

URBAN VENTURES LEADERSHIP FOUNDATION
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023 AND 2022



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Urban Ventures Leadership Foundation
Minneapolis, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Urban Ventures Leadership Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 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 Urban Ventures Leadership Foundation as of June 30, 2023 and 2022, 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 (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 Urban Ventures Leadership Foundation 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 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 Urban Ventures Leadership Foundation's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Urban Ventures Leadership Foundation'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 Urban Ventures Leadership Foundation's ability to continue as a going concern for a reasonable period of time.

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



CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 16, 2023

URBAN VENTURES LEADERSHIP FOUNDATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,554,003	\$ 1,190,839
Cash and Cash Equivalents - EMPOWER Campaign	1,027,087	2,108,668
Pledges Receivable Operating, Net	50,000	638,518
Pledges Receivable - EMPOWER Campaign, Net	80,000	383,333
Accounts Receivable, Net	1,547,123	89,377
Inventory	4,877	3,679
Prepaid Expenses	95,302	26,343
Total Current Assets	5,358,392	4,440,757
PROPERTY, EQUIPMENT, AND BUILDINGS	13,113,717	13,151,087
OTHER ASSETS		
Long-Term Pledges Receivable - EMPOWER Campaign, Net	26,512	74,414
Investments	9,193,115	4,718,111
Right-of-Use Asset	67,733	-
Total Other Assets	9,287,360	4,792,525
Total Assets	\$ 27,759,469	\$ 22,384,369
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 84,824	\$ 61,699
Accrued Expenses	357,812	337,320
Current Portion of Long-Term Debt	3,712	17,922
Total Current Liabilities	446,348	416,941
LONG-TERM LIABILITIES		
Long-Term Debt	142,071	184,745
Lease Liabilities	53,860	-
Total Liabilities	642,279	601,686
NET ASSETS		
Without Donor Restrictions		
Undesignated	22,243,908	14,943,432
Board Designated - Capital Reserve	1,500,000	1,500,000
Total Net Assets Without Donor Restriction	23,743,908	16,443,432
With Donor Restrictions	3,373,282	5,339,251
Total Net Assets	27,117,190	21,782,683
Total Liabilities and Net Assets	\$ 27,759,469	\$ 22,384,369

See accompanying Notes to Financial Statements.

**URBAN VENTURES LEADERSHIP FOUNDATION
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2023 AND 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions and Grants	\$ 9,592,833	\$ 124,804	\$ 9,717,637	\$ 2,632,860	\$ 862,645	\$ 3,495,505
Contributions - EMPOWER Campaign	-	41,063	41,063	-	470,777	470,777
Program Service Fees	1,101,518	-	1,101,518	439,846	-	439,846
Rental Income	109,176	-	109,176	103,104	-	103,104
Investment Income	211,989	3,774	215,763	(972,020)	(5,334)	(977,354)
Other Income	23,766	-	23,766	49,148	-	49,148
Urban Ventures Coffee Revenue	64,035	-	64,035	54,950	-	54,950
Loss on Sale of Asset	-	-	-	500	-	500
In-Kind Revenue	230,328	-	230,328	31,386	-	31,386
Net Assets Released from Restriction	2,135,610	(2,135,610)	-	1,034,939	(1,034,939)	-
Release of EMPOWER Funds to Establish Capital Reserve Fund	-	-	-	1,500,000	(1,500,000)	-
Total Support and Revenue	<u>13,469,255</u>	<u>(1,965,969)</u>	<u>11,503,286</u>	<u>4,874,713</u>	<u>(1,206,851)</u>	<u>3,667,862</u>
EXPENSES						
Program Services:						
Youth Services	913,166	-	913,166	797,380	-	797,380
Education and Literacy	1,814,402	-	1,814,402	1,407,375	-	1,407,375
Family Programming	598,944	-	598,944	657,039	-	657,039
Farm and Nutrition	694,542	-	694,542	456,654	-	456,654
Program Services	654,577	-	654,577	435,305	-	435,305
Total Program Services	<u>4,675,631</u>	<u>-</u>	<u>4,675,631</u>	<u>3,753,753</u>	<u>-</u>	<u>3,753,753</u>
Supporting Services:						
Administration	1,037,564	-	1,037,564	822,204	-	822,204
Fundraising	455,584	-	455,584	376,604	-	376,604
Total Supporting Services	<u>1,493,148</u>	<u>-</u>	<u>1,493,148</u>	<u>1,198,808</u>	<u>-</u>	<u>1,198,808</u>
Total Expenses	<u>6,168,779</u>	<u>-</u>	<u>6,168,779</u>	<u>4,952,561</u>	<u>-</u>	<u>4,952,561</u>
CHANGE IN NET ASSETS	7,300,476	(1,965,969)	5,334,507	(77,848)	(1,206,851)	(1,284,699)
Net Assets - Beginning of Year	16,443,432	5,339,251	21,782,683	17,087,766	5,979,616	23,067,382
Reclassification of Net Assets to Replenish Restricted Endowment Account	-	-	-	(566,486)	566,486	-
NET ASSETS - END OF YEAR	<u>\$ 23,743,908</u>	<u>\$ 3,373,282</u>	<u>\$ 27,117,190</u>	<u>\$ 16,443,432</u>	<u>\$ 5,339,251</u>	<u>\$ 21,782,683</u>

See accompanying Notes to Financial Statements.

