

**BIG BROTHERS BIG SISTERS OF
FLINT & GENESEE COUNTY**

REPORT ON FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Big Brothers Big Sisters of Flint & Genesee County

Opinion

We have audited the accompanying financial statements of Big Brothers Big Sisters of Flint & Genesee County (a nonprofit organization) which comprise the statements of financial position as of June 30, 2025 and 2024, 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 Big Brothers Big Sisters of Flint & Genesee County as of June 30, 2025 and 2024, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Big Brothers Big Sisters of Flint & Genesee County 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; 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 Big Brothers Big Sisters of Flint & Genesee County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Big Brothers Big Sisters of Flint & Genesee County'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 Big Brothers Big Sisters of Flint & Genesee County'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.

Maney Costeiran PC

November 17, 2025

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 629,774	\$ 577,956
Contributions and grants receivable	46,145	129,737
Prepaid expenses	20,529	8,149
Total current assets	696,448	715,842
Long-term assets		
Investments, long term	617,825	571,436
Operating leases right-of-use assets	143,003	22,252
Fixed assets, net of accumulated depreciation	4,037	5,554
Beneficial interest in assets held at CFGF	80,260	74,024
Total long-term assets	845,125	673,266
TOTAL ASSETS	\$ 1,541,573	\$ 1,389,108
LIABILITIES AND NET ASSETS		
LIABILITIES		
Current liabilities		
Accounts payable	\$ 40,636	\$ 7,319
Accrued payroll and payroll withholdings	27,190	18,760
Deferred revenue	6,150	-
Current portion of operating leases	29,335	20,103
Total current liabilities	103,311	46,182
Operating leases liability, net of current portion	113,930	2,296
TOTAL LIABILITIES	217,241	48,478
NET ASSETS		
Without donor restrictions		
Designated	617,825	571,436
Undesignated	621,872	651,095
With donor restrictions	84,635	118,099
TOTAL NET ASSETS	1,324,332	1,340,630
TOTAL LIABILITIES AND NET ASSETS	\$ 1,541,573	\$ 1,389,108

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2025 AND 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions of cash and other financial assets	\$ 265,791	\$ 133,593	\$ 399,384	\$ 415,062	\$ 207,050	\$ 622,112
Special events	296,301	-	296,301	279,253	-	279,253
Other income	642	-	642	540	-	540
Investment return, net	52,625	-	52,625	59,359	-	59,359
Net assets released from restrictions	167,057	(167,057)	-	138,539	(138,539)	-
TOTAL SUPPORT AND REVENUE	782,416	(33,464)	748,952	892,753	68,511	961,264
EXPENSES						
Program services						
Mentor program	500,861	-	500,861	464,917	-	464,917
Supporting services						
Management and general	128,295	-	128,295	127,822	-	127,822
Fundraising	136,094	-	136,094	106,926	-	106,926
TOTAL EXPENSES	765,250	-	765,250	699,665	-	699,665
CHANGE IN NET ASSETS	17,166	(33,464)	(16,298)	193,088	68,511	261,599
NET ASSETS - beginning of year	1,222,531	118,099	1,340,630	1,029,443	49,588	1,079,031
NET ASSETS - end of year	\$ 1,239,697	\$ 84,635	\$ 1,324,332	\$ 1,222,531	\$ 118,099	\$ 1,340,630

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

	Program Services	Supporting Services			Total
	Mentor Program	Management and General	Fundraising	Total Supporting Services	
Salaries and related	\$ 332,517	\$ 35,000	\$ 49,687	\$ 84,687	\$ 417,204
Employee benefits	26,977	4,761	-	4,761	31,738
Occupancy	56,632	12,432	-	12,432	69,064
Professional fees	4,915	44,239	-	44,239	49,154
Events	-	-	83,544	83,544	83,544
Direct program expenses	23,904	-	-	-	23,904
Supplies	6,182	-	-	-	6,182
Postage and printing	1,064	-	1,063	1,063	2,127
Dues	-	25,458	-	25,458	25,458
Insurance	21,132	-	-	-	21,132
Repairs and maintenance	-	940	-	940	940
Travel, meetings, training	8,243	-	-	-	8,243
Fees	-	5,465	-	5,465	5,465
Depreciation	1,517	-	-	-	1,517
Advertising	14,671	-	-	-	14,671
Miscellaneous	1,359	-	-	-	1,359
Scholarships	1,748	-	-	-	1,748
Bad Debt	-	-	1,800	1,800	1,800
Total expenses	\$ 500,861	\$ 128,295	\$ 136,094	\$ 264,389	\$ 765,250

