

LAKE AREA UNITED WAY, INC.
MUSKOGEE, OKLAHOMA

AUDITED FINANCIAL STATEMENTS AND NOTES
For the Year Ended December 31, 2024

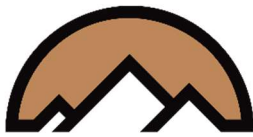
AUDITED BY:

St. Pierre, Kimble, & Associates, C.P.A, P.C.
1113 N. Second Street
Stilwell, Oklahoma 74960

TABLE OF CONTENTS
For the Year Ended December 31, 2024

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1-2
FINANCIAL SECTION:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-12

**INDEPENDENT
AUDITOR'S
REPORTS**



St. Pierre, Kimble, & Associates
— CPA, PC —

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Lake Area United Way, Inc.
Muskogee, Oklahoma

Opinion

We have audited the accompanying financial statements of Lake Area United Way, Inc. (a non-profit organization), which comprise the statement of financial position as of December 31, 2024, and the related statement of activities, functional expenses, and cash flows for the year 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 Lake Area United Way, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lake Area United Way, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of 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 Lake Area United Way, Inc.'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 Lake Area United Way, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by Management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lake Area United Way, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

St. Pierre, Kimble, & Associates CPA, PC

St. Pierre, Kimble, & Associates, C.P.A, P.C.

Stilwell, Oklahoma

July 30, 2025

FINANCIAL

SECTION

LAKE AREA UNITED WAY, INC.
STATEMENT OF FINANCIAL POSITION
As of December 31, 2024

ASSETS	
	2024
CURRENT ASSETS	
Cash and Cash Equivalents (Note C)	\$ 465,293
Certificates of Deposit (Note D)	81,451
Investments (Note E)	406,301
Pledges Receivable <i>Less: Allowance for Uncollectible Pledges</i> (Note G)	134,260
Prepaid Expenses	437
TOTAL CURRENT ASSETS	1,087,742
FIXED ASSETS (Note H)	
Office Equipment	10,394
Furniture and Fixtures	5,537
Computers and Software	12,432
Right to Use Assets	34,877
<i>Less: Accumulated Depreciation</i>	<i>(37,128)</i>
TOTAL FIXED ASSETS	26,112
TOTAL ASSETS	\$ 1,113,854
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ 800
Payroll Liabilities	3,592
Accrued Compensated Absences (Note I)	1,780
Grant Allocations Payable (Note M)	131,371
Current Portion of Lease Liabilities (Note J)	9,170
TOTAL CURRENT LIABILITIES	146,713
NON-CURRENT LIABILITIES	
Lease Liabilities (Note J)	10,755
TOTAL NON-CURRENT LIABILITIES	10,755
TOTAL LIABILITIES	157,468
NET ASSETS	
Net Assets With Donor Restrictions	-
Net Assets Without Donor Restrictions	956,386
TOTAL NET ASSETS	956,386
TOTAL LIABILITIES AND NET ASSETS	\$ 1,113,854

LAKE AREA UNITED WAY, INC.
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024

	<u>Without Donor Restrictions</u>
REVENUE & SUPPORT	2024
Revenues	
Administrative Fees	\$ 154
Grant Income	25,608
Miscellaneous Income	107,011
Support	
Campaign Contributions (<i>Net of Allowances</i>)	475,242
TOTAL REVENUE & SUPPORT	<u>608,015</u>
EXPENSES	
Program Services	581,847
Fundraising	84,699
Management & General	45,525
TOTAL EXPENSES	<u>712,071</u>
CHANGE IN NET ASSETS BEFORE OTHER INCOME (EXPENSE):	<u>(104,056)</u>
OTHER INCOME (EXPENSE)	
Investment Earnings (Net of Expenses)	28,805
Interest Income	5,048
TOTAL OTHER INCOME (EXPENSE)	<u>33,853</u>
CHANGE IN NET ASSETS	(70,203)
NET ASSETS, BEGINNING OF YEAR	<u>1,026,589</u>
NET ASSETS, END OF YEAR	<u><u>\$ 956,386</u></u>