**URBAN VENTURES LEADERSHIP FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023**

	Program					Support			Total 2023	
	Youth Service	Education and Literacy	Family Programming	Farm and Nutrition	Program Services	Total Program	Administration	Fundraising		Total Support
Salaries	\$451,937	\$1,095,143	\$227,825	\$291,689	\$374,047	\$ 2,440,641	\$ 408,585	\$ 175,294	\$ 583,879	\$ 3,024,520
Benefits	87,615	237,645	55,705	80,165	59,469	520,599	84,329	33,915	118,244	638,843
Total Payroll	539,552	1,332,788	283,530	371,854	433,516	2,961,240	492,914	209,209	702,123	3,663,363
Cost of Goods Sold	14,859	-	-	-	-	14,859	-	-	-	14,859
Employee Development, Appreciation, and Conferences	7,617	8,302	999	175	3,701	20,794	892	1,295	2,187	22,981
Employee Mileage and Travel	11,154	825	183	1,150	-	13,312	6,119	562	6,681	19,993
Professional Fees	76,395	31,011	95,232	2,663	2,510	207,811	209,985	1,075	211,060	418,871
Purchased Services	10,964	19,166	62,648	8,394	6,626	107,798	1,781	148,631	150,412	258,210
Food	21,405	25,141	9,280	9,275	2,821	67,922	19,771	4,559	24,330	92,252
Entry Fees	5,325	6,989	50	-	-	12,364	-	-	-	12,364
Printing	10,330	658	-	329	40	11,357	1,653	7,692	9,345	20,702
Supplies	23,874	58,864	3,273	15,757	2,228	103,996	4,995	5,036	10,031	114,027
Vehicle Operations	1,326	2,381	786	3,383	859	8,735	231	231	462	9,197
Telephone	7,969	1,042	144	708	157	10,020	6,169	42	6,211	16,231
Dues, Fees, Subscriptions	10,180	25,870	3,458	2,977	6,130	48,615	34,663	24,814	59,477	108,092
Postage and Shipping	1,243	-	-	-	-	1,243	6	606	612	1,855
Insurance	19,840	39,420	13,013	16,452	14,222	102,947	45,934	155	46,089	149,036
Occupancy	11,213	22,280	7,355	8,529	8,038	57,415	25,961	88	26,049	83,464
Lake and 4th Building Expense	29,421	58,457	19,297	22,377	21,089	150,641	5,669	5,669	11,338	161,979
Other Expense	23,727	7,652	46,708	1,505	30,723	110,315	8,359	27,289	35,648	145,963
Rents and Leases	5,126	1,457	2,202	1,046	(2,713)	7,118	1,479	605	2,084	9,202
Equipment Expense	5,352	2,602	745	1,054	2,956	12,709	2,623	623	3,246	15,955
Buildings Expense	8,831	17,547	5,792	6,744	6,331	45,245	-	1,702	1,702	46,947
Major Buildings Expense	-	17,904	-	-	-	17,904	1,702	-	1,702	19,606
Interest Expense	-	-	-	-	5,514	5,514	4,411	-	4,411	9,925
Depreciation	67,463	134,046	44,249	51,312	48,359	345,429	162,247	15,701	177,948	523,377
Total Other Expense	373,614	481,614	315,414	322,688	221,061	1,714,391	544,650	246,375	791,025	2,505,416
Total Expense	\$ 913,166	\$ 1,814,402	\$ 598,944	\$ 694,542	\$ 654,577	\$ 4,675,631	\$ 1,037,564	\$ 455,584	\$ 1,493,148	\$ 6,168,779

See accompanying Notes to Financial Statements.