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services	Supporting Services			Total
	Mentor Program	Management and General	Fundraising	Total Supporting Services	
Salaries and related	\$ 242,001	\$ 35,000	\$ 46,964	\$ 81,964	\$ 323,965
Contracted services	53,955	-	-	-	53,955
Employee benefits	23,564	4,158	-	4,158	27,722
Occupancy	51,480	11,300	-	11,300	62,780
Professional fees	4,088	41,332	-	41,332	45,420
Events	-	-	57,139	57,139	57,139
Direct program expenses	43,459	-	-	-	43,459
Supplies	2,492	-	-	-	2,492
Postage and printing	725	-	725	725	1,450
Dues	-	26,644	-	26,644	26,644
Insurance	20,048	-	-	-	20,048
Repairs and maintenance	-	1,378	-	1,378	1,378
Travel, meetings, training	21,435	-	-	-	21,435
Fees	-	8,010	-	8,010	8,010
Depreciation	1,670	-	-	-	1,670
Miscellaneous	-	-	2,098	2,098	2,098
	<u>\$ 464,917</u>	<u>\$ 127,822</u>	<u>\$ 106,926</u>	<u>\$ 234,748</u>	<u>\$ 699,665</u>
Total expenses	<u>\$ 464,917</u>	<u>\$ 127,822</u>	<u>\$ 106,926</u>	<u>\$ 234,748</u>	<u>\$ 699,665</u>

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities		
Change in net assets	<u>\$ (16,298)</u>	<u>\$ 261,599</u>
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	1,517	1,670
Net realized and unrealized gain on investments	(37,140)	(45,489)
Contributions and grants receivable	83,592	(69,742)
Operating lease right-of-use assets	(120,751)	33,264
Change in beneficial interest in assets held at CFGF	(6,236)	(4,827)
Prepaid expenses	(12,380)	43
Accounts payable	33,317	7,319
Accrued payroll and payroll withholdings	8,430	3,424
Deferred revenue	6,150	-
Operating lease liability	<u>120,866</u>	<u>(33,487)</u>
Total adjustments	<u>77,365</u>	<u>(107,825)</u>
Net cash provided by operating activities	<u>61,067</u>	<u>153,774</u>
Cash flows from investing activities		
Purchase of investments	(123,820)	(94,260)
Sale of investments	<u>114,571</u>	<u>85,217</u>
Net cash used by investing activities	<u>(9,249)</u>	<u>(9,043)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	51,818	144,731
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>577,956</u>	<u>433,225</u>
End of year	<u><u>\$ 629,774</u></u>	<u><u>\$ 577,956</u></u>

See notes to financial statements.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits in banks, certificates of deposits with original maturities of less than 90 days, and cash on hand.

Investments

Investments are stated at fair value. Net investment return or loss is included in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less investment expenses.

Contributions and Grants Receivable

Unconditional promises to give are recognized as revenues in the period received and as net assets, decreases in liabilities, or expenses depending on the form of the benefits received. Contributions receivable due beyond one year have not been discounted due to the effect being immaterial. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to contributions receivable. Currently, no allowance for doubtful accounts is considered necessary.

Fixed Assets

Furniture and equipment are stated at cost or fair market value at the date received. Major improvements are capitalized while ordinary maintenance and repairs are expensed. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. The Agency's policy for capitalizing is to capitalize all fixed asset expenses greater than \$500.

Operating Leases

The Agency determines whether an arrangement is or contains a lease at lease inception. On the commencement date, operating leases are recorded as operating lease right-of-use (ROU) assets in the statements of financial position while finance leases are recorded as finance lease ROU assets. Lease liabilities represent the Agency's contractual obligation to make lease payments over the lease term.

The lease liability is measured as the present value of the lease payments over the lease term using either the rate implicit in the lease, if it is determinable, or a risk-free rate if the implicit rate is not determinable. Operating ROU assets are calculated as the present value of the remaining lease payments plus unamortized initial direct costs and prepayments of rent, less any unamortized lease incentives. Lease terms may include renewal or extension options to the extent they are reasonably certain to be exercised. Lease expense is recognized on a straight-line basis over the lease term. The Agency has elected to not recognize a ROU asset and lease liability for leases with an initial term of 12 months or less but includes the expense associated with short-term leases in the statements of activities.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, 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 or grantor restrictions. The Agency has designated a portion of net assets for long-term investment.

Net Assets with Donor Restrictions - Net assets subject to donor (or grantor) imposed restrictions. Some donor 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 restrictions are perpetual in nature, where the donor stipulates that resources are maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose has been accomplished (see Note 10).

Functional Allocation of Expenses

The costs of providing program and other activities have been reported in the statement of activities. The statement of functional expenses presents the natural classification of expenses that are allocated to program or supporting functions of the Agency. Allocated expenses primarily consist of payroll and related, professional fees, maintenance and repair, depreciation, utilities, and various other expense classifications necessary to support the day-to-day operations of the Agency. Employee driven expenses are allocated based on salary and wage analysis. All other allocated expenses utilize management's estimated use of resources.

