

CONCERNED CITIZENS OF MONTAUK, INC.

Financial Statements and
Independent Auditors' Report

Years Ended December 31, 2023 and 2022

CONCERNED CITIZENS OF MONTAUK, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Concerned Citizens of Montauk, Inc.
Montauk, New York

Opinion

We have audited the accompanying financial statements of Concerned Citizens of Montauk, Inc (a nonprofit organization), which comprise the statements of financial position as of December 31, 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 Concerned Citizens of Montauk, Inc as of December 31, 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 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 Concerned Citizens of Montauk, Inc 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 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.

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 the Concerned Citizens of Montauk, Inc's ability to continue as a going concern within one year after the date that 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 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 the Concerned Citizens of Montauk, Inc's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 the Concerned Citizens of Montauk, Inc's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 23, 2023. 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.

Sabel & Oplinger

Sabel & Oplinger, CPA, PC
Southampton, New York

July 12, 2024

CONCERNED CITIZENS OF MONTAUK, INC.

Statements of Financial Position

	December 31	
	2023	2022
Assets		
Current Assets		
Cash and cash equivalents		
Unrestricted	\$ 411,975	\$ 413,121
Restricted	26,799	59,466
Investments	8,399	5,558
Grants receivable	-	4,539
Prepaid expenses	1,813	-
Total Current Assets	448,986	482,684
Right-of-use-asset – operating leases	45,500	-
Property and Equipment, net	1,296	2,965
Total Assets	\$ 495,782	\$ 485,649
Liabilities and Net Assets		
Current Liabilities		
Accrued expenses	\$ 1,000	\$ 714
Current portion of operating leases payable	19,500	-
Taxes payable	152	198
Total Current Liabilities	20,652	912
Operating leases payable, net of current portion	26,000	-
Net Assets		
Without donor restrictions	422,331	425,271
With donor restrictions	26,799	59,466
Total Net Assets	449,130	484,737
Total Liabilities and Net Assets	\$ 495,782	\$ 485,649

See Independent Auditors' Report and
Notes to Financial Statements

CONCERNED CITIZENS OF MONTAUK, INC.

Statements of Activities

Years Ended

			December 31	
	Without Donor Restrictions	With Donor Restrictions	2023	2022
Revenues and Support				
Donations	\$ 437,917	\$ -	\$ 437,917	\$ 425,525
In-kind donations:				
Stock	2,494	-	2,494	-
Auction	-	-	-	71,329
General	35,180	-	35,180	5,690
Grants	-	30,000	30,000	20,792
Membership dues	-	-	-	40,377
Merchandise sales	2,153	-	2,153	2,736
Investment income (losses)	5,734	-	5,734	(2,013)
Unrealized investment income (losses)	2,491	-	2,491	(2,959)
Miscellaneous income	2,340	-	2,340	1,486
Released from restrictions	<u>62,667</u>	<u>(62,667)</u>	<u>-</u>	<u>-</u>
Total Revenues and Support	<u>550,976</u>	<u>(32,667)</u>	<u>518,309</u>	<u>562,963</u>
Expenses				
Program services	294,548	-	294,548	246,871
Supporting Services:				
Management and general	143,726	-	143,726	148,682
Fundraising and public awareness	<u>115,642</u>	<u>-</u>	<u>115,642</u>	<u>158,828</u>
Total Expenses	<u>553,916</u>	<u>-</u>	<u>553,916</u>	<u>554,381</u>
Change in Net Assets	<u>(2,940)</u>	<u>(32,667)</u>	<u>(35,607)</u>	<u>8,582</u>
Net assets, beginning of year	<u>425,271</u>	<u>59,466</u>	<u>484,737</u>	<u>476,155</u>
Net assets, end of year	<u>\$ 422,331</u>	<u>\$ 26,799</u>	<u>\$ 449,130</u>	<u>\$ 484,737</u>

See Independent Auditors' Report and
Notes to Financial Statements

CONCERNED CITIZENS OF MONTAUK, INC.