**URBAN VENTURES LEADERSHIP FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022**

	Program					Support			Total 2022	
	Youth Service	Education and Literacy	Family Programming	Farm and Nutrition	Program Services	Total Program	Administration	Fundraising		Total Support
Salaries	\$ 407,652	\$ 739,668	\$ 250,534	\$ 251,406	\$ 251,769	\$ 1,901,029	\$ 361,142	\$ 176,796	\$ 537,938	\$ 2,438,967
Benefits	80,095	163,780	68,080	69,266	47,032	428,253	95,018	36,787	131,805	560,058
Total Payroll	487,747	903,448	318,614	320,672	298,801	2,329,282	456,160	213,583	669,743	2,999,025
Cost of Goods Sold	9,858	-	-	-	-	9,858	-	(725)	(725)	9,133
Employee Development, Appreciation, and Conferences	2,410	4,937	-	230	150	7,727	-	1,813	1,813	9,540
Employee Mileage and Travel	4,861	20	636	2,414	-	7,931	139	-	139	8,070
Professional Fees	84,230	11,932	99,566	2,472	4,611	202,811	101,338	5,034	106,372	309,183
Purchased Services	15,074	49,851	65,043	18,932	9,702	158,602	2,652	128,521	131,173	289,775
Food	7,240	38,696	4,267	9,008	4,970	64,181	8,117	2,708	10,825	75,006
Entry Fees	3,399	725	-	-	-	4,124	-	-	-	4,124
Printing	2,794	4,760	157	223	345	8,279	-	11,634	11,634	19,913
Supplies	12,222	49,262	6,694	7,056	3,178	78,412	6,152	1,263	7,415	85,827
Vehicle Operations	428	755	352	3,514	219	5,268	75	75	150	5,418
Telephone	1,056	937	197	622	123	2,935	3,376	42	3,418	6,353
Dues, Fees, Subscriptions	5,299	16,668	3,083	1,774	4,597	31,421	24,824	32,030	56,854	88,275
Postage and Shipping	1,256	-	-	642	-	1,898	1,071	-	1,071	2,969
Insurance	19,818	34,978	16,330	11,349	10,151	92,626	35,727	3,970	39,697	132,323
Occupancy	12,249	21,620	10,093	7,015	6,275	57,252	22,083	2,454	24,537	81,789
Lake and 4th Building Expense	40,575	71,615	33,434	23,237	20,784	189,645	7,137	7,137	14,274	203,919
Other Expense	7,661	29,124	33,382	1,143	(1,837)	69,473	8,693	6,482	15,175	84,648
Rents and Leases	2,950	1,704	2,359	691	741	8,445	1,535	649	2,184	10,629
Equipment Expense	-	421	-	1,359	-	1,780	801	-	801	2,581
Buildings Expense	1,948	3,438	1,605	1,747	998	9,736	343	343	686	10,422
Major Buildings Expense	-	31,335	-	-	-	31,335	-	-	-	31,335
Interest Expense	-	-	-	-	6,578	6,578	6,890	-	6,890	13,468
Depreciation	74,305	131,149	61,227	42,554	38,063	347,298	133,958	14,884	148,842	496,140
Recovery of Bad Debt Previously Written Off	-	-	-	-	-	-	-	(58,690)	(58,690)	(58,690)
In-Kind Expense	-	-	-	-	26,856	26,856	1,133	3,397	4,530	31,386
Total Other Expense	309,633	503,927	338,425	135,982	136,504	1,424,471	366,044	163,021	529,065	1,953,536
Total Expense	\$ 797,380	\$ 1,407,375	\$ 657,039	\$ 456,654	\$ 435,305	\$ 3,753,753	\$ 822,204	\$ 376,604	\$ 1,198,808	\$ 4,952,561

See accompanying Notes to Financial Statements.

URBAN VENTURES LEADERSHIP FOUNDATION
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 5,334,507	\$ (1,284,699)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	582,384	496,140
(Recovery of Bad Debt Previously Written Off) Bad Debt Expense	-	(58,690)
(Gain) Loss on Sale of Fixed Assets	-	(500)
Investment Income	(168,040)	977,354
Change in Operating Assets and Liabilities:		
Pledges Receivable	939,753	390,040
Accounts Receivable	(1,457,746)	(1,939)
Inventory	(1,198)	(725)
Prepaid Expenses	(68,959)	64,951
Accounts Payable	23,125	(22,087)
Accrued Expenses	20,492	108,383
Operating Lease Liability	(47,087)	-
Net Cash Provided by Operating Activities	5,157,231	668,228
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(511,800)	(232,364)
Proceeds from the Sale of Property and Equipment	-	500
Purchase of Other Investments	(5,241,502)	(5,089,253)
Proceeds from Sale of Other Investments	934,538	1,233,023
Net Cash Used by Investing Activities	(4,818,764)	(4,088,094)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Long-Term Debt	(56,884)	(1,239)
Assets Purchased through Capital Lease Obligation	-	24,248
Net Cash Provided (Used) by Financing Activities	(56,884)	23,009
NET CHANGE IN CASH AND CASH EQUIVALENTS	281,583	(3,396,857)
Cash and Cash Equivalents - Beginning of Year	3,299,507	6,696,364
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,581,090	\$ 3,299,507
REFLECTED ON THE STATEMENTS OF FINANCIAL POSITION AS		
Cash and Cash Equivalents	\$ 2,554,003	\$ 1,190,839
Cash and Cash Equivalents - EMPOWER Campaign	1,027,087	2,108,668
Total Cash and Cash Equivalents	\$ 3,581,090	\$ 3,299,507
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 9,925	\$ 8,739
Equipment Purchased with Capital Lease	35,849	-
Total Supplemental Disclosures	\$ 45,774	\$ 8,739

See accompanying Notes to Financial Statements.

**URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Program Services

Urban Ventures Leadership Foundation (the Organization) provides cradle-to-career support to youth and families in one of the most under resourced neighborhoods in Minneapolis – with the overarching goal to prepare and send every youth in our neighborhood to college or postsecondary education by 2040. The Organization works alongside 80 local partners to address opportunity gaps in academics, nutrition, physical activity, parenting resources and more. Each week, youth of all ages receive one-on-one support in mind, body, and spirit.

EMPOWER Fundraising Campaign

During the 2019 year, the Organization initiated a multi-million dollar, three-year fundraising campaign known as the EMPOWER Campaign. The Campaign is a focused effort to serve more youth and strengthen the entrance and exit points of the Organization’s cradle-to-career programming. Campaign elements include capital projects, program expansion and the funding of two new vital initiatives, an early learning center and expanded college and career center. The campaign ended successfully during fiscal year 2022.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Revenues are recognized as they are earned and expenses are recorded when liabilities are incurred.

Basis of Presentation

Net assets and revenues, support and expenses are classified based on the existence or absence of donor-imposed restrictions. Net assets of the Organization and changes therein are classified into the following two categories:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment that was released in the fiscal year ended June 30, 2022. The board-designated \$1,500,000 for capital reserve after meeting its goals in the EMPOWER Campaign, in the fiscal year ended June 30, 2022.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash with donor restrictions for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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 with restrictions has been fulfilled, or both.

The Organization has elected to present contributions with temporary restrictions, which are fulfilled in the same period, as net assets without donor restrictions.

**URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Cash and Cash Equivalents

The Organization considers all highly liquid instruments purchased with a maturity of less than three months to be cash equivalents.

From time-to-time, the Organization may have deposits at one commercial bank in excess of the limits guaranteed by the Federal Deposit Insurance Corporation. While this represents an uninsured risk, management periodically evaluates the financial viability of the financial institutions to determine if any changes are warranted.

Accounts Receivable

The Organization analyzes their receivables and records an allowance that management believes will reserve for possible losses on existing receivables that may become uncollectible. Management takes into consideration factors such as the collectability of the accounts, prior loss experience, current economic conditions, and the age of the receivable balance. An account is considered uncollectible when all collection efforts have failed. The allowance for uncollectible accounts was \$13,335 and \$17,623 at June 30, 2023 and 2022 respectively. The Organization's accounts receivable are unsecured assets.

Pledges Receivable

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Pledges that are expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of the amount expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the pledge is received. Conditional pledges (those with a measurable performance or other barrier and a right of return or release), including pending bequests, are not included as support until such time as the conditions are substantially met. Management provides an allowance for doubtful collections, which is based upon a review of outstanding receivables, historical collection information, and existing economic conditions. The allowance for doubtful operating pledges as of both June 30, 2023 and 2022 is \$-0-, the allowance for doubtful capital pledges is \$800 and \$3,833 as of June 30, 2023 and 2022 respectively.

Property, Equipment, and Buildings

Purchased property and equipment are carried at cost. Contributed property and equipment are recorded as support at their estimated fair value at the time of contribution. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. The cost of maintenance and repairs is expensed as incurred and significant renewals and betterments over \$5,000 are capitalized. Estimate lives of assets are:

Buildings	40 Years
Building Improvements	3 to 20 Years
Vehicles	3 to 7 Years
Furniture and Equipment	3 to 20 Years

**URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Investments

Investments are stated at fair value. The investments consist of both publicly traded investments and interests in various nonpublicly traded investment funds. The nonpublicly traded interests are valued by management of the individual funds based on the fair value of the underlying investments in the funds. The net changes in fair value on held investments and the realized gains and losses on investments sold are reflected in the statements of activities as a component of investment income. Realized and unrealized gains and losses are included in the accompanying statements of activities.

In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, changes in the values of the investments will occur in the near term and such changes could materially affect the amounts reported.

Leases

Urban Ventures Leadership Foundation leases vehicles and equipment and determines if an arrangement is a lease at inception. Both operating and finance leases are reported on the balance sheet as a right-of-use (ROU) asset and lease liability.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the balance sheets.

The individual lease contracts do not provide information about the rate implicit in the lease. Therefore, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities. The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Funds Held by Others

These assets are valued at fair value, in accordance with current accounting standards on transfers of assets to a nonprofit organization or charitable trust that raises or holds contributions for others. Realized and unrealized gains and losses are recognized in the statements of activities.

