

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023



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**MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
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YEARS ENDED JUNE 30, 2024 AND 2023**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Midwest Renewable Energy Association, Inc.
Custer, Wisconsin

We have audited the accompanying financial statements of Midwest Renewable Energy Association, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, 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 Midwest Renewable Energy Association, Inc., as of June 30, 2024 and 2023, 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 Midwest Renewable Energy Association, Inc., 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 Midwest Renewable Energy Association, Inc.'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 result 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 Midwest Renewable Energy Association, 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Midwest Renewable Energy Association, Inc.'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

Stevens Point, Wisconsin
December 4, 2024

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 226,531	\$ 344,639
Accounts Receivable, Net	160,791	249,137
Inventories	7,510	8,383
Prepaid Expenses	75,738	16,765
Total Current Assets	470,570	618,924
PROPERTY AND EQUIPMENT		
Land	309,665	309,665
Land Improvements	89,901	89,901
Buildings and Improvements	521,676	509,338
Furniture and Fixtures	42,054	42,323
Equipment	636,509	666,216
Vehicles and Trailers	140,921	140,921
Work in Progress	208,341	146,692
Total, at Cost	1,949,067	1,905,056
Less: Accumulated Depreciation	(1,010,981)	(979,592)
Total Property and Equipment	938,086	925,464
Total Assets	\$ 1,408,656	\$ 1,544,388
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 104,794	\$ 101,226
Accrued Expenses	109,757	106,330
Deferred Revenue	267,806	18,980
Total Liabilities	482,357	226,536
NET ASSETS		
Without Donor Restrictions	913,471	1,225,419
With Donor Restrictions	12,828	92,433
Total Net Assets	926,299	1,317,852
Total Liabilities and Net Assets	\$ 1,408,656	\$ 1,544,388

See accompanying Notes to Financial Statements.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND PUBLIC SUPPORT						
Grants	\$ 85,684	\$ -	\$ 85,684	\$ 38,414	\$ -	\$ 38,414
Contributions	231,387	8,271	239,658	434,101	65,160	499,261
In-Kind Contributions	1,381	-	1,381	781	-	781
Memberships	65,585	-	65,585	93,195	-	93,195
Workshops and Programs Fees	1,191,288	-	1,191,288	973,671	-	973,671
Sponsorships	75,523	-	75,523	100,729	-	100,729
Merchandise and Equipment Sales, Net Cost of Goods Sold	4,675	-	4,675	(1,420)	-	(1,420)
Advertising	22,050	-	22,050	21,810	-	21,810
Interest	1,389	-	1,389	898	-	898
Rental Income	200	-	200	104	-	104
Other	80,047	-	80,047	1,265	-	1,265
Net Assets Released from Restriction	87,876	(87,876)	-	93,026	(93,026)	-
Total Revenue and Public Support	<u>1,847,085</u>	<u>(79,605)</u>	<u>1,767,480</u>	<u>1,756,574</u>	<u>(27,866)</u>	<u>1,728,708</u>
EXPENSES						
Program Services	1,806,803	-	1,806,803	1,449,092	-	1,449,092
Management and General	308,463	-	308,463	444,955	-	444,955
Fundraising	43,767	-	43,767	-	-	-
Total Expenses	<u>2,159,033</u>	<u>-</u>	<u>2,159,033</u>	<u>1,894,047</u>	<u>-</u>	<u>1,894,047</u>
CHANGE IN NET ASSETS	(311,948)	(79,605)	(391,553)	(137,473)	(27,866)	(165,339)
Net Assets - Beginning of Year	<u>1,225,419</u>	<u>92,433</u>	<u>1,317,852</u>	<u>1,362,892</u>	<u>120,299</u>	<u>1,483,191</u>
NET ASSETS - END OF YEAR	<u>\$ 913,471</u>	<u>\$ 12,828</u>	<u>\$ 926,299</u>	<u>\$ 1,225,419</u>	<u>\$ 92,433</u>	<u>\$ 1,317,852</u>