Statements of Functional Expenses

Years Ended December 31

Expenses	<u>2023</u>				<u>2022</u>			
	Program	General & Administrative	Fundraising	Total	Program	General & Administrative	Fundraising	Total
Salaries and wages	\$ 131,119	\$ 89,416	\$ 29,076	\$ 249,611	\$ 120,753	\$ 83,250	\$ 30,921	\$ 234,924
Employee benefits	52,926	8,825	7,911	69,662	45,742	13,776	12,779	72,297
Payroll taxes	13,239	9,029	2,937	25,205	10,779	7,431	2,761	20,971
Contracted services	2,975	15,594	29,606	48,175	1,275	24,321	18,650	44,246
Communications	20,173	1,172	4,643	25,988	23,382	810	3,301	27,493
Environmental programming	39,132	-	-	39,132	14,033	-	-	14,033
Operations	21,123	7,364	6,203	34,690	16,240	8,915	16,267	41,422
Rent, facilities and equipment	10,982	9,059	2,435	22,476	11,016	9,411	2,820	23,247
Outreach and fundraising events	877	2,599	32,831	36,307	1,395	-	71,329	72,724
Other grant expenses	1,000	-	-	1,000	1,105	-	-	1,105
Depreciation	1,002	668	-	1,670	1,151	768	-	1,919
				-				
Total Expenses	<u>\$ 294,548</u>	<u>\$ 143,726</u>	<u>\$ 115,642</u>	<u>\$ 553,916</u>	<u>\$ 246,871</u>	<u>\$ 148,682</u>	<u>\$ 158,828</u>	<u>\$ 554,381</u>

See Independent Auditors' Report and
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CONCERNED CITIZENS OF MONTAUK, INC.

Statements of Cash Flows

Years Ended

	December 31	
	2023	2022
<u>Cash Flows from Operating Activities:</u>		
Change in Net Assets	\$ (35,607)	\$ 8,582
Adjustments to reconcile the change in net assets to net cash (used) provided by operating activities:		
Depreciation expense	1,670	1,919
Unrealized investment (gains) losses	(2,491)	2,959
Realized investment (gains) losses	195	(2,539)
Stock donations	(2,494)	-
(Increase) Decrease in:		
Grants receivable	4,539	7,858
Prepaid expenses	(1,813)	2,108
Increase (Decrease) in:		
Accrued expenses	285	(4,077)
Taxes payable	(46)	161
Net Cash (Used) Provided by Operating Activities	(35,762)	16,971
<u>Cash Flows from Investing Activities:</u>		
Stock proceeds	5,234	6,378
Purchases of investments	(3,285)	(171)
Net Cash Provided by Investing Activities	1,949	6,207
Net (Decrease) Increase in Cash and Cash Equivalents	(33,813)	23,178
Cash and Cash Equivalents, beginning of year	472,587	449,409
Cash and Cash Equivalents, end of year	<u>\$ 438,774</u>	<u>\$ 472,587</u>
Supplemental Disclosures:		
Non-cash donations:		
Stock	\$ 2,494	\$ -
General	35,180	5,690
Fundraising auction	-	71,329

See Independent Auditors' Report and
Notes to Financial Statements

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Year Ended December 31, 2023 and 2022

Note 1 - Nature of Activities

Concerned Citizens of Montauk, Inc. is a community based nonprofit organization whose purpose is to preserve and protect the unique environment and ecology of Montauk through education, advocacy and grassroots citizen action.

Note 2 - Summary of Significant Accounting Policies

The summary of significant accounting policies is presented to assist in understanding the Organization's financial statements. The financial statements and notes are the representations of the Organization's management who are responsible for their integrity and objectivity.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Years Ended December 31, 2023 and 2022

Note 2 - Continued

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue and Revenue Recognition

The organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

The Organization has the following exchange transaction revenue included in its Statement of Activities for the year ending December 31, 2023:

- *Members' Dues* - Membership dues are recognized as revenue in the applicable membership period which is one year. These dues provide members access to monthly newsletters, advance notice and access to events/activities, and a ten percent discount on merchandise.
- *Merchandise sales* - Revenues derived from the sale of merchandise are recognized when the goods are received by the purchaser.