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Revenue Recognition

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 they become unconditional, that is, when the conditions on which they depend are substantially met.

Early Learning Center fees are recognized the week the school fees are earned. Prepayments of fees for future weeks are recorded as deferred revenue until earned. Fees associated with the Early Learning Center are deferred to the applicable period in which the performance obligation of the fees are met.

Other program services and rental income are recorded as revenue when earned and as services are performed. Program service fees are recognized at the point in time earned and rental income is recognized over the rental period. Funds received but not yet earned are shown as deferred revenue.

In-Kind Contributions

Accounting principles generally accepted in the United States of America (GAAP) require that only contributions of service received that create or enhance a nonfinancial asset or require specialized skill by an individual possessing those skills and would typically need to be purchased if not provided by donation, be recorded. In-kind contributions were \$230,328 and \$31,386 in 2023 and 2022, respectively.

A substantial number of volunteers have contributed time to the Organization's programs, fundraising, and administration; however, these donated services are not reflected in the statements of activities as recognition has not been satisfied under the requirements of GAAP.

Allocation of Functional Expenses

Functional expenses have been allocated between program services and supporting services based on an analysis of personnel time and space utilized for the related activities. Other expenses are directly coded to a functional category based on the nature and purpose of the expense.

Use of Estimates

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

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Tax Status

The Organization is exempt from federal taxes on related income under Section 501(c)(3) of the Internal Revenue Code. The Organization has been designated as a publicly supported organization under Section 170 of the same code. Accordingly, contributions qualify for deduction to the extent provided in that code. The Organization is also exempt from state income tax on related income.

The Organization follows applicable accounting standards for uncertainty in income taxes recognized in an organization's financial statements.

Fair Value Measurements

Accounting standards require disclosure of fair value information about financial instruments, whether or not recognized in the statement of financial position, for which an estimated value is practicable. Certain financial instruments and all nonfinancial instruments are excluded from the standard's disclosure requirements. For all financial instruments other than investments, the carrying value is a reasonable estimate of fair value because of the short-term nature of the financial instruments. Investments are carried at fair value or estimated fair value.

The Organization follows accounting standards that define fair value, establish a framework for measuring fair value in accordance with existing GAAP, and expand disclosures about fair value measurements. The framework provides a fair value hierarchy that prioritizes inputs according to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Level inputs are defined as follows:

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.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The fair value measurement level within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used must maximize the use of observable inputs and minimize the use of unobservable inputs.

**URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Adoption of New Accounting Standards

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02, *Leases (ASC 842)*. The new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent of the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

Urban Ventures Leadership Foundation adopted the requirements of the guidance effective July 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption.

The Organization has elected to adopt the package of practical expedients available in the year of adoption. The Organization has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets. The standard had a material impact on the statement of financial position but did not have an impact on the statements of activities, nor statements of cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in these financial statements through October 16, 2023, the date the financial statements were available to be issued. In September 2023, the Organization signed an agreement with Cristo Rey High School to exchange ownership of building space within the Colin Powell Center. The result of the transaction increased cash and a minor change in the percentage of building ownership.

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 2 PLEDGES RECEIVABLE

Pledges receivable consist of the following at June 30:

	2023	2022
Pledges Receivable:		
Operating	\$ 50,000	\$ 580,517
EMPOWER Campaign	110,000	523,333
Subtotal	160,000	1,103,850
Allowance for Uncollectible Pledges	(800)	(3,833)
Unamortized Discount (4.81% in 2023 and 3.98% in 2022)	(2,688)	(3,752)
Total	\$ 156,512	\$ 1,096,265
Amounts Due In:		
Less Than One Year	\$ 130,000	\$ 1,021,851
One to Five Years	26,512	74,414
Total	\$ 156,512	\$ 1,096,265

NOTE 3 INVESTMENTS

Investments consisted of the following at June 30:

	2023	2022
Cash	\$ 4,589,714	\$ 741,026
Common Stocks	464,574	694,513
U.S. Equity Funds	1,112,365	1,143,644
Internationally Developed Funds	158,442	163,589
Emerging Markets Stocks	101,045	68,915
Taxable Fixed Income	969,596	1,599,718
Extended Fixed Income Funds		82,403
REITS	9,112	-
US Government	299,112	-
Corporate and Other Taxable Bonds	1,400,778	
Taxable Funds	88,377	-
Other Investments	-	218,596
Alternative Investments Invested in:		
Special Opportunities Fund	-	5,707
Total	\$ 9,193,115	\$ 4,718,111

NOTE 4 FAIR VALUE MEASUREMENTS

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization values all other assets and liabilities refer to Note 1 – Organization and Summary of Significant Accounting Policies.