LAKE AREA UNITED WAY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

	Program	Fundraising	Management & General	Total
FUNCTIONAL EXPENSES				
Salaries & Wages	\$ 41,326	\$ 42,936	\$ 23,078	\$ 107,341
Employee Benefits	4,846	5,034	2,706	12,586
Payroll Taxes	3,159	3,282	1,764	8,205
Allocations to Agencies	495,820	-	-	495,820
Special Events	3,177	3,301	1,774	8,252
Bad Debt	2,727	-	-	2,727
Memberships & Dues	2,682	2,786	1,497	6,965
Meeting Expenses	2,815	2,924	1,572	7,311
Professional Fees	3,909	4,062	2,183	10,154
Insurance	761	790	425	1,976
Telephone	1,489	1,547	831	3,867
Media & Advertising	1,633	1,697	912	4,242
Software & Website	6,035	6,270	3,370	15,676
Campaign Expenses	1,777	-	-	1,777
Office Expense	1,472	1,529	822	3,823
Travel	1,298	1,349	725	3,372
Rent	194	202	109	505
Interest Expense	289	301	162	752
Contract Labor	1,641	1,705	916	4,262
Miscellaneous Expenses	567	589	317	1,473
Depreciation	4,230	4,394	2,362	10,986
Total Functional Expenses	<u>\$ 581,847</u>	<u>\$ 84,699</u>	<u>\$ 45,525</u>	<u>\$ 712,071</u>

LAKE AREA UNITED WAY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024

	2024
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ (70,203)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	10,986
(Increase) Decrease In:	
Pledges Receivable (Net of Allowance)	35,525
Prepaid Insurance	(5)
Increase (Decrease) In:	
Transfers	(547)
Accounts Payable	801
Payroll Liabilities	1,122
Accrued Compensated Absences	81
Grant Allocations Payable	(6,551)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(28,791)
CASH FLOWS FROM FINANCING ACTIVITIES	
Net Increase (Decrease) in Lease Liabilities	14,144
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	14,144
CASH FLOWS FROM INVESTING ACTIVITIES	
Disposal of Fixed Asset	43,165
Purchase of Fixed Assets	(23,812)
(Increase) Decrease in Certificate of Deposit	(4,818)
(Increase) Decrease in Investments	(28,805)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(57,435)
NET CHANGE IN CASH	(72,082)
CASH AT THE BEGINNING OF THE YEAR	537,375
CASH AT THE END OF THE YEAR	\$ 465,293
ADDITIONAL CASH FLOW INFORMATION	
Cash Paid for Interest	\$ 752

FINANCIAL

STATEMENT

NOTES

LAKE AREA UNITED WAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

NOTE A: NATURE OF THE ORGANIZATION

Lake Area United Way, Inc. (the "Organization") is a non-profit organization that was incorporated in 1939 under the laws of the State of Oklahoma and until August 1979, operated as Muskogee Community Chest, Inc. In 2000, the Board of Directors approved a change in the organization's name to Lake Area United Way, Inc. The mission is committing to providing a better and safer life for the citizens of Muskogee by promoting programs and opportunities that build a better community with the assistance of existing agencies and entities that are presently operating in that capacity.

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Accounting Pronouncements Adopted—The Organization has adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606), as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Results for reporting the years ended December 31, 2024, are presented under FASS ASC Topic 606.

The Organization has adopted the provisions of FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958). This accounting standard is meant to help not-for-profit entities evaluate whether transactions should be accounted for as contributions or as exchange transactions and, if the transaction is identified as a contribution, whether it is conditional or unconditional. ASU 2018-08 clarifies how an organization determines whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the grant maker, the transfer is a contribution. ASU 2018-08 stresses that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. There was no material impact on the financial statements as a result of adoption. Accordingly, no adjustment to opening net assets was recorded.

Basis of Financial Statement Presentation—The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction. The Organization follows the recommendations of FASB ASC 958 financial statements of Non-Profit organizations which establish standards of basic accounting and reporting for Not for Profits.

- 1) **Net Assets Without Donor Restriction** — Net assets that are not subject to or are no longer subject to donor-imposed stipulations.
- 2) **Net Assets With Donor Restriction** — Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Income Tax Status—The Organization is incorporated as a nonprofit corporation under the laws of the State of Oklahoma and has qualified for exemption from federal income taxes under section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes is required.

