assets at Beginning of Year	7,546,319	976	7,547,295	9,056,646
Net Assets at End of Year	\$ 6,712,702	\$ 976	\$ 6,713,678	\$ 7,547,295

See Notes to the Financial Statements

**St. Vincent and Sarah Fisher Center
Statement of Functional Expenses
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022**

	2023					2022	
	Child Services	Adult Services	Total Program Services	Management and General	Fundraising	Total Expenses	Summarized Total Expenses
Salaries and wages	\$ 327,666	\$ 867,726	\$ 1,195,392	\$ 58,407	\$ 124,752	\$ 1,378,551	\$ 1,230,946
Employee health benefits	49,057	80,001	129,058	7,168	9,365	145,591	151,412
Employee retirement benefits	14,930	40,866	55,796	3,164	5,762	64,722	49,612
Payroll taxes and workers' compensation	25,202	66,034	91,236	4,528	9,524	105,288	97,118
Total salaries and related expenses	416,855	1,054,627	1,471,482	73,267	149,403	1,694,152	1,529,088
Advertising	-	-	-	-	1,690	1,690	27,162
Bonds and insurance	20,213	43,240	63,453	3,525	5,154	72,132	28,277
Conferences, conventions and meetings	198	1,151	1,349	272	248	1,869	7,895
Contract services	8,943	8,331	17,274	-	30,699	47,973	-
Depreciation	21,727	50,696	72,423	2,413	5,633	80,469	23,110
Interest expense	1,019	1,439	2,458	300	240	2,998	-
Lease expense	4,933	4,246	9,179	398	458	10,035	-
Membership fees	192	1,185	1,377	25	48	1,450	1,604
Miscellaneous	12,418	27,946	40,364	6,597	43,979	90,940	90,612
Occupancy	116,446	94,223	210,669	27,510	17,976	256,155	207,180
Outside printing	-	-	-	-	18,637	18,637	13,580
Postage and shipping	-	11	11	66	2,031	2,108	6,178
Professional fees	11,254	39,023	50,277	6,571	6,668	63,516	238,605
Specific assistance to individuals	1,649	6,515	8,164	-	-	8,164	5,725
Subscriptions and publications	179	191	370	197	1,599	2,166	3,445
Supplies	17,632	6,851	24,483	313	606	25,402	72,490
Telephone and technology	22,822	49,775	72,597	4,705	30,652	107,954	31,630
Travel	5,646	12,756	18,402	795	35	19,232	18,240
Total expenses	<u>\$ 662,126</u>	<u>\$ 1,402,206</u>	<u>\$ 2,064,332</u>	<u>\$ 126,954</u>	<u>\$ 315,756</u>	<u>\$ 2,507,042</u>	<u>\$ 2,304,821</u>

See Notes to the Financial Statements

St. Vincent and Sarah Fisher Center
Statement of Cash Flows
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (833,617)	\$ (1,509,351)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities		
Depreciation	80,469	23,110
Unrealized (gain) loss on investments	(408,716)	1,492,549
(Increase) decrease in assets:		
Interest receivable	10,025	(9,829)
Accounts receivable	53,402	37,760
Prepaid expenses	82,066	(37,627)
Increase (decrease) in liabilities:		
Accounts payable	(97,313)	96,092
Accrued expenses	27,231	5,823
Net cash (used in) provided by operating activities	(1,086,453)	98,527
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(224,262)	(781,092)
Proceeds from line of credit	315,000	-
Purchase of investments	(769,448)	(2,892,711)
Proceeds from sale of investments	1,657,518	3,630,048
Net cash provided by (used in) investing activities	978,808	(43,755)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(107,645)	54,772
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	327,615	272,843
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 219,970	\$ 327,615
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

See Notes to the Financial Statements

St. Vincent and Sarah Fisher Center
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 1 – Nature of Activities

The St. Vincent and Sarah Fisher Center (the Center) is a nonprofit entity whose mission is to provide education and skill development opportunities for at-risk children and families in Metropolitan Detroit. The Center derives its revenue primarily from contributions, grants, contracts, and investment income.

NOTE 2 – Summary of Significant Accounting Policies

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, and accordingly, reflect all significant receivables, payables, and other liabilities.