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets measured on a recurring basis as of June 30:

	June 30, 2023			
	Level 1	Level 2	Level 3	Total
Investments:				
Special Opportunities Fund	\$ -	\$ -	\$ -	\$ -
Common Stocks	464,574	-	-	464,574
U.S. Equity Funds	1,112,365	-	-	1,112,365
Internationally Developed Funds	158,442	-	-	158,442
Emerging Markets Stocks	101,045	-	-	101,045
REITS	9,112	-	-	9,112
Taxable Fixed Income	969,596	-	-	969,596
US Government	299,112	-	-	299,112
Corporate and Other Taxable Bonds	1,400,778	-	-	1,400,778
Taxable Funds	88,377	-	-	88,377
Extended Fixed Income Funds	-	-	-	-
Other Investments	-	-	-	-
Total	<u>\$ 4,603,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,603,401</u>
	June 30, 2022			
	Level 1	Level 2	Level 3	Total
Investments:				
Special Opportunities Fund	\$ -	\$ -	\$ 5,707	\$ 5,707
Common Stocks	694,513	-	-	694,513
U.S. Equity Funds	1,143,644	-	-	1,143,644
Internationally Developed Funds	163,589	-	-	163,589
Emerging Markets Stocks	68,915	-	-	68,915
Taxable Fixed Income	1,599,718	-	-	1,599,718
Extended Fixed Income Funds	82,403	-	-	82,403
Long/Short Equity Hedge Funds	-	-	-	-
Other Investments	218,596	-	-	218,596
Total	<u>\$ 3,971,378</u>	<u>\$ -</u>	<u>\$ 5,707</u>	<u>\$ 3,977,085</u>

The following table provides a summary of changes in the Organization's Level 3 assets for the year ended June 30:

	2023			
	Investments			
	Fixed Income Fund	Diversified Equity Fund	Marketable Alternative Fund	Special Opportunities Fund
Balance at Beginning of Year	\$ -	\$ -	\$ -	\$ 5,707
Purchases	-	-	-	-
Unrealized and Realized Gains (Losses)	-	-	-	-
Withdrawals	-	-	-	(5,707)
Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

	2022			
	Investments			
	Fixed Income Fund	Diversified Equity Fund	Marketable Alternative Fund	Special Opportunities Fund
Balance at Beginning of Year	\$ -	\$ -	\$ -	\$ 109,213
Purchases	-	-	-	-
Unrealized and Realized Gains	-	-	-	5,137
Withdrawals	-	-	-	(108,643)
Balance at End of Year	\$ -	\$ -	\$ -	\$ 5,707

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent) as of June 30:

	Net Asset Value		Unfunded Commitments	Redemption Frequency if Currently Available	Redemption Notice Period
	2023	2022			
Special Opportunities Fund	\$ -	\$ 5,707	\$ -	Annually	6 Months

The unobservable inputs of all Investments are based on the underlying assets within each fund noted below.

The special opportunities fund invests in distressed securities strategies and equity managers with concentrated equity portfolios. To achieve equity-like returns and provide inflation protection, the Fund targets exposure to real assets via investments in commodities, energy stocks, and real estate sectors. The fund invests in funds and limited partnerships that may impose certain constraints upon discretionary withdrawals as set forth in the partnership agreements which may include initial lock-up periods, gates provisions, and redemption fees.

NOTE 5 PROPERTY, EQUIPMENT, AND BUILDINGS

Property, equipment, and buildings consisted of the following at June 30:

	2023	2022
Land	\$ 2,469,701	\$ 2,469,701
Buildings	17,672,115	17,180,892
Furniture and Equipment	459,587	432,722
Office and Computer Equipment	185,015	185,015
Vehicles	254,744	290,593
Total Property, Equipment, and Buildings	21,041,162	20,558,923
Less: Accumulated Depreciation	(7,927,445)	(7,407,836)
Net Property, Equipment, and Buildings	\$ 13,113,717	\$ 13,151,087

**URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 5 PROPERTY, EQUIPMENT AND BUILDINGS (CONTINUED)

Depreciation expense was \$523,378 and \$496,140 for the years ended June 30, 2023 and 2022, respectively. Included in land and buildings is approximately 50% of the total cost of the Colin Powell Center. The Organization has a joint agreement with Twin Cities Jesuit High School where each entity is a 50% owner of the building and land.

NOTE 6 LINE OF CREDIT

The Organization has a \$700,000 revolving line of credit with a variable rate of interest (WSJ Prime plus 0.9%), which was 9.15% as of June 30, 2023. The principal balance outstanding on the line of credit is due on demand with a 90-day notice and is secured by all assets of the Organization. At June 30, 2023 and 2022, \$-0- was owed.

