



NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

CJBS, LLC

2100 Sanders Road, Suite 200, Northbrook, Illinois 60062-6141 • p. 847-945-2888 • f. 847-945-9512

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NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statements of Financial Position, June 30, 2020 and 2019.....	1 - 2
Consolidated Statements of Activities for the Years Ended June 30, 2020 and 2019	3
Consolidated Statement of Functional Expenses for the Year June 30, 2020	4
Consolidated Statement of Functional Expenses for the Year June 30, 2019	5
Consolidated Statements of Cash Flows for the Years Ended June 30, 2020 and 2019	6
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	7 – 28
SUPPLEMENTARY INFORMATION	
Schedule 1 – Consolidating Statement of Financial Position, June 30, 2020.....	29-30
Schedule 2 – Consolidating Statement of Activities for the Year Ended June 30, 2020	31-32
Schedule 3 – Consolidating Statement of Functional Expenses for the Year Ended June 30, 2020	33-34
Schedule 4 – North Shore Senior Center – Statements of Financial Position, June 30, 2020 and 2019	35-36
Schedule 5 – North Shore Senior Center – Statement of Activities for the Year Ended June 30, 2020, with comparative totals for the Year Ended June 30, 2019	37
Schedule 6 – North Shore Senior Options – Statements of Financial Position, June 30, 2020 and 2019	38
Schedule 7 – North Shore Senior Options – Statement of Activities for the Year Ended June 30, 2020, with comparative totals for the Year Ended June 30 2019	39
Schedule 8 – NSSC Foundation - Statements of Financial Position, June 30, 2020 and 2019	40
Schedule 9 – NSSC Foundation - Statement of Activities for the Year Ended June 30, 2020, with comparative totals for the Year Ended June 30 2019	41
Schedules 10: Reconciliation of Project Revenue and Expenses for Federally Funded Programs Administered Through AgeOptions – the Area Agency	42
Schedules 11: Consolidated Year-End Financial Report.....	43



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
North Shore Senior Center, NSSC Foundation and
North Shore Senior Options

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of North Shore Senior Center and Subsidiaries (NSSC Foundation and North Shore Senior Options) (nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. The financial statements of NSSC Foundation and North Shore Senior Options were not audited in accordance with Government Auditing Standards.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

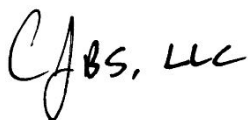
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of North Shore Senior Center and Subsidiaries as of June 30, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental schedules presented on Schedules 1 through 9 on pages 29-41 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The supplemental information presented on Schedule 10 on page 42 as required by AgeOptions – The Area Agency is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The supplementary information presented on Schedule 11 on page 43 that includes the Consolidated Year-End Financial Report for the State of Illinois Grant Accountability and Transparency Act (GATA) compliance is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2020, on our consideration of North Shore Senior Center and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of North Shore Senior Center and Subsidiaries' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Shore Senior Center and Subsidiaries' internal control over financial reporting and compliance.



CJBS, LLC
Northbrook, IL

December 28, 2020



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
North Shore Senior Center

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of North Shore Senior Center and Subsidiaries (NSSC Foundation, and North Shore Senior Options) (nonprofit organizations), which comprise the consolidated statement of financial position as of June 30, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 28, 2020. The financial statements of North Shore Senior Center's subsidiaries, NSSC Foundation and North Shore Senior Options, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with NSSC Foundation and North Shore Senior Options.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not

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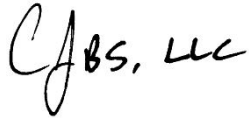
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express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CJBS, LLC". The letters are cursive and somewhat stylized.