Contribution Revenue

Contributions of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-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 statement of activities as net assets released from restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions of land, buildings, equipment, and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

The Agency receives a significant amount of donated services from unpaid volunteers who are matched with the children as well as others who assist with office work and special projects. No amounts have been recognized in the statement of activities because the criteria for recognition under accounting principles generally accepted in the United States of America have not been satisfied.

Conditional contributions depend on the occurrence of a specified future and uncertain event to bind the donor and are recognized as assets and revenue when the conditions are substantially met, and the gift becomes unconditional.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - ORGANIZATION, RISKS AND UNCERTAINTIES

Big Brothers Big Sisters of Flint & Genesee County (the Agency) is a Michigan non-profit organization, established to provide services for children and their families by adult volunteers, primarily on a one-on-one basis, under the supervision of professional staff. The children accepted into the program are those whose needs exceed the support and nurturing available from their families, schools, churches, or neighborhood organizations. The Agency's main sources of revenue are contributions from various organizations in the form of grants, special events, and donations from the general public. The Agency is exempt from income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code and is classified as an organization other than a private foundation.

The Agency is required to disclose significant concentrations of credit risk regardless of the degree of such risk. Financial instruments which potentially subject the Agency to concentrations of credit risk consist primarily of temporary cash investments. The Agency places its temporary cash investments with FDIC insured financial institutions. Although such investments and cash balances may exceed the federally insured limits at certain times during the year and at year-end, they are, in the opinion of management, subject to minimal risk.

The process of preparing financial statements in accordance with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

The Agency evaluates events and transactions that occur after year end for potential recognition or disclosure in the financial statements. These subsequent events have been considered through November 17, 2025, which is the date the financial statements were available to be issued.

In the preparation of tax returns, tax positions are taken based on interpretation of federal, state, and local income tax laws. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been identified, or recorded, as uncertain tax positions. Federal, state, and local tax returns generally remain open for examination by the various taxing authorities for a period of three to four years.

NOTE 3 - LIQUIDITY AND AVAILABILITY

The following reflects the Agency's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the date of the statement of financial position. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following at June 30:

	<u>2025</u>	<u>2024</u>
Financial assets available at yearend		
Cash and cash equivalents	\$ 629,774	\$ 577,956
Contributions and grants receivable	46,145	129,737
	<u>675,919</u>	<u>707,693</u>
Less: net assets with donor restrictions	<u>(84,635)</u>	<u>(118,099)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 591,284</u>	<u>\$ 589,594</u>

**BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 - LIQUIDITY AND AVAILABILITY (continued)

The Agency is substantially supported by contribution and grant revenue. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Agency must maintain sufficient resources to meet those requirements. Therefore, certain financial assets may not be available for general expenditure within one year. The Agency structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Agency has a \$100,000 line of credit available to meet cash flow needs.

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

At June 30, 2025, investments are reported in the statement of financial position as follows:

	<u>Fair Value</u>	<u>Cost</u>
Mutual funds and exchange traded funds		
Fixed income	\$ 233,176	\$ 231,461
Equities	357,057	269,076
Bank deposit program	<u>27,592</u>	<u>27,592</u>
Total investments	<u>\$ 617,825</u>	<u>\$ 528,129</u>

At June 30, 2024, investments are reported in the statement of financial position as follows:

	<u>Fair Value</u>	<u>Cost</u>
Mutual funds and exchange traded funds		
Fixed income	\$ 323,239	\$ 217,113
Equities	224,197	280,203
Bank deposit program	<u>24,000</u>	<u>24,000</u>
Total investments	<u>\$ 571,436</u>	<u>\$ 521,316</u>

Investment return, net, consists of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 15,144	\$ 14,399
Realized and unrealized gain	37,140	45,489
Fees	(5,895)	(5,356)
Change in beneficial interest in assets held at Community Foundation	<u>6,236</u>	<u>4,827</u>
	<u>\$ 52,625</u>	<u>\$ 59,359</u>

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

Accounting standards establish a hierarchy that prioritizes the inputs to valuation techniques giving the highest priority to readily available unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements) when market prices are not readily available or reliable. The three levels of the hierarchy are described as follows:

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk, and others.
- Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the Agency's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

From time to time, changes in valuation techniques may result in reclassification of an investment's assigned level within the hierarchy.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Mutual Funds and Exchange Traded Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Agency are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds and exchange traded funds held by the Agency are deemed to be actively traded.

Beneficial Interest in Assets Held at Community Foundation: Valued by the foundation as the Agency's portion of the total fair values of the underlying securities held by the foundation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Agency believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The inputs or methodologies used for valuing securities may not be an indication of the risk associated with investing in those securities.

BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

The following is a market value summary by the level of the inputs used, as of June 30, 2025, in evaluating the Agency's assets carried at fair value.