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Years Ended December 31, 2023 and 2022

Note 2 - Continued

- *Special Event and Fundraising*– The Organization conducts special and fundraising events in which a portion of the proceeds paid by the participant represent payment for the direct cost benefits received by the participant at the event – the exchange component, and a portion represents a contribution to the Organization. The fair value of meals and entertainment provided at these events are measured at actual cost to the Organization and is recognized when the event takes place. The contribution portion is the excess of the gross revenue over the fair value of the direct donor benefit and is recognized immediately, unless there is a right of return if the event does not take place.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of 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.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

In-kind Donations and Services

In-kind donations are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and fundraising expenses on the accompanying statements of activities and statements of functional expenses.

The Organization's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. In-kind donations were as follows:

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Year Ended December 31, 2023 and 2022

Note 2 - Continued

	December 31	
	2023	2022
Stock	\$ 2,494	\$ -
General	35,180	5,690
Fundraising auction	-	71,329
Total	<u>\$ 37,674</u>	<u>\$ 77,019</u>

The general donation in 2023 was facilities rental/dumpster use and for 2022 was used for staff training/maintenance of property. The \$71,329 for 2022 represented donated auction items that were sold at an event. None of the in-kind donations received were restricted.

A substantial number of volunteers have made significant contributions of their time in furtherance of the organization's mission. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with initial maturity of three months or less to be cash equivalents. Restricted cash consists of funds with donor restrictions. Total cash is as follows:

	December 31	
	2023	2022
Unrestricted:		
Cash in banks - checking	\$ 269,178	\$ 280,989
Cash in banks – money market	142,597	132,132
Petty cash	<u>200</u>	<u>-</u>
Total Unrestricted Cash	<u>411,975</u>	<u>413,121</u>
Restricted:		
Restricted donations	\$ 26,799	\$ 59,466
Total Restricted Cash	<u>26,799</u>	<u>59,466</u>
Total Cash and Cash Equivalents	<u>\$ 438,774</u>	<u>\$ 472,587</u>

Concentration of Credit Risk

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The Organization deposits its cash and cash equivalents with what it believes to be quality financial institutions. The Organization believes no significant concentration of credit risk exists with respect to its cash and cash equivalents. The balances have exceeded the federally insured limit at times during the year.

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Years Ended December 31, 2023 and 2022

Note 2 - Continued

Investments

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as unrealized gains and losses in the statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

Grants Receivable, Net

Grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

Property, Equipment and Depreciation

The expenditures for property and equipment are capitalized at cost. Donated assets are capitalized at their fair market value on the date of the gift. Depreciation is computed on the straight-line method over the estimated useful lives of the assets.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Percentage of time spent
Depreciation	Percentage of time spent
Operational expenses	Percentage of time spent
Occupancy	Percentage of square footage

See Independent Auditors' Report

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Years Ended December 31, 2023 and 2022

Note 2 - Continued

New accounting pronouncement - Leases

The Organization adopted FASB ASU 2016-02, Leases, (Topic 842) for the year ended December 31, 2022. The ASU requires organizations that lease assets to recognize the present value of the assets and liabilities for the rights and obligations created by those leases. The adoption of Topic 842 for the year ended December 31, 2022 did not require the recognition of any lease assets and liabilities as of that date. The adoption of Topic 842 had no effect on the change in net assets as previously reported.

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Summarized Financial Information for 2022

The financial statements include prior year summarized comparative information in total but not by net asset class in the Statement of Activities. Such information does not include sufficient detail to constitute a presentation in conformity with United States generally accepted accounting principles. Accordingly, such information should only be read in conjunction with the Foundation's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Tax Exempt Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2) .

There was no unrelated business income for the years ended December 31, 2023 and 2022. Accordingly, no provision for Federal or State income taxes is required. As of December 31, 2023 and 2022, no amounts have been recognized for uncertain income tax positions. The Organization's tax returns for the year 2020 and forward are subject to the usual review by the appropriate taxing authorities.