Comparative Financial Information

The financial information presented for comparative purposes for the year ended December 31, 2022 is not intended to be a complete financial statement presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the 2022 financial statements of the Center from which the summarized information was derived.

Basis of presentation

Financial statement presentation follows the requirements of the Not-for-Profit Entities Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The Center is required to report information regarding its financial position and activities according to two classes of net assets as follows:

Net assets without donor restrictions consist of resources that are not restricted by donor-imposed stipulations.

Net assets with donor restrictions consist of resources of which the use by the Center is limited by donor-imposed stipulations.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of support and expenses during the period. Actual results could differ from those estimates.

Fair value of financial instruments

FASB guidance on fair value measurement defines fair value, establishes a framework for measuring fair value, and expands disclosure of fair value measurements. The guidance applies to all assets and liabilities that are measured and reported on a fair value basis. The carrying amounts of financial instruments, including cash, cash equivalents, receivables, prepaids, accounts payable, and accrued liabilities approximate fair value due to the short-term maturity of these instruments.

Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand and demand deposits in banks, plus short-term investments with original maturities of three months or less. However, short-term investments with maturities at the date of purchase of three months or less, which are subject to investment management direction, are treated as investments rather than cash.

St. Vincent and Sarah Fisher Center
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 2 – Summary of Significant Accounting Policies (continued)

Accounts receivable

The Center currently provides all services free of charge. The Center occasionally records receivables from grants, contracts, or other activities. Management is of the opinion that all receivables will be collected and as a result, there is no allowance for credit losses.

Property and equipment

All property and equipment expenditures over \$1,000 are capitalized at cost if purchased, or at the approximate fair value on the date of the donation if donated. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Furniture and equipment purchased with donor restricted funds are released from restriction as depreciation is recognized over the estimated useful lives of the assets. Expenditures for normal repairs and maintenance are charged to expense as incurred.

Investments

Investments are reported at their fair values in the statement of financial position in accordance with Not-for-Profit Entities Topic of the FASB ASC, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Investment income, including unrealized gains and losses, are included in the statement of activities and changes in net assets as investment income without donor restrictions, unless the income is restricted by donor stipulations.

Compensated absences

Full-time employees receive paid time off (PTO) based upon length of employment. Maximum PTO accruals are based upon length of employment. At the end of a fiscal year, PTO is determined and recorded as a liability for that fiscal year. The liability is included in accrued expenses on the statement of financial position. Unused PTO at the end of a fiscal year accumulates and is carried over to the following year. Payments are made for unused PTO if an employee, after one or more years of continuous service, resigns or is laid off before the end of the fiscal year.

Contributions

All contributions are considered available for general use unless specifically restricted by the donor. All donations are recorded at fair value when received. Contributions without donor-imposed restrictions and contributions with donor-imposed time or purpose restrictions that are met in the same period as the gift are reported as support without donor restrictions. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are classified as net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. The Center, on occasion, is the beneficiary under various wills, the amounts of which cannot be estimated. The Center's share of such bequests is recorded when the proceeds are determinable.

Grants and contracts

The Center receives funding under grants and contracts from local government and other public grantors, for direct and indirect program costs. This funding is subject to contractual restrictions, which must be met through incurring qualifying expenses for particular programs.

Revenue from grants and contracts is recognized only when funds are utilized by the Center to carry out the activity stipulated in the grant or contract agreement.

Donated services

A substantial number of volunteers have donated significant amounts of time to the Center's program services. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition under the Not-for-Profit Entities Topic of the FASB ASC.

St. Vincent and Sarah Fisher Center
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 2 – Summary of Significant Accounting Policies (continued)

In-kind donations

In-kind donations of materials are recorded as both contributions and expenditures at fair value when received. During the years ended December 31, 2023, and 2022 in-kind donations totaled \$16,114 and \$64,033, respectively. In-kind donations are reflected in the statement of activities and changes in net assets as in-kind donations. The value of the donation is based on the amount that the Center would be required to spend to purchase the same or similar item. It is the Center's policy to use all in-kind donations within their programs or special events unless they are unable to use the item. In that event, they would attempt to monetize the item or donate the item to another nonprofit.