See accompanying Notes to Financial Statements.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services								Total Program Services	Management and General	Fund Development	Total
	Energy Fair	Ed Institute	Solar Ready WI	Membership	Group Buy Program	Rise Up Midwest	Renew the Earth	Other Programs				
Salaries and Wages	\$ 165,148	\$ 444,889	\$ 56,897	\$ 32,329	\$ 156,112	\$ 63,525	\$ 51,512	\$ 46,560	\$ 1,016,972	\$ 174,641	\$ 33,554	\$ 1,225,167
Payroll Taxes and Benefits	15,502	44,044	5,490	3,144	20,523	6,553	5,464	34,936	135,656	6,475	3,830	145,961
Advertising	2,729	6,134	-	141	9,086	3,884	-	25	21,999	-	-	21,999
Bank and Credit Card Fees	1,733	7,158	-	1,283	-	137	64	354	10,729	-	441	11,170
Dues and Subscriptions	58,016	38,129	-	176	728	1,653	-	2,831	101,533	9,060	302	110,895
Depreciation	-	-	-	-	-	-	-	-	-	61,362	-	61,362
Insurance	1,185	-	-	-	-	-	-	-	1,185	26,100	-	27,285
Licenses and Permits	1,083	262	-	-	-	-	103	-	1,448	79	-	1,527
Other	1	-	-	125	-	1,698	-	-	1,824	790	-	2,614
Member Benefits	-	-	-	25	-	-	-	-	25	-	-	25
Postage and Delivery	64	9,893	-	89	102	1,088	-	906	12,142	448	1,501	14,091
Printing and Reproduction	4,212	11,141	168	282	2,351	4,238	-	2,115	24,507	-	2,878	27,385
Program Expenses	1,237	104	2,050	-	-	-	674	1,165	5,230	-	-	5,230
Outside Services	17,416	14,790	-	-	55,563	4,238	2,474	-	94,481	19,166	312	113,959
Food and Beverage	4,838	817	89	132	1,143	798	82	1,229	9,128	-	132	9,260
Rent	21,374	405	-	-	376	-	801	-	22,956	-	-	22,956
Education	-	326	-	-	-	-	-	-	326	6,620	-	6,946
Travel	4,459	34,277	3,388	128	871	2,622	1,179	6,832	53,756	358	817	54,931
Stipends	-	-	-	-	-	3,600	-	18,400	22,000	-	-	22,000
Supplies	1,259	209,519	-	-	-	-	5,710	-	216,488	1,821	-	218,309
Telephone and Utilities	1,193	-	-	-	-	-	11,302	-	12,495	1,543	-	14,038
Trade Expenses	17,123	500	-	500	-	5,500	-	18,300	41,923	-	-	41,923
Total Functional Expenses	\$ 318,572	\$ 822,388	\$ 68,082	\$ 38,354	\$ 246,855	\$ 99,534	\$ 79,365	\$ 133,653	\$ 1,806,803	\$ 308,463	\$ 43,767	\$ 2,159,033