See Independent Auditors' Report

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Years Ended December 31, 2023 and 2022

Note 3 - Liquidity and Availability of Financial Assets

The following represents the organization's financial assets as of:

	December 31	
	2023	2022
Total cash and cash equivalents	\$ 438,774	\$ 472,587
Investments	8,399	5,558
Grants receivable	-	4,539
Total Financial Assets	<u>\$ 447,173</u>	<u>\$ 482,684</u>

Less financial assets not available to be used within one year:

Net assets with donor restrictions	<u>26,799</u>	<u>59,466</u>
Financial assets available to meet the cash needs for general expenditures within one year	<u>\$ 420,374</u>	<u>\$ 423,218</u>

The organization maintains financial assets to meet operating expenses. As part of its liquidity plan, excess cash, if any, is invested in short-term investments, including money market accounts.

Note 4 - Investments – Fair Value

The Organization invests in equities. Fair values for investments are determined by reference to quoted market prices for similar investments, yield curves, and other relevant information. There were no changes in valuation techniques in the year ended December 31, 2023. The Organization recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels in the year ended December 31, 2023.

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Years Ended December 31, 2023 and 2022

Note 4 - Continued

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or by other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The investments consist solely of level one equities. The relationship between carrying values and fair values of investments as of December 31, 2023, is as follows:

	Carrying Value	Fair Value	Unrealized Gain (Loss)
Balance, beginning of year	\$ 9,957	\$ 5,558	\$ (4,399)
Balance, end of year	10,307	8,399	(1,908)
Change in unrealized gains/(losses)			<u>\$ (2,491)</u>

Note 5 - Net Assets

Net assets with donor restrictions are as follows at:

	December 31	
	2023	2022
Specific Purpose:		
Save the lake / Water quality	\$ 12,248	\$ 43,914
Scholarship fund	14,342	15,343
Book proceeds	209	209
Total Net Assets with Donor Restrictions	<u>\$ 26,799</u>	<u>\$ 59,466</u>

Net assets without donor restrictions are as follows:

	December 31	
	2023	2022
Undesignated	<u>\$ 422,331</u>	<u>\$ 425,271</u>

Net assets released from net assets with donor restrictions are as follows:

	December 31	
	2023	2022
Specific Purpose:	<u>\$ 62,667</u>	<u>\$ 61,605</u>

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Years Ended December 31, 2023 and 2022

Note 6 - Property and Equipment

Property and equipment are summarized as follows:

	December 31	
	2023	2022
Furniture and fixtures (7 years)	\$ 6,128	\$ 6,128
Equipment (3-7 years)	24,614	24,614
Less: Accumulated Depreciation	(29,446)	(27,777)
Total	<u>\$ 1,296</u>	<u>\$ 2,965</u>

Note 7 - Leases

The Organization has a three-year lease agreement covering its office in Montauk, New York, commencing May 1, 2018. The monthly lease payments are \$1,625 per month which are due on the first day of each month. In March 2021, the lease was extended an additional three years at the same terms and expires April 30, 2024 with an option to renew at the same rate an additional two years. This option to renew was exercised, the lease now expires on April 30, 2026. The future minimum payments are as follows:

The future minimum annual lease payments are as follows for the years ending December 31;

<u>Year Ended</u> <u>December 31</u>	<u>Amount</u>
2024	19,500
2025	19,500
2026	<u>6,500</u>
	<u>\$ 45,500</u>

Operating lease information for the year ended December 31, 2023 is as follows:

Operating leases cost	\$ 19,500
ROU assets recorded in connection with the Implementation of new lease standard	\$ 65,000
Weighted-average remaining lease term in years	2.3

Note 8 - Related Party Transactions

Members of the board have provided financial support to the Organization in the amount of \$68,938 and \$115,080 respectively for the years ended December 31, 2023 and 2022.

CONCERNED CITIZENS OF MONTAUK, INC.

Notes to Financial Statements

Years Ended December 31, 2023 and 2022

Note 9 - Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 12, 2024, which is the date the financial statements were available to be issued. There are no other subsequent events or transactions that required recognition or disclosure in these financial statements.

Sabel & Oplinger, CPA, PC

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To the Board of Directors
Concerned Citizens of Montauk, Inc.
Montauk, New York

In planning and performing our audit of the financial statements of Concerned Citizens of Montauk, Inc. as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in the internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected, and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use by management of the Concerned Citizens of Montauk, Inc. and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Sabel & Oplinger

Sabel & Oplinger, CPA, PC
Southampton, New York

July 12, 2024