Description	Level 1	Level 2	Level 3	Total
Mutual funds and exchange traded funds				
Fixed income	\$ 233,176	\$ -	\$ -	\$ 233,176
Equities	357,057	-	-	357,057
Beneficial interest in assets held at community foundation	-	80,260	-	80,260
Total valued on a recurring basis	<u>\$ 590,233</u>	<u>\$ 80,260</u>	<u>\$ -</u>	<u>\$ 670,493</u>

The following is a market value summary by the level of the inputs used, as of June 30, 2024, in evaluating the Agency's assets carried at fair value.

Description	Level 1	Level 2	Level 3	Total
Mutual funds and exchange traded funds				
Fixed income	\$ 323,239	\$ -	\$ -	\$ 323,239
Equities	224,197	74,024	-	298,221
Beneficial interest in assets held at community foundation	-	-	74,024	74,024
Total valued on a recurring basis	<u>\$ 547,436</u>	<u>\$ 74,024</u>	<u>\$ 74,024</u>	<u>\$ 695,484</u>

NOTE 5 - BENEFICIAL INTEREST IN ASSETS HELD AT CFGF

The Agency established an endowment at the Community Foundation of Greater Flint (CFGF) and named itself as the beneficiary. During 2023, the Agency transferred \$30,000 to CFGF to establish an additional endowment. This amount, in addition to net earnings, is presented on the statements of financial position as "Beneficial Interest in Assets Held at CFGF" in the amounts of \$80,260 and \$74,024 as of June 30, 2025 and 2024, respectively. Although this amount has been recorded as an asset, the Agency has granted variance power to Community Foundation of Greater Flint. Distributions from the endowment will be made annually to the Agency according to the spending guidelines established by the Board of Trustees of the CFGF.

**BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - FIXED ASSETS

Fixed assets at June 30 consist of the following:

	Estimated Lives	2025	2024
Furniture and fixtures	5 - 10 years	\$ 57,130	\$ 57,130
Condominium-timeshare	30 years	9,000	9,000
Equipment and software	5 - 7 years	24,016	24,016
Less accumulated depreciation		(86,109)	(84,592)
		\$ 4,037	\$ 5,554

Depreciation expense charged to operations amounted to \$1,517 and \$1,670 for the years ended June 30, 2025 and 2024, respectively.

NOTE 7 - OPERATING LEASES

As of February 2025, the Agency leases its office space under an operating agreement which expires January 1, 2030, with monthly payments ranging from \$2,737 to \$2,820. Total lease payments of \$33,106 and \$33,079 were made under this agreement for the years ended June 30, 2025 and 2024, respectively. The Agency leases a printer under an operating agreement with monthly payments ranging from \$75 to \$86 through October 2028. The right-of-use assets for both operating leases were \$143,003 and \$22,252 as of the years ended June 30, 2025 and 2024, respectively.

Future minimum operating lease payments and reconciliations to the statement of financial position at June 30, 2025, are as follows:

Year Ending June 30,	Operating Leases
2026	\$ 34,081
2027	34,368
2028	33,804
2029	33,840
2030	19,740
Total undiscounted cash flows	155,833
Less present value discount	(12,568)
Total lease liability	\$ 143,265
Current portion of operating lease liability	\$ 29,335
Long-term portion of operating lease liability	113,930
	\$ 143,265

**BIG BROTHERS BIG SISTERS OF FLINT & GENESEE COUNTY
NOTES TO FINANCIAL STATEMENTS**

NOTE 8 - RETIREMENT PLAN

The Agency maintains a 403b retirement plan for its employees. Employees become eligible after they have completed two years of full-time service to the Agency. Employer contributions are at the discretion of the Agency. For the years ended June 30, 2025 and 2024, the Agency contributed \$5,701 and \$5,942, respectively.

NOTE 9 - LINE OF CREDIT

The Agency maintains a \$100,000 line of credit bearing interest at the rate of prime plus 1%, collateralized by substantially all assets of the Agency. No amounts were outstanding as of June 30, 2025 and 2024.

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at June 30:

	2025	2024
Subject to expenditure for specified purpose		
CFGF-Mentoring Matters	\$ 21,162	\$ 48,963
Ruth Mott-School Mentoring	36,988	26,134
ReCAST	-	155
CS Mott MLMD	15,649	9,470
Bishop Trust	8,952	22,377
Bank Trusts	1,884	11,000
	\$ 84,635	\$ 118,099

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as of June 30:

	2025	2024
Satisfaction of purpose restriction		
CFGF-Mentoring Matters	\$ 27,801	\$ 11,037
Ruth Mott-School Mentoring	54,146	72,213
ReCAST	10,155	26,113
CS Mott MLMD	31,414	15,691
Bishop Trust	33,425	3,485
Bank Trusts	10,116	10,000
	\$ 167,057	\$ 138,539