CJBS

Northbrook, IL

December 28, 2020

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	<u>ASSETS</u>		<u>2020</u>		<u>2019</u>
CURRENT ASSETS					
Cash		\$	489,410	\$	557,998
Contributions Receivable			69,334		69,280
Grants and Contracts Receivable			311,146		660,302
Accounts Receivable			59,565		100,849
Prepaid Expenses and Other Assets			63,041		68,603
			<u>992,496</u>		<u>1,457,032</u>
INVESTMENTS			<u>16,956,867</u>		<u>17,240,525</u>
PROPERTY AND EQUIPMENT					
Land			1,860,000		1,860,000
161 Northfield Building			7,577,404		7,577,404
House of Welcome Building			2,566,969		2,566,969
Land Improvements			1,229,097		1,229,097
Furniture and Equipment			2,744,570		2,662,733
			<u>15,978,040</u>		<u>15,896,203</u>
Less: Accumulated Depreciation		(<u>9,197,156)</u>	(<u>8,686,503)</u>
			<u>6,780,884</u>		<u>7,209,700</u>
Total Assets		\$	<u>24,730,247</u>	\$	<u>25,907,257</u>

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

<u>LIABILITIES AND NET ASSETS</u>	<u>2020</u>	<u>2019</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 58,463	\$ 134,474
Accrued Expenses	239,113	126,271
Custodial Accounts	5,081	5,592
Deferred Income	171,477	22,930
Charitable Gift Annuities	147,314	52,992
	<hr/>	<hr/>
Total Current Liabilities	621,448	342,259
LONG-TERM LIABILITIES		
Bonds Payable	7,000,000	7,000,000
Less Bond Issuance Cost	(54,029)	(59,934)
Bonds Payable Less Bond Issuance Cost, Net	6,945,971	6,940,066
Total Long-Term Liabilities	6,945,971	6,940,066
Total Liabilities	7,567,419	7,282,325
COMMITMENTS		
NET ASSETS		
Without Donor Restrictions		
Undesignated	3,026,614	4,454,733
Bond Covenant Reserve	7,700,000	7,700,000
Board Designated	458,661	458,661
	<hr/>	<hr/>
	11,185,275	12,613,394
With Donor Restrictions		
Purpose and Time Restrictions	4,674,255	4,708,240
Perpetual in Nature	1,303,298	1,303,298
	<hr/>	<hr/>
	5,977,553	6,011,538
Total Net Assets	17,162,828	18,624,932
Total Liabilities and Net Assets	<u>\$ 24,730,247</u>	<u>\$ 25,907,257</u>

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	Without Donor Restrictions	With Donor Restrictions	Total 2020	Without Donor Restrictions	With Donor Restrictions	Total 2019
PUBLIC SUPPORT AND OTHER REVENUE						
Grants and Contributions						
Members	\$ 99,109	\$ -	\$ 99,109	\$ 111,919	\$ -	\$ 111,919
Friends	457,436	-	457,436	436,120	-	436,120
Foundation/Corporate Grants/Estates	179,780	327,500	507,280	156,888	246,267	403,155
Annual Benefit	190,811	-	190,811	147,199	-	147,199
Townships	165,833	-	165,833	161,306	-	161,306
Municipalities	148,300	-	148,300	145,708	-	145,708
Government Grants	1,830,708	-	1,830,708	690,116	-	690,116
Program Fees and Contracts						
Registration and Membership Fees	394,970	-	394,970	698,130	-	698,130
Program Service Fees	680,739	-	680,739	968,523	-	968,523
State Contracts	2,774,902	-	2,774,902	2,884,873	-	2,884,873
Gain on Sale of Equipment	-	-	-	6,247	-	6,247
Change in Value of Split-Interest Agreements						
Charitable Gift Annuities	(143,658)	-	(143,658)	(47,730)	-	(47,730)
Net Assets Released from Restrictions	501,390	(501,390)	-	527,366	(527,366)	-
	<u>7,280,320</u>	<u>(173,890)</u>	<u>7,106,430</u>	<u>6,886,665</u>	<u>(281,099)</u>	<u>6,605,566</u>
EXPENSES						
Program Services	7,483,549	-	7,483,549	7,069,096	-	7,069,096
Management and General	783,088	-	783,088	593,675	-	593,675
Fundraising	618,239	-	618,239	570,555	-	570,555
	<u>8,884,876</u>	<u>-</u>	<u>8,884,876</u>	<u>8,233,326</u>	<u>-</u>	<u>8,233,326</u>
Change in Net Assets Before Investment Income	(1,604,556)	(173,890)	(1,778,446)	(1,346,661)	(281,099)	(1,627,760)
Investment Income						
Interest and Dividends	322,215	205,146	527,361	367,737	193,960	561,697
Realized Gain on Investments	10,252	6,616	16,868	19,423	10,735	30,158
Unrealized Gain (Loss) on Investments	(111,354)	(71,857)	(183,211)	161,085	89,039	250,124
Investment Fees	(44,676)	-	(44,676)	(45,181)	-	(45,181)
	<u>176,437</u>	<u>139,905</u>	<u>316,342</u>	<u>503,064</u>	<u>293,734</u>	<u>796,798</u>
Change In Net Assets	(1,428,119)	(33,985)	(1,462,104)	(843,597)	12,635	(830,962)
Net Assets at Beginning of Year	<u>12,613,394</u>	<u>6,011,538</u>	<u>18,624,932</u>	<u>13,456,991</u>	<u>5,998,903</u>	<u>19,455,894</u>
Net Assets at End of Year	<u>\$ 11,185,275</u>	<u>\$ 5,977,553</u>	<u>\$ 17,162,828</u>	<u>\$ 12,613,394</u>	<u>\$ 6,011,538</u>	<u>\$ 18,624,932</u>

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	Senior and Family Services	North Shore Senior Options	Lifelong Learning	House of Welcome	Total Program Services	Management and General	Fundraising	Total 2020
OPERATING EXPENSES								
Activities Program Expense	\$ -	\$ -	\$ 199,386	\$ -	\$ 199,386	\$ -	\$ -	\$ 199,386
Assistance	142,312	-	-	-	142,312	-	-	142,312
Conferences	9,544	99	1,125	2,191	12,959	2,105	278	15,342
Dues and Multimedia	6,125	772	1,211	1,965	10,073	526	1,799	12,398
Equipment Repair/Rentals	42,450	5,601	16,834	7,647	72,532	13,685	27,606	113,823
Fitness Center	-	-	88,795	-	88,795	-	-	88,795
Food/Recreation Supplies	7,048	474	14,213	19,300	41,035	2,776	1,814	45,625
Health and Disability	306,049	29,475	18,503	71,958	425,985	33,707	32,508	492,200
Insurance	23,584	3,773	6,604	6,604	40,565	3,302	3,302	47,169
Occupancy	178,322	21,030	89,726	55,922	345,000	21,026	17,840	383,866
Payroll Taxes	219,975	34,026	33,437	63,577	351,015	29,472	28,201	408,688
Postage	8,065	1,240	8,457	2,184	19,946	2,931	4,420	27,297
Printing/Office Supplies	38,673	6,417	42,344	18,204	105,638	14,937	22,418	142,993
Professional Fees	181,330	20,804	26,908	39,859	268,901	170,494	23,849	463,244
Retirement Plan	43,509	7,120	8,458	10,084	69,171	7,370	3,733	80,274
Salaries	2,855,014	437,795	430,148	807,473	4,530,430	400,386	382,128	5,312,944
Sundry	11,389	35,241	11,788	14,303	72,721	22,827	13,425	108,973
Telecommunications	14,178	5,318	1,599	2,102	23,197	1,481	784	25,462
Transportation	27,019	4,229	375	117	31,740	212	1,910	33,862
Total Operating Expenses	4,114,586	613,414	999,911	1,123,490	6,851,401	727,237	566,015	8,144,653
PROPERTY AND EQUIPMENT								
Depreciation and Amortization	264,925	39,496	64,381	72,338	441,140	38,975	36,444	516,559
Professional Fees—Facilities	16,925	2,523	4,113	4,621	28,182	2,490	2,328	33,000
Interest Expense and Costs	97,785	14,578	23,763	26,700	162,826	14,386	13,452	190,664
Total Property and Equipment	379,635	56,597	92,257	103,659	632,148	55,851	52,224	740,223
TOTAL EXPENSES	\$ 4,494,221	\$ 670,011	\$ 1,092,168	\$ 1,227,149	\$ 7,483,549	\$ 783,088	\$ 618,239	\$ 8,884,876

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Senior and Family Services	North Shore Senior Options	Lifelong Learning	House of Welcome	Total Program Services	Management and General	Fundraising	Total 2019
OPERATING EXPENSES								
Activities Program Expense	\$ -	\$ -	\$ 214,168	\$ -	\$ 214,168	\$ -	\$ -	\$ 214,168
Assistance	125,168	-	-	-	125,168	-	-	125,168
Conferences	6,231	2,569	1,590	5,691	16,081	-	1,301	17,382
Dues and Multimedia	3,074	1,524	955	1,865	7,418	2,459	3,264	13,141
Equipment Repair/Rentals	33,173	2,728	14,507	4,625	55,033	8,310	32,130	95,473
Fitness Center	-	-	125,265	-	125,265	-	-	125,265
Food/Recreation Supplies	10,369	337	25,724	25,937	62,367	11,872	2,801	77,040
Health and Disability	260,932	34,460	11,422	75,352	382,166	8,502	21,694	412,362
Insurance	23,834	2,135	5,977	5,123	37,069	2,562	2,989	42,620
Occupancy	197,304	6,694	87,575	72,034	363,607	26,371	22,437	412,415
Payroll Taxes	201,953	33,262	32,555	54,519	322,289	16,523	20,318	359,130
Postage	14,181	500	11,644	1,465	27,790	6,945	10,380	45,115
Printing/Office Supplies	49,821	3,070	48,168	16,604	117,663	8,529	41,932	168,124
Professional Fees	196,967	40,547	25,770	28,939	292,223	207,685	55,720	555,628
Retirement Plan	40,391	7,581	7,829	10,276	66,077	4,739	4,378	75,194
Salaries	2,573,808	429,743	403,442	689,024	4,096,017	235,604	273,525	4,605,146
Sundry	10,537	2,131	13,357	3,691	29,716	7,599	20,103	57,418
Telecommunications	14,290	4,425	1,689	1,106	21,510	1,781	800	24,091
Transportation	38,125	6,795	743	-	45,663	207	3,367	49,237
Total Operating Expenses	3,800,158	578,501	1,032,380	996,251	6,407,290	549,688	517,139	7,474,117
PROPERTY AND EQUIPMENT								
Depreciation and Amortization	268,743	40,911	73,009	70,454	453,117	30,116	36,572	519,805
Professional Fees—Facilities	18,613	2,833	5,056	4,879	31,381	2,086	2,533	36,000
Interest Expense and Costs	105,161	16,009	28,569	27,569	177,308	11,785	14,311	203,404
Total Property and Equipment	392,517	59,753	106,634	102,902	661,806	43,987	53,416	759,209
TOTAL EXPENSES	\$ 4,192,675	\$ 638,254	\$ 1,139,014	\$ 1,099,153	\$ 7,069,096	\$ 593,675	\$ 570,555	\$ 8,233,326

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	(\$1,462,104)	(\$ 830,962)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation Expense	510,654	513,899
Amortization Expense	5,905	5,906
Realized (Gain) on Sale of Investments	(16,868)	(30,158)
Unrealized (Gain) Loss on Investments	183,211	(250,124)
(Gain) on Sale of Equipment	-	(6,247)
(Increase) Decrease in Assets:		
Contributions Receivable	(54)	6,373
Grants and Contracts Receivable	349,156	446,505
Accounts Receivable	41,284	59,843
Prepaid Expenses and Other Assets	5,562	27,637
Security Deposits	-	1,460
Increase (Decrease) in Liabilities:		
Accounts Payable	(76,011)	28,254
Accrued Expenses	112,842	(39,625)
Custodial Accounts	(511)	(151)
Deferred Income	148,547	(17,699)
Charitable Gift Annuities	94,322	(4,222)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(104,065)</u>	<u>(89,311)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(81,838)	(170,606)
Proceeds from Sale of Equipment	-	6,247
Certificates of Deposits, Net	(203,306)	(753,030)
Proceeds from Sale of Investments	662,863	11,105,000
Purchases of Investments	<u>(342,242)</u>	<u>(10,557,928)</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>35,477</u>	<u>(370,317)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(68,588)</u>	<u>(459,628)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>557,998</u>	<u>1,017,626</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 489,410</u>	<u>\$ 557,998</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest Paid	<u>\$ 97,191</u>	<u>\$ 110,974</u>

The accompanying notes are an integral part of the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

North Shore Senior Center (the “Center” or “NSSC”) has been in operation since 1956 and is an Illinois not-for-profit corporation. The Center was established to foster the independence and well-being of older adults, enhance their dignity and self-respect, and promote their participation in and contribution toward all aspects of community life. The Center is accredited by the National Institute of Senior Centers, a constituent unit of the National Council On Aging, and by CARF International, a private not-for-profit organization that promotes quality rehabilitation services, for Community Services and Adult Day Services.

NSSC Foundation (“the Foundation”) was established in 1992 as a non-profit corporation by the North Shore Senior Center. The purpose of the Foundation is to solicit and receive gifts, endowments, and contributions for and on behalf of the Center, and to provide financial support for the charitable programs, services, operations, physical plant, and activities of the Center, and to direct the investment and management of the Foundation’s assets. While its Articles of Incorporation indicate that the Foundation can support any other non-profit organization, by virtue of the designation of the Foundation as a Type I supporting organization, in accordance with IRC 509(a)(3), the Foundation exclusively supports the Center. The Foundation’s directors are elected by the members of the Foundation. A majority of the Foundation’s members consist of the Center’s board of directors. The executive director and president of the Center also serve as the president of the Foundation. NSSC Foundation utilizes the Center’s facilities and certain staff.

The Center’s CareOption program is operated under North Shore Senior Options (“NSSO”), a 501(c)(3) Organization incorporated on August 18, 2017, as a subsidiary of North Shore Senior Center. NSSO utilizes the Center’s facilities and certain staff. NSSO has fee-based programs that fills a gap in services for seniors whose income or asset levels do not allow them to participate in government-provided or managed care services and most insurance companies do not reimburse for costs.

Principles of Consolidation

The consolidated financial statements include the accounts of North Shore Senior Center, North Shore Senior Options, and NSSC Foundation (together “the Organization”). All significant inter-organization balances and transactions have been eliminated in consolidation.

Reclassifications

Certain reclassifications have been made to prior period amounts to conform to the current-year presentation.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **(continued)**

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, with an effective date for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, for public business entities; NFP entities that have issued or are conduit bond obligors for securities that are traded, listed, or quoted on an exchange or an over-the-counter market (referred to as public NFP entities); and employee benefit plans that file or furnish financial statements with or to the U.S. Securities and Exchange Commission (SEC). For all other entities, *Leases* was effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. On June 3, 2020, FASB issued ASU 2020-05 to allow the deferral of the effective date that applies to entities in the “all other” category and public NFP entities that have not yet issued their financial statements (or made financial statements available for issuance) reflecting the adoption of *Leases*. The organization will adopt ASU 2016-02 during the next fiscal year.

In August 2018, FASB issued ASU No. 2018-13 *Fair Value Measurement (Topic 820), Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. The new guidance simplifies fair value measurement disclosures through the removal and modification of several investment-related disclosure requirements. Certain disclosures are no longer required, including the amount of and reasons for transfers between Levels 1 and 2; policy for timing of transfers between levels and valuation processes for Level 3 investments. Also, the ASU requires additional disclosures for Level 3 investments. The amendments in this Update are effective for all entities for fiscal years and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt any removed or modified disclosures upon issuance of this Update and delay adoption of the additional disclosures until their effective date. The Organization adopted the ASU on July 1, 2019, and did not significantly impact the Organization’s financial statements.

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. The amendments in this Update changes how entities recognize, measure, present, and disclose certain financial assets and financial liabilities. For not-for-profit entities, the amendments in this Update are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. In addition, FASB issued ASU No. 2018-03, *Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, in February 2018 to clarify certain aspects of the guidance issued in ASU No. 2016-01. The Organization adopted these ASUs on July 1, 2019, and did not significantly impact the Organization’s financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and are not subject to grantor or donor-imposed restrictions. It is the policy of the Board of Directors of the Organization to review its plans for future operations of the Organization and from time to time to designate appropriate sums of *net assets without donor restrictions* to assure adequate financing of such operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

The Organization's donor-restricted endowment funds, including the unspent appreciation of the endowment fund and the portion of the Organization's donor-restricted endowment funds that the Organization is committed to maintaining in perpetuity are classified in net assets with donor restrictions.

The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Revenue from Grants and Contracts

Revenue from government and private grant and contract agreements is recognized as it is earned through expenditure in accordance with the agreements. Any funding received in advance of expenditure is recorded as deferred revenue until expended.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Federal Funding under Title III Older Americans Act. During years ended June 30, 2020 and 2019, the Center was a sub-recipient of federal grants, provided through the Area Agency (AgeOptions). The federal funding source is the U.S. Administration on Aging, an agency of the U.S. Department of Health and Human Services. The federal funds are provided to the Illinois Department on Aging, which in turn allocates a portion to AgeOptions for local administration. The grants are authorized annually and are provided by AgeOptions based on the federal government's fiscal year ending September 30. Federal grants authorized by AgeOptions for the Center under Title IIIB and Title IIIE are used to subsidize certain specified counseling, comprehensive, and respite social service programs and activities. Total amounts of revenue recognized under Title III Federal funding included under government grants in the consolidated statement of activities and the receivable as of year-end are as follows:

	<u>2020</u>	<u>2019</u>
Title IIIB Supportive Services and Senior Centers	\$ 318,956	\$ 391,027
Title IIIE Caregiver Support	\$ 271,390	\$ 259,731
Grant Receivable	\$ 30,223	\$ 39,863

Additional federal grants were received from the Area Agency as well as Community Development Block Grants.

State of Illinois Department on Aging. The Organization received approximately 36% and 40% of its revenue from contracts from the Illinois Department of Aging for the years ended June 30, 2020 and 2019, respectively. As of June 30, 2020 and 2019, the amounts due from the State of Illinois Department on Aging on these fee for service contracts that pertain to nursing home pre-screens and case coordination administered through the Center's Department of Social Services was \$239,144 and \$488,911, respectively.

Revenue from Program Service Fees

The House of Welcome ("HOW") day program specializes in adult day services for individuals with Alzheimer's disease and related dementias. North Shore Senior Options (NSSO) provides various care management fee for service programs for older adults and their families. Revenues from contracts with program participants for daily fees are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services to program participants. Revenue is recognized as performance obligations are satisfied, which is monthly, as billed. Generally, the Organization bills program participants on the 5th day of each month for prior month services with a payment term of 10 days. Any unearned amounts for payment received in advance are included in deferred revenue.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

Lifelong Learning program has various member-only clubs, classes, presentations, trips, concerts, and events. Revenue from contracts with members for membership dues and program fees is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing membership and program activities to its members. Membership revenue is recognized as performance obligations are satisfied over the membership term. Tuition fee revenue is recognized as performance obligations are satisfied over the class term. Program revenue associated with presentations, trips, concerts, and events is recognized at the point in time when control transfers to the program participant, generally when services are delivered to the participants. Membership dues are nonrefundable. Tuition fees are nonrefundable after the start of the class. Any unearned amounts for payment received in advance are included in deferred revenue.

The Organization operates a cafeteria and a gift shop that is staffed by volunteers. The gift shop sells donated items such as hand-crafted items made by the Organization's Sewing Bees group, note cards, and artwork created by participants in the House of Welcome Adult Day Services for people with memory loss. Revenue for cafeteria and gift shop sales is recognized when the customer receives and pays for the merchandise. Gift shop inventory items are not material to the financial statements.

Because all of the performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to providing member services. The performance obligations for these contracts are generally completed when the annual membership term is completed. The Organization applies the practical expedient FASB ASC 340-40-25-4 to recognize the incremental costs of obtaining a contract as an expense when incurred when the amortization period of the asset that the Organization otherwise would have recognized is one year or less.

Significant Judgments. The Organization determines the transaction price based on standard charges for goods and services provided, discounts provided in accordance with the Organization's policy, and implicit price concessions provided to program participants. The Organization determines its estimates of explicit price concessions based on contractual agreements and its discount policies. The Organization determines its estimate of implicit price concessions based on its historical collection experience with program participants.

Revenue from Contributions

Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Revenue from Donated Services and In-Kind Contributions

Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization annually receives a significant amount of donated services from volunteers. Because the majority of these donated services do not meet the U.S. GAAP requirements for recognition of professional services or creation or enhancement of non-financial assets, no value has been reflected in the accompanying consolidated financial statements.

Advertising Expenses

Advertising costs, if any, are annually expensed as incurred.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Natural expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas, while indirect costs that benefit multiple functional areas have been allocated among various functional areas using a variety of cost allocation techniques such as square footage and time and effort.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers highly liquid investments with an initial maturity of three months or less to be cash equivalents, except those held for long-term investment.

Financial Instruments and Credit Risk

The Organization manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with high credit quality financial institutions. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates.

Because a significant portion of the Foundation's assets are market investments, there is an inherent concentration of risk for associated income and loss tied to market performance. However, the Foundation's Board of Directors seeks to mitigate this risk through diversification of investment portfolio, ongoing monitoring, and consultation with third-party investment professionals. Additionally, the Foundation continue to investigate and pursue additional sources of income from donors and private sources.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Investments

The Organization record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return/(loss) is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses. Realized gains and losses on investments held more than one fiscal year and sold in current year include the change in fair value of investments in the current year.

Accounts Receivable

Accounts receivable represent consideration from state and local government agencies and program service fees, of which the Organization has an unconditional right to receive. Accounts receivable are stated at the amount management expects to be collected from the outstanding balance. As of June 30, 2020 and 2019, management has determined, based on historical experience, the allowance for doubtful accounts is \$45,425 and \$0, respectively.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. The amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date.

Support from wills and estates are recognized when probate declares the will valid, and the Organization is notified of the approximate amount of the bequest. Because the beneficiary designation can be revoked at any time, such trusts and bequests associated therewith are thus conditional promises to give and are not included in the consolidated financial statements.

Split-Interest Agreements

The Foundation benefits from charitable gift annuities, charitable remainder unitrusts, and other arrangements with donors that are commonly known as split-interest agreements.

Property and Equipment

Property and equipment have been capitalized at stated cost or at the fair market value at the date of contribution. All assets are depreciated using the straight-line method. Furniture and equipment are depreciated over their useful lives, ranging from three to ten years. Leasehold improvements are amortized over the lives of the leases, assuming the leases are usually renewed. Buildings are depreciated over their useful lives of twenty to thirty years. The Organization capitalizes all acquisitions of property and equipment in excess of \$2,500. Total depreciation expense for the fiscal years ended June 30, 2020 and 2019, were \$510,654 and \$513,899, respectively.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

The Organization reports gifts of long-lived assets as without donor restriction support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as with donor restriction support. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Long-Lived Assets

Management evaluates long-lived assets for impairment whenever events or circumstances indicate that the carrying value of a long-lived asset may not be recoverable in accordance with accounting principles generally accepted in the United States of America. Management determined that no long-lived assets were impaired as of June 30, 2020 and 2019.

Deferred Income

Certain grants are deferred income due to their service delivery requirements and reciprocal nature as exchange transactions. Revenue from program service fees is recognized when the services are provided. