CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

Santa Maria Community Services, Inc. and Subsidiary

Consolidated Financial Statements

December 31, 2025 and 2024

with Independent Auditors' Report

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CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

One East Fourth Street, Suite 1200, Cincinnati, Ohio 45202
P. 513.241.3111 | F. 513.241.1212

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Santa Maria Community Services, Inc. and Subsidiary
Cincinnati, Ohio

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Santa Maria Community Services, Inc. and Subsidiary (a not-for-profit organization) (collectively, the “Organization”), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Santa Maria Community Services, Inc. and Subsidiary as of December 31, 2025 and 2024, and the changes in their net assets and their 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. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Santa Maria Community Services, Inc. and Subsidiary 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 opinions.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Santa Maria Community Services, Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated 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 consolidated 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 consolidated 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 Santa Maria Community Services, Inc. and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Santa Maria Community Services, Inc. and Subsidiary'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.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 30, 2026

		2025	2024
Assets			
Current assets			
Cash and cash equivalents	$	3,061,267	2,958,887
Restricted cash		3,960,457	4,399,320
Grants receivable		924,689	354,740
Contributions receivable, current portion		1,088,111	1,172,614
Prepaid expenses		37,063	35,093
Total current assets		9,071,587	8,920,654
Property and equipment, net		2,388,955	1,120,781
Other assets			
Contributions receivable, net of current portion		117,552	328,098
Investments		644,272	579,969
		761,824	908,067
Total assets	$	12,222,366	10,949,502
Liabilities and net assets			
Current liabilities			
Accounts payable	$	166,546	129,583
Accrued vacation		105,712	106,468
Total current liabilities		272,258	236,051
Net assets			
Without donor restrictions			
Undesignated		2,912,685	2,340,489
Board designated		637,272	1,068,805
Total net assets without donor restrictions		3,549,957	3,409,294
With donor restrictions		8,400,151	7,304,157
Total net assets		11,950,108	10,713,451
Total liabilities and net assets	$	12,222,366	10,949,502

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue			
United Way allocations	$ -	500,000	500,000
Contributions	578,781	1,439,638	2,018,419
Special events	124,876	-	124,876
Interest income	271,129	-	271,129
Net investment return	64,303	-	64,303
Total public support and revenue	1,039,089	1,939,638	2,978,727
Program revenue			
Government grants	-	2,571,682	2,571,682
Net assets released from restrictions	3,415,326	(3,415,326)	-
Total revenue	4,454,415	1,095,994	5,550,409
Expenses			
Program services			
Early childhood/parenting	1,260,074	-	1,260,074
Workforce development	767,821	-	767,821
Wellness and immigrant services	725,928	-	725,928
Youth	419,849	-	419,849
Administrative	701,162	-	701,162
Development	468,441	-	468,441
Total expenses	4,343,275	-	4,343,275
Other income			
Miscellaneous income	29,523	-	29,523
Change in net assets	140,663	1,095,994	1,236,657
Net assets, beginning of year	3,409,294	7,304,157	10,713,451
Net assets, end of year	$ 3,549,957	8,400,151	11,950,108

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue			
United Way allocations	$ -	500,000	500,000
Contributions	560,111	1,209,573	1,769,684
Special events	112,830	-	112,830
Interest income	303,838	-	303,838
Net investment return	37,751	-	37,751
Total public support and revenue	1,014,530	1,709,573	2,724,103
Program revenue			
Government grants	-	2,353,700	2,353,700
Net assets released from restrictions	3,633,048	(3,633,048)	-
Total revenue	4,647,578	430,225	5,077,803
Expenses			
Program services			
Early childhood/parenting	1,196,281	-	1,196,281
Workforce development	1,154,027	-	1,154,027
Wellness and immigrant services	647,647	-	647,647
Youth	418,259	-	418,259
Administrative	701,180	-	701,180
Development	426,026	-	426,026
Total expenses	4,543,420	-	4,543,420
Other income			
Miscellaneous income	27,861	-	27,861
Change in net assets	132,019	430,225	562,244
Net assets, beginning of year	3,277,275	6,873,932	10,151,207
Net assets, end of year	$ 3,409,294	7,304,157	10,713,451

	Early Childhood/ Parenting	Workforce Development	Wellness & Immigrant Services	Youth	Administrative	Development	Total
Salaries and related expenses							
Salaries and wages	$ 746,271	363,248	330,881	205,729	440,630	289,373	2,376,132
Employee benefits and taxes	210,663	78,401	89,856	42,569	82,761	61,931	566,181
	956,934	441,649	420,737	248,298	523,391	351,304	2,942,313
Other expenses							
Assistance to individuals	80,179	52,646	196,081	13,485	-	-	342,391
Conferences, conventions and meetings	304	4,034	1,979	104	4,278	2,973	13,672
Insurance	13,537	6,201	7,793	3,719	7,016	3,548	41,814
Membership dues	2,692	1,202	1,531	697	3,618	2,245	11,985
Miscellaneous	-	-	4	7	3,480	17,492	20,983
Occupancy	48,363	46,508	26,945	59,096	63,761	23,690	268,363
Postage	277	253	-	164	755	3,144	4,593
Printing and publications	3,738	3,907	2,100	522	3,652	4,854	18,773
Professional services	70,953	148,443	34,875	35,886	38,327	43,735	372,219
Staff education and recognition	3,534	4,494	1,553	1,748	16,055	1,678	29,062
Office supplies	7,243	2,574	4,203	920	3,639	1,104	19,683
Supplies	18,548	31,392	11,846	41,668	3,671	700	107,825
Travel	24,580	136	320	3,133	1,456	2,203	31,828
Telephone	14,521	8,388	8,057	4,327	7,626	3,161	46,080
	288,469	310,178	297,287	165,476	157,334	110,527	1,329,271
Depreciation	14,671	15,994	7,904	6,075	20,437	6,610	71,691
	$ 1,260,074	767,821	725,928	419,849	701,162	468,441	4,343,275

See notes to the consolidated financial statements.

	Early Childhood/ Parenting	Workforce Development	Wellness & Immigrant Services	Youth	Administrative	Development	Total
Salaries and related expenses							
Salaries and wages	$ 668,911	550,406	329,908	212,349	415,741	275,051	2,452,366
Employee benefits and taxes	183,588	114,947	87,868	41,792	92,440	56,413	577,048
	852,499	665,353	417,776	254,141	508,181	331,464	3,029,414
Other expenses							
Assistance to individuals	131,099	52,502	137,398	16,227	-	-	337,226
Conferences, conventions and meetings	745	2,285	700	109	7,168	1,111	12,118
Insurance	10,264	9,231	4,606	2,805	4,528	2,574	34,008
Membership dues	2,323	2,812	912	567	2,874	2,093	11,581
Miscellaneous	15	522	10	2	1,729	14,133	16,411
Occupancy	49,580	70,298	24,844	54,020	51,802	17,968	268,512
Postage	136	444	-	66	798	4,630	6,074
Printing and publications	2,405	2,528	1,972	250	1,409	7,393	15,957
Professional services	58,184	259,297	24,199	29,036	68,386	26,074	465,176
Staff education and recognition	11,996	4,020	2,398	2,037	14,018	2,641	37,110
Office supplies	7,663	4,082	3,608	1,194	3,631	1,413	21,591
Supplies	16,753	46,015	13,199	46,443	5,682	4,063	132,155
Travel	18,533	527	243	1,569	1,142	616	22,630
Telephone	18,262	13,715	8,391	4,463	9,979	4,515	59,325
	327,958	468,278	222,480	158,788	173,146	89,224	1,439,874
Depreciation	15,824	20,396	7,391	5,330	19,853	5,338	74,132
	$ 1,196,281	1,154,027	647,647	418,259	701,180	426,026	4,543,420

See notes to the consolidated financial statements.

	2025	2024
Cash flows from operating activities		
Change in net assets	$ 1,236,657	562,244
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	71,691	74,132
Realized and unrealized gain on investments	(70,573)	(43,196)
Bad debt expense (recovery)	6,489	(10,022)
Contributions restricted to the capital campaign	(537,960)	(132,491)
Changes in operating assets and liabilities		
Grants receivable	(569,949)	151,563
Contributions receivable	42,367	95,973
Prepaid expenses	(1,970)	32,022
Accounts payable	36,963	18,773
Accrued vacation	(756)	(5,365)
Net cash flows from operating activities	212,959	743,633
Cash flows from investing activities		
Purchases of property and equipment	(1,339,865)	(319,605)
Net proceeds from sales of investments	6,270	5,445
Net cash flows from investing activities	(1,333,595)	(314,160)
Cash flows from financing activities		
Cash received for capital campaign	784,153	512,190
Net change in cash, cash equivalents and restricted cash	(336,483)	941,663
Cash, cash equivalents and restricted cash, beginning of year	7,358,207	6,416,544
Cash, cash equivalents and restricted cash, end of year	$ 7,021,724	7,358,207

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The significant accounting policies and practices followed by the Organization are as follows:

Nature of operations
Santa Maria Community Services, Inc., a not-for-profit organization, was organized under the laws of the State of Ohio and operates four neighborhood-based family resource centers in Cincinnati, Ohio. Neighborhood-based programs, offered free of charge and in partnership with other organizations include: Early Childhood/Parenting, supporting families with children prenatally to age five; Workforce Development, which focuses on financial stability, employment services and GED preparation; Wellness & Immigrant Services, which addresses food, housing and health concerns and conducts immigrant outreach and English as a Second Language classes; and Youth Development, which includes a focus on violence prevention, life, and social/emotion skills development.

The consolidated financial statements include the accounts of Santa Maria Community Services, Inc. and one separate member entity, Santa Maria Properties, LLC, which was formed in 2013 and of which Santa Maria Community Services, Inc. is the sole member (collectively, the "Organization"). All significant intercompany transactions and balances have been eliminated.

Basis of presentation
The Organization's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. Accordingly, the Organization is required 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 likely be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Net assets that must be maintained in perpetuity were $7,000 as of December 31, 2025 and 2024.

Net assets released from restrictions
When a donor 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 consolidated statements of activities as net assets released from restrictions.

Revenue recognition
Unconditional contributions from United Way and other donors are recorded when the promise to give is received. Death bequests are recorded when the will has been settled through probate court. Grant revenue is recorded when the grant is awarded, unless conditional by nature. Conditional grants are generally received to reimburse eligible expenses. Reimbursement-type grant revenue is recorded in grant revenues with donor restrictions when the related eligible costs are incurred. Revenues from

sources other than contributions are reported as increases in net assets without donor restrictions. Expenses are reported as decreases in net assets without donor restrictions.

Cash, cash equivalents and restricted cash

The Organization considers all money market accounts and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Organization maintains cash accounts which may exceed federally insured amounts. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk. The Organization has collected cash as part of a capital campaign that has been restricted by donors and is reported as restricted cash within the consolidated statements of financial position..

Cash, cash equivalents and restricted cash reported within the consolidated statements of financial position that aggregate to the total reported on the consolidated statements of cash flows are as follows for the years ended December 31:

	2025	2024
Cash and cash equivalents	$ 3,061,267	2,958,887
Restricted cash	3,960,457	4,399,320
	$ 7,021,724	7,358,207

Investments

Investments consist of funds held by a local community foundation and are carried at the estimated fair value as provided by the community foundation.

Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices within level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data.

Level 3 Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. These inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

The following is a description of valuation methodologies used for assets measured at fair value.

Funds held by others are considered to be Level 3 and are valued at the estimated fair value of the assets based on the underlying investments using prices obtained from the Greater Cincinnati Foundation as custodian of the assets, which used third party data service providers, without adjustment by management.

Grants receivable
Grants receivable are stated at the amount management expects to collect from the granting agency. It is the opinion of management that all grants receivable are collectible. Accordingly, no allowance has been provided for in the consolidated financial statements.

Support funded by grants is recognized as the Organization performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such, audit adjustments could be required.

Contributions receivable
The Organization has received multi-year contributions that are due in future periods. Contributions receivable are recorded net of a discount for net present value. At December 31, 2025 and 2024, management estimated an allowance for uncollectible contributions of $17,467 and $23,378, respectively.

Property and equipment
Property and equipment are stated at cost at the date of acquisition or fair value at the date of gift, if donated, less accumulated depreciation. Depreciation is provided using the straight-line method and the following useful lives:

Buildings and improvements	5-32 years
Furniture and equipment	3-15 years
Vehicles	5 years

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in operations currently. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized.

Income taxes
The Organization is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. As such, the Organization is exempt from federal, state and local income taxes. The Organization is not considered a private foundation within the meaning of the Internal Revenue Code. Unrelated business income is not material to the consolidated financial statements as a whole.

Allocation of functional expenses
The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the Organization. Expenses are directly applied when applicable and other expenses are allocated to programs or supporting services. Expenses have been classified based upon the actual direct expenditures for natural classes, with the exception of salaries, wages, employee benefits, payroll taxes and depreciation. Salaries, wages, employee benefits and payroll taxes have been allocated based upon estimates of time and effort. Depreciation and occupancy costs have been allocated based upon square footage usage. All fundraising costs are charged to development expenses and thus, there are no joint costs.

Estimates and uncertainties

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events

The Organization has evaluated subsequent events for potential recognition and disclosure through June 30, 2026, the date the consolidated financial statements were available to be issued.

2. CONTRIBUTIONS RECEIVABLE:

Contributions receivable consisted of the following as of December 31:

	2025	2024
Less than one year	$ 1,088,111	1,172,614
Two to five years	140,250	378,089
	1,228,361	1,550,703
Less present value discounts at 1.26% - 3.99%	(5,231)	(26,613)
Less allowance for uncollectible contributions	(17,467)	(23,378)
	$ 1,205,663	1,500,712

3. INVESTMENTS:

The Organization has recorded a beneficial interest in investments held by the Greater Cincinnati Foundation in its Endowment Fund of $644,272 and $579,969 at December 31, 2025 and 2024, respectively. The pooled endowment fund holds primarily common stock, mutual funds, and corporate and government fixed income obligations, which are stated at fair value as determined by market prices.

The following table summarizes the fair value measurements of the Organization's investments by level as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Funds held by others for the benefit of the Organization	$ -	-	644,272	644,272

The following table summarizes the fair value measurements of the Organization's investments by level as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Funds held by others for the benefit of the Organization	$ -	-	579,969	579,969

4. ENDOWMENT:

The Organization's endowment consists of funds established for a variety of purposes. The endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as an endowment. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the Ohio-Enacted Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as perpetually restricted net assets (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor restricted endowment fund that is not classified in perpetually restricted net assets is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor restricted endowment funds,(3) general economic conditions,(4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

Investment return objectives, risk parameters and strategies
The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve a total rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a pooled endowment fund as described in Note 3 that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution, while growing funds if possible. Therefore, the Organization expects its endowment assets, over time, to produce an average rate of return consistent with its return objectives. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending policy
The Organization has a policy of reinvesting the interest and dividend income earned on investments immediately. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the endowment fund and the possible effects of inflation. The Organization expects the current spending policy to allow its endowment funds to grow annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

Changes in endowment net assets for the year ended December 31, 2025, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Endowment Net Assets
Endowment net assets, beginning of year	$ 572,969	7,000	579,969
Net investment return	64,303	-	64,303
Endowment net assets, end of year	$ 637,272	7,000	644,272

Changes in endowment net assets for the year ended December 31, 2024, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Endowment Net Assets
Endowment net assets, beginning of year	$ 535,218	7,000	542,218
Net investment return	37,751	-	37,751
Endowment net assets, end of year	$ 572,969	7,000	579,969

The balance of the endowment net assets, without donor restrictions are considered board designated net assets at December 31, 2025 and 2024.