See accompanying Notes to Financial Statements.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Program Services								Total Program Services	Management and General	Total
	Energy Fair	Ed Institute	Solar Ready WI	Membership	Group Buy Program	Rise Up Midwest	Renew the Earth	Other Programs			
Salaries and Wages	\$ 130,403	\$ 301,822	\$ 76,552	\$ 9,628	\$ 130,073	\$ 56,422	\$ 47,932	\$ 39,721	\$ 792,553	\$ 287,990	\$ 1,080,543
Payroll Taxes and Benefits	9,580	22,640	6,535	635	10,104	4,155	3,477	2,916	60,042	24,721	84,763
Advertising	12,815	891	-	-	3,911	150	-	-	17,767	-	17,767
Bank and Credit Card Fees	1,918	5,761	-	1,394	-	90	4	744	9,911	99	10,010
Dues and Subscriptions	1,949	55,075	16	524	1,615	2,190	53	1,737	63,159	9,102	72,261
Depreciation	-	-	-	-	-	-	-	-	-	63,013	63,013
Insurance	-	-	-	-	-	-	-	-	-	32,311	32,311
Licenses and Permits	891	349	-	-	-	-	231	-	1,471	379	1,850
Other	23	-	-	-	-	-	-	-	23	(222)	(199)
Member Benefits	-	265	790	5,860	-	-	-	-	6,915	-	6,915
Postage and Delivery	1,632	6,991	-	121	-	177	156	1,500	10,577	817	11,394
Printing and Reproduction	14,213	6,218	30	325	1,065	-	-	1,731	23,582	2,749	26,331
Program Expenses	2,046	-	-	-	350	200	494	3,961	7,051	-	7,051
Outside Services	89,989	25,275	37,979	-	28,401	5,500	599	-	187,743	14,148	201,891
Food and Beverage	22,084	1,335	-	-	559	-	269	83	24,330	335	24,665
Rent	47,125	1,013	78	-	259	-	736	-	49,211	-	49,211
Education	-	-	-	-	-	-	-	-	-	143	143
Travel	14,769	38,985	5,452	-	205	349	2,110	126	61,996	1,757	63,753
Stipends	210	10,840	-	-	-	500	-	-	11,550	-	11,550
Supplies	2,858	47,621	-	12	-	3,036	8,981	-	62,508	5,931	68,439
Telephone and Utilities	1,051	38	-	-	-	-	8,914	-	10,003	1,682	11,685
Trade Expenses	18,625	1,000	-	1,425	-	-	8,500	16,750	46,300	-	46,300
Scholarships	-	-	-	-	-	2,400	-	-	2,400	-	2,400
Total Functional Expenses	\$ 372,181	\$ 526,119	\$ 127,432	\$ 19,924	\$ 176,542	\$ 75,169	\$ 82,456	\$ 69,269	\$ 1,449,092	\$ 444,955	\$ 1,894,047

See accompanying Notes to Financial Statements.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (391,553)	\$ (165,339)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	61,362	63,013
Effects of Changes in Operating Assets and Liabilities:		
Accounts Receivable	88,346	149,386
Inventories	873	(3,689)
Prepaid Expenses	(58,973)	(8,856)
Accounts Payable	3,568	(107,498)
Accrued Expenses	3,427	15,077
Deferred Revenue	248,826	8,677
Net Cash Used by Operating Activities	(44,124)	(49,229)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(73,984)	(146,341)
Net Cash Used by Investing Activities	(73,984)	(146,341)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Change in Line of Credit	-	(15,593)
Net Cash Provided (Used) by Financing Activities	-	(15,593)
CHANGE IN CASH AND CASH EQUIVALENTS	(118,108)	(211,163)
Cash and Cash Equivalents - Beginning of Year	344,639	555,802
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 226,531	\$ 344,639

See accompanying Notes to Financial Statements.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Midwest Renewable Energy Association, Inc. (the Association) promotes renewable energy, energy efficiency, and sustainable living through education and demonstration. The Association's primary sources of revenue are membership dues, sponsorships, contributions, grants, and program fees.

Basis of Accounting

The Association's policy is to prepare its financial statements on the accrual basis of accounting; consequently, most revenues are recognized when earned rather than when received, and expenses are recognized when the obligation is incurred rather than when cash is disbursed.

Basis of Presentation

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Association's 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 restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-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 those 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 when the donor makes a promise to give that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Membership dues are based on an anniversary date when the member registered and recognized when distinct performance obligations are delivered to members and the general member benefits are considered a bundled group of performance obligations that are delivered to members throughout the membership period.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Membership dues are based on an anniversary date when the member registered and recognized when distinct performance obligations are delivered to members and the general member benefits are considered a bundled group of performance obligations that are delivered to members throughout the membership period.

	<u>2024</u>	<u>2023</u>
Deferred Membership Revenue, Beginning of Year	\$ 670	\$ 1,630
Membership Revenue Recognized	65,585	93,195
Collections of Membership Dues and Assessments	<u>(65,855)</u>	<u>(94,155)</u>
Deferred Membership Revenue, End of Year	<u>\$ 400</u>	<u>\$ 670</u>

The Association recognizes workshop, program, and event fees on the accrual basis of accounting at the time the provided service has been completed.