NOTE 7 LONG-TERM DEBT

The Organization received a loan from the SBA in the amount of \$150,000 under the Economic Injury Disaster Loan Program expanded by the CARES Act. The loan is subject to a note dated June 13, 2020. The loan balance bears interest at a rate of 2.75% and is payable in monthly installments of principal and interest of \$641 over 348 months beginning in November of 2022. The loan may be repaid at any time with no prepayment penalty.

Current maturities of long-term debt are due as follows at June 30, 2023:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 3,712
2025	6,816
2026	3,922
2027	4,031
2027	4,143
Thereafter	123,159
Total Debt Payments	<u>\$ 145,783</u>

NOTE 8 RETIREMENT PLAN

The Organization adopted a qualified defined contribution retirement plan in May 1997 covering substantially all employees. The plan allows employees to defer compensation up to the Internal Revenue Service limitations and in 2012 the Organization began matching 25% of employee contributions up to 2% of the employee's base salary. The Organization's matching contribution is discretionary as determined by the board. Matching contributions were \$29,122 and \$30,239 during the years ended June 30, 2023 and 2022, respectively.

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 9 RENTAL INCOME

The Organization leases space in buildings it owns under various lease arrangements. Rental income was \$109,176 and \$103,107 during the years ended June 30, 2023 and 2022, respectively. Leases mature at various times with most being month-to-month agreements and include ad-hoc leases for sports tournaments and event usage.

NOTE 10 IN-KIND

The Organization signed a one-year agreement on July 31, 2020, with Loaves and Fishes Too to rent their kitchen space for \$1 per year in exchange Loaves and Fishes Too provides food and food services to the Organization's programs. This agreement was renewed on July 31, 2022 through July 31, 2023. Total value of the in-kind was \$168,858 and \$31,386 for years ended June 30, 2023 and 2022, respectively.

NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with restrictions consist of the following as of June 30:

	<u>2023</u>	<u>2022</u>
Restrictions Temporary in Nature:		
Time Restriction	\$ -	\$ 2,052
Farm and Nutrition	567,500	605,000
EMPOWER Campaign - Early Learning Center	924,027	2,443,344
EMPOWER Campaign - Capital and Program Expansion	812,665	1,038,134
Emergency Response	56,689	56,055
Literacy Grant	-	25,000
Technology Grant	10,000	150,000
Other	3,961	25,000
Total	<u>2,374,842</u>	<u>4,344,585</u>
Endowments:		
General Endowment	<u>998,440</u>	<u>994,666</u>
Total Net Assets with Donor Restrictions	<u>\$ 3,373,282</u>	<u>\$ 5,339,251</u>

Restricted net assets released consist of the following during the years ended June 30:

	<u>2023</u>	<u>2022</u>
Purpose Releases	\$ 2,135,610	\$ 2,534,939
Donor Approved Release	-	25,000
Total	<u>\$ 2,135,610</u>	<u>2,559,939</u>

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 12 ENDOWMENT FUNDS

The endowment funds consist of gifts restricted by donors that have stipulated the funds be held in perpetuity and are subject to Minnesota's Uniform Prudent Management of Institutional Funds Act (UPMIFA) and amounts designated by the board. The Organization has established the endowment funds to provide for ongoing funding for their programs. The annual distribution policy allows distributions to be made available to operations equal to 5% of the average market value. Underwater funds as of June 30, 2023 and 2022 are disclosed in the following table and were \$1,560 and \$5,334, respectively. These deficiencies resulted from approved appropriations in excess of accumulated earnings in prior years. The fund was replenished during the fiscal year 2022.

Endowments by net asset class for the years ended June 30:

	2023		
	Without Restrictions	With Restrictions	Total
Board-Designated Endowment Funds	\$ -	\$ -	\$ -
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	1,000,000	1,000,000
Accumulated Investment Losses	-	(1,560)	(1,560)
Total Endowment Funds	<u>\$ -</u>	<u>\$ 998,440</u>	<u>\$ 998,440</u>
	2022		
	Without Restrictions	With Restrictions	Total
Board-Designated Endowment Funds	\$ -	\$ -	\$ -
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	1,000,000	1,000,000
Accumulated Investment Losses	-	(5,334)	(5,334)
Total Endowment Funds	<u>\$ -</u>	<u>\$ 994,666</u>	<u>\$ 994,666</u>

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 12 ENDOWMENT FUNDS (CONTINUED)

Changes in endowment fund assets were as follows for the years ended June 30:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowments - July 1, 2022	\$ -	\$ 994,666	\$ 994,666
Contributions	-	-	-
Appropriation of Endowment Assets for Expenditures	-	-	-
Realized and Unrealized Gains on Investments Appreciation	-	3,774	3,774
Transfers	-	-	-
Endowments - June 30, 2023	<u>\$ -</u>	<u>\$ 998,440</u>	<u>\$ 998,440</u>
	Without Donor Restrictions	With Donor Restrictions	Total
Endowments - July 1, 2021	\$ 460,762	\$ 433,514	\$ 894,276
Contributions	-	-	-
Appropriation of Endowment Assets for Expenditures	-	-	-
Realized and Unrealized Gains on Investments Appreciation	-	(5,334)	(5,334)
Transfers	(460,762)	566,486	105,724
Endowments - June 30, 2022	<u>\$ -</u>	<u>\$ 994,666</u>	<u>\$ 994,666</u>

The Organization has adopted investment and spending policies for endowment assets based on a total return approach with an assessment of the need for liquidity and income, as well as the desire for capital preservation and risk control.