5. PROPERTY AND EQUIPMENT:

Property and equipment consist of the following major classifications at December 31:

	2025	2024
Land	$ 1,024,862	50,000
Building and improvements	1,184,028	1,164,519
Furniture and equipment	170,719	169,297
Vehicles	60,614	60,614
Construction in progress	831,709	487,637
	3,271,932	1,932,067
Accumulated depreciation	(882,977)	(811,286)
	$ 2,388,955	1,120,781

Construction in progress is primarily composed of costs incurred for the development and design of the new consolidated location for the Organization in relation to the capital campaign. No depreciation is recognized on these assets until placed in service.

6. BOARD DESIGNATED NET ASSETS:

Board designated net assets consists of the following at December 31:

	2025	2024
Board designated endowment	$ 637,272	572,969
Cash reserve	-	30,000
Capital campaign cash	-	465,836
	$ 637,272	1,068,805

7. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are restricted for the following purposes at December 31:

	2025	2024
Subject to expenditure for specific purpose:		
Capital campaign – restricted cash	$ 3,960,457	4,399,320
Capital campaign – construction in progress and land	1,806,571	484,412
Early childhood/parenting	378,547	485,174
Workforce development	101,716	48,283
Wellness	49,687	71,779
Youth	98,814	94,883
Other	177,029	212,594
	6,572,821	5,796,445
Subject to the passage of time:		
Grants receivable:		
Capital campaign	614,667	-
Contributions receivable:		
Capital campaign	850,654	1,118,913
General operations	355,009	381,799
	1,820,330	1,500,712
Net assets held in perpetuity	7,000	7,000
Total net assets with donor restrictions	$ 8,400,151	7,304,157

8. CONCENTRATIONS:

A substantial portion of the Organization's revenue comes from government grants and contributions. Approximately 46% of total support and revenues came from government grants for 2025 and 2024. Approximately 22% of total support and revenues came from one donor at December 31, 2024. There were no concentrations of donors for the year ended December 31, 2025. Approximately 77% and 68% of contributions receivable are due from three donors at December 31, 2025 and 2024, respectively.

9. RETIREMENT PLAN:

The Organization sponsors a retirement plan which provides benefits for eligible employees under the Internal Revenue Code. Employer contributions to the Plan are made in accordance with a specified formula. Benefit payments are based on amounts accumulated from employer and voluntary employee contributions. The Organization's contributions to the Plan totaled $72,449 and $73,408 for the years ended December 31, 2025 and 2024, respectively.

10. CONDITIONAL PROMISES TO GIVE:

During the year ended December 31, 2025, the Organization received conditional promises to give of $935,831. No amounts were recognized during 2025 as the conditions have not been satisfied.

11. CONTINGENCIES:

The Organization has received grants for specific purposes that are subject to review by the respective grantor agencies. These reviews could result in a request for reimbursement from the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, management believes any disallowances would not be significant to the consolidated financial statements.

12. SUBSEQUENT EVENTS:

In April 2026, the Organization paid $40,000 in deposits to reserve up to $16,000,000 in new market tax credit (NMTC) allocations for renovations on the new building. These NMTCs are reserved until August 31, 2026 and can be rescinded if the project is not closed on by that date. The deposits paid are non-refundable.

13. LIQUIDITY DISCLOSURES:

The Organization is substantially supported by grant funding and contributions from donors. As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table presents the financial assets available to meet cash needs for general expenditures within one year at December 31:

	2025	2024
Financial assets:		
Cash and cash equivalents	$ 3,061,267	2,958,887
Restricted cash	3,960,457	4,399,320
Grants receivable	924,689	354,740
Contributions receivable – current portion	1,088,111	1,172,614
Investments	644,272	579,969
Financial assets available at year-end	9,678,796	9,465,530
Less those unavailable for general expenditures within one year due to:		
Restricted by donor with purpose restrictions	4,766,250	5,312,033
Grants receivable – capital campaign	614,667	-
Contributions receivable – capital campaign	733,102	790,815
Donor restricted endowment	7,000	7,000
Board designated endowment	637,272	572,969
Board designated cash reserve	-	30,000
Board designated capital campaign cash	-	465,836
	6,758,291	7,178,653
Financial assets available to meet cash needs for general expenditures within one year	$ 2,920,505	2,286,877