Statement of functional expenses

The Center presents their expenses by functional classification, which shows the amount spent for program-related activities. Expenses that can be identified with a specific program are charged directly to that program. Program expenses that cannot be identified with a specific program require allocation on a reasonable basis that is consistently applied. Expenses that are allocated are salaries and benefits which are allocated on the basis of estimates of time and effort, occupancy and depreciation which are allocated based on square footage, as well as supplies which are allocated by headcounts of the students, volunteers, and staff that use them. Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Center. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Leases

The Organization leases office equipment. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. Lease expense is recognized for these leases on a straight-line basis over the lease term.

Operating leases are included in operating lease right-of-use ("ROU") assets, current operating lease liability, and operating lease liability long term on the statement of financial position.

ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization has elected to use the practical expedient related to the discount rate and uses the risk-free interest rate based on the three-month U.S. Treasury bill at lease commencement. Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that they will exercise the option.

St. Vincent and Sarah Fisher Center
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 2 – Summary of Significant Accounting Policies (continued)

Tax status

The Center is exempt from federal income taxes under §501(c)(3) of the U.S. Internal Revenue Code. The Internal Revenue Service has classified the Center as an organization that is not a private foundation. The Center is no longer subject to U.S. federal tax examinations by tax authorities for years before 2020. Management has evaluated FASB ASC 740, *Income Taxes*, and has concluded it has no uncertain tax positions.

Subsequent events

Management has evaluated events and transactions for potential recognition or disclosure through the date of the auditor's report, which is the date the financial statements were available to be issued.

NOTE 3 – Concentration of Credit Risk and Contingencies

Cash

The Center maintains its cash balances in a single financial institution located in southeastern Michigan. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 in any one bank. At times during the year, balances on deposit in any one bank may exceed the insured amount. The Center had no uninsured balances for the year ended December 31, 2023. The uninsured balance for the year ended December 31, 2022 was \$75,497. The Center has not experienced any losses with respect to uninsured cash balances.

Investments

Funds held in brokerage accounts are not covered by the FDIC but are covered by the Securities Investor Protection Corporation (SIPC), which insures certain claims up to \$500,000, including a \$250,000 limit for cash. Uninsured balances in brokerage accounts at the years ended December 31, 2023, and 2022 were \$3,820,337 and \$4,299,691, respectively. The Center has not experienced any losses with respect to uninsured deposits.

Grants and contracts

The Center receives a portion of its revenues from certain government grants that may be subject to audit. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to the government entity. Until the reported costs have been audited and final settlement reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits. These grants accounted for approximately 64% and 24% of revenue for the years ended December 31, 2023, and 2022, respectively.

Contributions

For the year ended December 31, 2023, the Center received 48% of the total contribution revenue from three donors. For the year ended December 31, 2022, the Center received 70% of the total contribution revenue from two bequests.

St. Vincent and Sarah Fisher Center
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 4 – Property and Equipment

Property and equipment consisted of the following:

	2023	2022
Land	\$ 76,600	\$ 76,600
Building	2,467,972	2,269,003
Furniture and office equipment	123,141	97,847
Vehicles	-	43,605
	2,667,713	2,487,055
Less accumulated depreciation	114,541	77,676
Net property and equipment	\$ 2,553,172	\$ 2,409,379

Depreciation expense for the years ended December 31, 2023, and 2022 was \$80,469 and \$23,110, respectively.

NOTE 5 – Investments

Investments consisted of the following for the years ended December 31,

	2023	2022
Cash and money market funds	\$ 103,067	\$ 309,449
Fixed income	1,317,264	1,543,093
Equities	2,900,006	2,947,149
	\$ 4,320,337	\$ 4,799,691

Investment income (loss) for the years ended December 31,

	2023	2022
Interest and dividends	\$ 77,385	\$ 77,492
Realized gains (losses)	184,500	494,204
Unrealized gains (losses)	408,716	(1,492,549)
Investment fees	(24,540)	(30,891)
	\$ 646,061	\$ (951,744)

Investment risks – Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the values in the near term could materially affect the amounts reported in the accompanying financial statements.