The Organization has adopted accounting principles generally accepted in the United States of America for recognition, measurement, presentation, and disclosure relating to uncertain tax positions, which applies to business enterprises, not-for-profit entities and pass-through entities (such as S corporations and limited liability companies). The Organization has not taken any such uncertain tax positions requiring disclosure during the year ended December 31, 2024.

The Organization files informational returns in the United States of America federal jurisdiction and the State of Oklahoma. The Organization's information returns are generally subject to examination for three years after the later of the due date or date of filing.

Financial Instruments—The carrying value of cash and cash equivalents, investments, accounts receivable, accounts payable, and accrued liabilities, are stated at carrying cost at December 31, 2024, which approximates fair value due to the relatively short maturity of these instruments.

Cash and Cash Equivalents—For purposes of the statement of cash flows, cash equivalents include cash on hand and in banks except for cash equivalents associated with the investment accounts. Restricted cash is combined with cash and cash equivalents for purposes of the consolidated statement of cash flows.

For the purposes of the statement of cash flows, the Organization considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments—Investments are reported at fair value. Unrealized gains and losses, realized gains and losses, and changes in investment values are included in the change in net assets. Investments as of December 31, 2024, are valued at a total of \$406,301.

Pledges Receivable—The Organization recognizes pledges receivable at fair value when an unconditional promise to give is received. Unconditional pledges receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional pledges receivable that are expected to be collected in future years are recorded at the present value of their future cash flows. Management estimates an allowance for uncollectible pledges receivable at approximately \$30,000 for each year's campaign based on current economic conditions, historical trends, and current and experience with the Organization's donor base. A total allowance of \$30,000 for the current year was deemed necessary for pledges receivable as they were deemed uncollectible by Management.

Donated Services, Materials, and Equipment—The Organization may receive services donated by volunteers. No amounts have been reflected in the financial statements for such services as they did not meet the criteria for recognition under FASB ASC 958, *Not-For-Profit Entities*. The Organization also may occasionally receive donated goods and facilities. Donations of goods with fair market values in excess of \$500 are recorded and included in contribution revenues as "in-kind contributions" at their respective fair market values when received. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies restricted net assets to unrestricted net assets at that time.

Property and Equipment—Purchased property and equipment are capitalized at cost, purchases exceeding \$500 are capitalized. Donations of property and equipment are recorded as revenue at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method and usage allowance over their estimated useful lives as follows:

Asset Type	Years
Buildings	Lesser of lease life or 20 yrs.
Equipment & Furniture	3-7

Concentration of Credit Risk—Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash. The Organization holds substantially all of its cash with two (2) financial institutions that are covered by FDIC insurance up to \$250,000 each. As of December 31, 2024, the amount not covered by FDIC insurance equaled \$59,445.

Use of Estimates—The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Estimates include the allocation of functional expenses, depreciation, the reserve for uncollectible pledges, and the present value of estimate future cash flows of pledges. Accordingly, actual results could differ from those estimates.

The most significant estimate in the financial statements relates to allowance for doubtful accounts which is based on pledge amounts committed by businesses and individuals and experience in collecting on past pledges, as well as an analysis of the current economic condition overall. The allowance for doubtful accounts has been established at \$30,000. Management believes that the current allowance is sufficient based on prior history.

Functional Allocation of Expenses— The Organization records expenses on a functional basis among three categories: program services, general and administrative, and fundraising. Expenses are allocated based on estimates made by management of the Organization by using percentage-based cost allocations.

Revenue Recognition—Annual campaign contributions without donor restrictions are generally available for use in the related campaign year unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Most of the promises to give are received from a broad base of Northeastern Oklahoma contributors as a result of the annual campaign. An allowance for uncollectible promises is provided based on Management's evaluation of potential uncollectible promises receivable at year-end.

Grants and other contributions of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

NOTE C: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and demand deposits. All cash and cash equivalents and certificates of deposits are maintained at financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash and cash equivalents as of December 31, 2024, consisted of the following:

Cash and Cash Equivalents:	2024
BOK - Operating Funds	\$ 134,712
BOK - Helping Hand	21,136
Arvest - Campaign Accounts	309,445
Total Cash and Cash Equivalents	\$ 465,293

As of December 31, 2024, the Organization had \$59,445 in deposits that were not insured against loss.