The Organization uses an investment company that will develop and maintain a model portfolio based on the asset allocation and investment strategy implementation process described in the investment company's Investment Policy Manual for Tax-Exempt Clients. The model portfolio will serve as a target for the portfolio, reflecting the appropriate combination of risk and return, in the context of the investment companies' capital market assumptions. The primary goal is to preserve capital for the overall portfolio, while controlling risk to an acceptable level.

The Organization is responsible for the investment decisions of the endowment funds and determining the income available for distributions, which are made annually.

**URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 13 MAJOR CONTRIBUTIONS

The Organization received a \$4.3 million donation from one donor during 2023. The remaining nine largest donors/funders accounted for 47% of total contributions and grants. During the year ended June 30, 2022, the ten largest donors/funders accounted for 47% of total contributions and grants.

The Organization received \$37,459 and \$61,071 of contributions through the generosity of board members during the years ended June 30, 2023 and 2022, respectively.

NOTE 14 LIQUIDITY AND AVAILABILITY

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 3,581,090	\$ 3,299,507
Accounts Receivable	1,547,123	89,377
Pledges Receivable	130,000	1,021,851
Investments	9,193,115	4,718,111
Less: Donor-Imposed Restrictions	(3,373,282)	(5,339,251)
Less: Board Designated Restrictions	<u>(1,500,000)</u>	<u>(1,500,000)</u>
Total	<u>\$ 9,578,046</u>	<u>\$ 2,289,595</u>

The Organization is substantially supported by without donor restriction and with donor restriction contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, certain financial assets may not be available for general expenditure within one year. 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.

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 14 LIQUIDITY AND AVAILABILITY (CONTINUED)

The Organization's standard financial practices include a balanced annual operating budget. During the fiscal year, the Organization also employed several strategies designed to strengthen liquidity including expanding facility rental space, increasing coffee fundraising activities and building reserve funds through multi-year pledges. The Organization also has a committed line of credit (see Note 6) to draw upon during the year if needed, as well as an endowment fund (see Note 11). Although the Organization does not intend to spend from its investment fund other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, amounts from this fund could be made available if necessary and approved by the Organization's board of directors.

NOTE 15 LEASES

Urban Ventures Leadership Foundation leases vehicles and equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates.

The following table provides quantitative information concerning their leases for the year ended June 30, 2023.

Right of Use Assets:

Financing Leases, Net	\$ 28,308
Operating Lease right-of-use asset	39,425
Total leased right-of-use assets	<u>\$ 67,733</u>

Lease Liabilities:

Current:	
Financing Leases	\$ 1,642
Operating Leases	15,088
Noncurrent:	
Financing Leases	28,534
Operating Leases	8,596
Total	<u>\$ 53,860</u>

URBAN VENTURES LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 15 LEASES (CONTINUED)

Operating Lease Costs	\$	44,442
Finance Lease Costs		
Amortization of right-to-use assets		1,742
Interest on Lease Liabilities		599
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	\$	23,062
Operating Cash Flows from Finance Leases		599
Financing Cash Flows from Finance Leases		1,527
ROU Assets Obtained in Exchange for New Financing Lease Liabilities		
ROU Assets Obtained in Exchange for New Operating Lease Liabilities		82,850
Leasehold Improvements Obtained in Exchange for New Operating Lease Liabilities		
Weighted Average Remaining Lease Term:		
Financing Leases		16.2 years
Operating Leases		1.4 years
Weighted Average Discount Rate:		
Financing Leases		1.93%
Operating Leases		2.85%

The future minimum lease payments under noncancelable operating and finance leases with terms greater than one year are listed below as June 30, 2022:

<u>Year Ending December 31,</u>	<u>Operating Leases</u>	<u>Financing Leases</u>
2023	\$ 15,540	\$ 2,210
2024	8,688	2,298
2025	-	2,389
2026	-	2,484
2027	-	2,583
Thereafter	-	22,666
Total Lease Payments	24,228	34,630
Less: Interest	(544)	(4,454)
Present Value of Lease Liabilities	<u>\$ 23,684</u>	<u>\$ 30,176</u>



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