NOTE 6 – Employee Benefit Plan

The Center maintains a Safe Harbor 401(k) (the Plan), which covers substantially all employees. The Center matches one half of employee contributions to the Plan, up to 5% of the employee's wages. The Center also contributes 3% of each participating employee's wages to the Plan. The total contributions charged to expense during the years ended December 31, 2023, and 2022 were \$64,722 and \$49,612, respectively.

St. Vincent and Sarah Fisher Center
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 7 – Lease Commitments

The Center has an operating leases of office equipment. The Center assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. Lease expense is recognized for these leases on a straight-line basis over the lease term. Short term leases resulted in an expense of \$0 and \$48,678 for the years ended December 31, 2023 and 2022, respectively.

The following summarizes the line items in the balance sheet which include amounts for operating leases as of December 31:

	<u>2023</u>	<u>2022</u>
Operating lease right of use asset	<u>\$ 27,462</u>	<u>\$ 16,393</u>
Operating lease liability, current portion	\$ 6,418	\$ 2,996
Operating lease liability, long-term portion	<u>21,044</u>	<u>13,397</u>
	<u>\$ 27,462</u>	<u>\$ 16,393</u>

The following summarizes the weighted average remaining lease term and discount rate as of December 31:

	<u>2023</u>	<u>2022</u>
Weighted Average Remaining Lease Term	4 years	5 years
Weighted Average Discount Rate	4.42%	1.80%

<u>Years Ending December 31:</u>	<u>Amount</u>
2024	\$ 7,503
2025	7,503
2026	7,503
2027	<u>7,503</u>
Total lease payments	30,012
Less: interest	<u>(2,550)</u>
Present value of lease liabilities	<u>\$ 27,462</u>

The following summarizes the line items in the statements of activities which include the components of operating lease expense for the year ended December 31:

	<u>2023</u>	<u>2022</u>
Expense included in program services expenses	\$ 4,281	\$ 3,048
Expense included in management and general expenses	207	136
Expense included in fundraising expenses	<u>340</u>	<u>309</u>
	<u>\$ 4,828</u>	<u>\$ 3,493</u>

St. Vincent and Sarah Fisher Center
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 7 – Lease Commitments (continued)

The following summarizes cash flow information related to leases for the year ended December 31:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 4,828	\$ 3,493
Lease assets obtained in exchange for operating lease obligations	\$ 15,917	\$ 16,393

NOTE 8 – Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. U.S. GAAP requires the Center to disclose the fair value of each of its assets and liabilities based on the level of observable inputs. The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date or published net asset value for alternative investments with characteristics similar to a mutual fund.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement falls, in its entirety, is based on the lowest level input that is significant to the fair value measurement. As of December 31, 2023 and 2022, management considers all investments of the Center to be Level 1 in the fair value hierarchy. During the years ended December 31, 2023, and 2022, there were no transfers between levels.

NOTE 9 – Line of Credit

During 2023, the Center opened a revolving line of credit with a local financial institution. The line of credit allows them to borrow up to \$750,000 and bears interest at the local financial institution's prime rate plus 0.50% (an effective rate of 9.00% as of December 31, 2023). The line of credit is due on demand and currently expires in July, 2024. The balance for the year ended December 31, 2023 was \$315,000. There were no amounts outstanding as of December 31, 2022.

NOTE 10 – Donor Restrictions on Net Assets

Donor restricted net assets were restricted as follows as of December 31,

	2023	2022
Other activities	\$ 976	\$ 976

St. Vincent and Sarah Fisher Center
Notes to the Financial Statements
December 31, 2023 and 2022

NOTE 11 – Liquidity and Availability of Financial Assets

The following reflects the Center's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year.

	<u>2023</u>	<u>2022</u>
Total assets at year-end	\$ 7,240,413	\$ 7,818,043
Donor restricted net assets	976	976
Net property and equipment	2,553,172	2,409,379
Right-of-use assets	<u>27,462</u>	<u>16,393</u>
	<u>2,581,610</u>	<u>2,426,748</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 4,658,803</u>	<u>\$ 5,391,295</u>

As part of the Center's liquidity management, it invests cash in excess of daily requirements in equities, mutual funds, and cash equivalents.