NOTE D: CERTIFICATES OF DEPOSIT

A certificate of deposit with BOK totaling \$81,451 was held by the Organization at December 31, 2024. The certificate has a term of 270 days and an interest rate of 1.990%.

NOTE E: INVESTMENTS

Investment return related to the Organization's investments at Edward Jones is included with investment income earned by cash and cash equivalents on the consolidated statements of activities and changes in net assets at December 31, 2024, and was comprised of the following:

Edward Jones	
	2024
Beginning Balance	\$ 377,496
Receipts	
Realized Gain (Loss)	-
Unrealized Gain (Loss)	28,805
Ending Balance	\$ 406,301

NOTE F: FAIR VALUE MEASUREMENT

The definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable.

SAS 157 defines fair value as the amount that would be received from the sale of an asset or paid for the transfers of a liability in an orderly transaction between market participants, i.e. an exit price. To estimate an exit price, a three-tier hierarchy is used to prioritize the inputs.

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spread and credit risk).
- Level 3: Significant unobservable inputs (including the Organization's own assumptions in determining the fair value of investments).

The Organization's investments in marketable securities are reported at fair value within the accompanying "statement of financial position." The following table set forth, by level, within the fair value hierarchy, the Organization's investments at fair value as of December 31, 2024:

Ticker	Name of Investment	Cost	Quoted Prices in Active Markets for Identical Assets (Level 1)	Total Gain/(Loss)
N/A	Money Market	\$ 31,261	\$ 31,403	\$ 142
ABALX	American Balanced CI A	40,253	54,720	14,467
ABNDX	American Bond Fund of America	175,071	172,332	(2,739)
ANCFX	American Fundamental Investors	14,488	20,160	5,672
AGTHX	American Growth Fund of America	15,383	23,058	7,675
AMRMX	American Mutual CI A	20,376	21,635	1,259
ANWPX	American New Perspective CI A	20,569	24,288	3,719
NEWFX	American New World CI A	19,012	20,830	1,818
SMCWX	American SmallCAP World CI A	17,905	20,266	2,361
FHIX	Federated Hermes Sustainable	19,424	17,609	(1,815)
Total		\$ 373,742	\$ 406,301	\$ 32,559

NOTE G: PLEDGES RECEIVABLE

The Organization conducts annual fundraising campaigns for allocation to participating agencies in the subsequent year. The pledge receivables at December 31, 2024, are unconditional and due as follows:

	2024
Pledges Receivable in less than one year: 2024/2025	\$ 163,740
Pledges Receivable in less than one year: 2023/2024	520
<i>Less: Allowance for Uncollectible Pledges</i>	<u>(30,000)</u>
Net Pledge Receivables	<u>\$ 134,260</u>

Note: All campaign pledges receivables are expected to be collected within 16 months from the date the pledge is received.

NOTE H: PROPERTY AND EQUIPMENT

The Organization's changes in property and equipment as of December 31, 2024, consisted of the following:

	Balance 1/1/2024	Additions	Retirements	Balance 12/31/2024
Office Equipment	\$ 10,394	\$ -	\$ -	\$ 10,394
Furniture & Equipment	5,536	-	-	5,536
Computers & Accessories	12,433	-	-	12,433
Right to Use Assets	54,230	23,812	(43,165)	34,877
Total Cost Basis	82,593	23,812	(43,165)	63,240
<i>Less: Accumulated Depreciation</i>	(69,307)	(10,986)	43,165	(37,128)
Net Book Value	<u>\$ 13,286</u>	<u>\$ 10,497</u>	<u>\$ -</u>	<u>\$ 26,112</u>

Depreciation expense equaled \$10,986 for 2024. Total accumulated depreciation equaled \$37,128 as of December 31, 2024.

NOTE I: COMPENSATED ABSENCES

Accrued compensated absences represent annual leave and sick/enforced leave time earned, but not taken as of December 31, 2024, respectively. After 1 (one) month of employment, employees are eligible to accrue a total of 80 hours of annual leave. After 5 (five) years of employment, employees accrue 120 hours of annual leave each year. After fifteen (15) years of employment, employees accrue 160 hours of annual leave. Only employees that are considered full-time (work over 37.5 hours per week) are eligible to receive and accrue this leave. Only 80 hours of leave can roll into the next year.