	<u>2024</u>	<u>2023</u>
Deferred Program Revenue, Beginning of Year	\$ 13,510	\$ 3,673
Program Revenue Recognized	1,191,288	993,556
Collections of Program Revenue	<u>(942,092)</u>	<u>(983,719)</u>
Deferred Program Revenue, End of Year	<u>\$ 262,706</u>	<u>\$ 13,510</u>

Sponsorships are recognized when the associated performance obligation is satisfied.

	<u>2024</u>	<u>2023</u>
Deferred Sponsorship Revenue, Beginning of Year	\$ -	\$ 5,000
Sponsorship Revenue Recognized	-	100,729
Collections of Sponsorship Revenue	-	<u>(105,729)</u>
Deferred Sponsorship Revenue, End of Year	<u>\$ -</u>	<u>\$ -</u>

Advertising income is recognized when the associated performance obligation is satisfied.

	<u>2024</u>	<u>2023</u>
Deferred Sponsorship Revenue, Beginning of Year	\$ 4,800	\$ -
Sponsorship Revenue Recognized	9,900	(1,925)
Collections of Sponsorship Revenue	<u>(10,000)</u>	<u>6,725</u>
Deferred Sponsorship Revenue, End of Year	<u>\$ 4,700</u>	<u>\$ 4,800</u>

Income received for special events is recognized in the period to which the event relates. Merchandise sales and costs of goods sold are reported net of discounts, estimated returns, and sales taxes.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Association considers all unrestricted highly liquid debt instruments with an initial maturity of three months or less to be cash equivalents. The balances are insured by the Federal Deposit Insurance Corporation up to certain limits. The uninsured cash balance was \$-0- and \$75,764 as of June 30, 2024 and 2023, respectively.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are due within 30 days of the billing date and are considered delinquent if not paid within that period.

No allowance for credit losses accounts have been established as management has deemed all accounts to be collectible as of June 30, 2024 and 2023.

Inventories

Inventories consist of promotional items, reference materials, and equipment and are stated at the lower of cost or net realizable value, on a first-in, first-out basis.

Property and Equipment

Property and equipment are stated at cost at the date of acquisition, or at fair value if donated. The Association's policy is to capitalize property and equipment purchased or donated with a value in excess of \$2,500. Expenditures for repairs and maintenance are charged to expense as incurred.

Depreciation of property and equipment is provided over the estimated useful lives (ranging from 5 to 40 years) of the respective assets on a straight-line basis. Depreciation expense for the years ended June 30, 2024 and 2023 was \$61,362 and \$63,013, respectively.

Contributed Goods and Services

The Association recognizes contributed goods and contributed professional services from third parties as revenue and as expense or assets at the fair value of those goods and services when received. While the Association benefits from a large number of volunteer hours, only services requiring specialized skills and provided by individuals possessing those skills are recognized in the financial statements.

Contributed goods consisted of donated property and equipment or supplies totaling \$281 and \$531 for the years ended June 30, 2024 and 2023, respectively.

Contributed services consisted of services by professional consultants providing program training totaling \$1,100 and \$250 for the years ended June 30, 2024 and 2023, respectively.

Donated goods are valued at the fair value that the Association would pay for similar items, and contributed services are valued at the current rate for similar services.

Government Contracts

Conditional government grants and contract funds are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined in each contract, are made. Funds received but not yet earned are shown as Deferred Revenue. 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 Association will record such disallowance at the time the final assessment is made.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government Contracts (Continued)

A portion of the Association's revenue is derived from cost-reimbursable contracts and grants. Amounts received are recognized as earned and are reported as revenue when the Association has incurred expenditures in compliance with specific contract or grant provisions. Amounts received but not yet earned are reported as a refundable advance in the statement of financial position. As of June 30, 2024 and 2023, the Association received cost-reimbursable grants of \$36,750 and \$0, respectively, for which qualifying expenditures have not yet been incurred, with no refundable advances.

Functional Allocation of Expenses

The costs of providing the Association's various programs and supporting services have been summarized on a functional basis in the statements of activities and by natural classification in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services based on an analysis of personnel time and space utilized for the related activities.

There were \$43,767 and \$0, respectively, of fundraising expenses for the years ended June 30, 2024 and 2023.

Advertising

The Association expenses advertising costs as incurred. Advertising expense for the years ended June 30, 2024 and 2023 was \$31,154 and \$21,792, respectively. Of the total advertising expense, \$9,155 and \$11,304 as of June 30, 2024 and 2023, respectively, was traded advertising with various vendors.

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 amount 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.

Income Tax Status

The Association is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code and similar state statutes. However, income from certain activities not directly related to the Association's tax-exempt purpose is subject to taxation as unrelated business income.

The Association evaluated its tax positions and determined it has no uncertain tax positions as of June 30, 2024.

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principle

The Association has adopted ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The Association adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Association’s financial statements and did change how the allowance for credit losses is determined.

Subsequent Events

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through December 4, 2024, the date the financial statements were available to be issued.

NOTE 2 LINE OF CREDIT

The Association has a line of credit with a limit of \$225,000 at a local bank. The line renews annually and the interest rate was 8.85% as of June 30, 2024. The balance was \$-0- at June 30, 2024 and 2023. The line of credit is secured by real estate. The line of credit has been renewed subsequent to year-end at 8.85% through September 2, 2025.

NOTE 3 LEASES

The Association leases equipment and meeting rooms on a short-term basis each year. Total rent of equipment and facilities was \$22,956 and \$49,211 for the years ended June 30, 2024 and 2023, respectively.

NOTE 4 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

	2024	2023
Subject to Expenditure for Specific Purpose:		
Rise Up Midwest	\$ 11,628	\$ 22,747
Solar Corps Program	-	19,686
Grow Solar: Midwest Energy Resource	-	50,000
Covantage Cares	1,200	-
Total Net Assets With Donor Restrictions	\$ 12,828	\$ 92,433

MIDWEST RENEWABLE ENERGY ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 4 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets released from donor restrictions consisted of the following:

	<u>2024</u>	<u>2023</u>
Subject to Expenditure for Specific Purpose:		
Rise Up Midwest	\$ 18,190	\$ 72,788
Solar Corps Program	19,686	3,639
Grow Solar: Midwest Energy Resource	50,000	-
Subject to Passage of Time and Purpose:		
Rise Up Midwest	-	4,780
Wisconsin Focus on Energy	-	11,819
Total Net Assets Released from Restrictions	<u>\$ 87,876</u>	<u>\$ 93,026</u>

NOTE 5 LIQUIDITY AND AVAILABILITY

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>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 226,531	\$ 344,639
Accounts Receivable, Net	160,791	249,137
Less: Net Assets With Donor Restrictions	<u>(12,828)</u>	<u>(92,433)</u>
Total Financial Assets Available to Meet General Expenditures within One Year	<u>\$ 374,494</u>	<u>\$ 501,343</u>

As part of their liquidity management plan, the Association invests cash in short-term investments, certificates of deposits, and money market funds.

NOTE 6 RELATED PARTY

The Association had sales of \$-0- and \$108,767 with a company where a board member is a key employee for the years ended June 30, 2024 and 2023, respectively. The Association had related receivables of \$-0- and \$73,989 for the years ended June 30, 2024 and 2023, respectively.

The Association had expenses of \$9,880 and \$30,674 with a company where a board member is a key employee for the years ended June 30, 2024 and 2023, respectively. The Association had related payables of \$-0- for the years ended June 30, 2024 and 2023.

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NOTE 7 CONCENTRATIONS

The Association had no major funding sources that made up a material percentage of the revenue for the years ended June 30, 2024 and June 30, 2023.

The Association had two customers that made up 45% of the receivables for the year ended June 30, 2024. The Association had three customers that made up 62% of the receivables for the year ended June 30, 2023.



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