In accordance with FASB ASC 710, Compensation-General, the Organization has accrued compensated absences for the year ended December 31, 2024 totaling \$1,780.

NOTE J: LEASES PAYABLE

Effective May 1, 2024, the Organization entered into a 36-month capital lease agreement with Arvest Bank for an office building to be paid \$708.33 monthly with an increase of 2% each year not to exceed \$736.95 per year. At lease commencement, the value of the building was \$23,812 with a 4.50% imputed interest rate, determined by the Organization. It's reported as a fixed asset depreciated for three (3) years on a straight-line basis with a corresponding lease payable on the Organization's financial statements.

Effective August 20, 2020, the Organization entered into a 60-month capital lease agreement with Xerox Financial Services, LLC for a Xerox Altalink copier to be paid \$206.29 monthly, including sales tax. At lease commencement, the value of the building was \$11,065 with a 4.50% imputed interest rate, determined by the Organization. It's reported as a fixed asset depreciated for five (5) years on a straight-line basis with a corresponding lease payable on the Organization's financial statements.

The schedule of future-maturities for the lease payable is as follows:

Payable To:	Date Lease Ends	Interest Rate	December 31, 2024 Balance
Arvest Bank - Office Building	4/30/2027	4.50%	\$ 18,634
Xerox Financial Services - Copier	7/20/2025	4.50%	1,291
			<u>\$ 19,925</u>

The total lease payable schedule is as follows:

Years ending December 31:	Principal	Interest
Current Portion	\$ 9,170	\$ 887
2026	8,052	734
2027	2,703	245
2028	-	-
2029	-	-
TOTALS	<u>\$ 19,925</u>	<u>\$ 1,866</u>

NOTE K: ADVERTISING

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During 2024, advertising costs totaled \$4,242

NOTE L: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations. Amounts available include any Board-approved appropriations for the following year as well as any donor-restricted amounts that are available for expenditure in the following year. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the organization or Organization Board approves that action.

	2024
Cash & Cash Equivalents	\$ 465,293
Certificates of Deposit	81,451
Investments	406,301
Pledge Receivables Collected in Less than One Yr. (Net of Allowance)	<u>134,260</u>
Total Financial Assets, Excluding Non-Current Receivables	<u>1,087,305</u>
Less: Amounts Not Available to be Used Within One Year	
Grant Allocations Payable	<u>(131,371)</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u><u>\$ 955,934</u></u>

NOTE M: GRANT ALLOCATIONS

Grants payable for the subsequent fiscal year but unpaid at year-end are reported as current liabilities. The following is a list of allocations and grants to qualifying tax-exempt organizations authorized for the year ending December 31, 2024, and payable at year-end.

	2024
<u>PARTNER AGENCIES:</u>	
American Red Cross	\$ 7,500
Boys & Girls Club of Tahlequah	4,000
Boy Scouts of America, Indian Nations Council	2,000
Bridges Out of Poverty	2,250
CASA for Children of Muskogee	12,500
CASA for Children - Cherokee Co.	1,857
Dolly Parton Imagination Library	12,145
Girl Scouts of Eastern OK, Magic Empire Council	2,000
Green County Behavioral Health Services	758
Kelly B. Todd Cerebral Palsy & Neuromuscular Center	15,438
Kid's Space - Muskogee Co. Child Advocacy	13,500
Legal Aid Services of Oklahoma - Tahlequah	9,390
Legal Aid Services of Oklahoma - Muskogee	8,662
Muskogee Co. Council of Youth Services	8,373
R.I.S.E.	4,000
Oklahoma United Methodist Circle of Care	5,000
Salvation Army	1,250
Volunteers of America - R.S.V.P.	7,250
Women in Safe Homes - W.I.S.H	13,498
TOTAL PARTNER AGENCY ALLOCATIONS AT YEAR-END	<u>\$ 131,371</u>

NOTE N: SUBSEQUENT EVENTS

Management of the Organization has evaluated subsequent events through **July 30, 2025**, which is the date the financial statements were available to be issued.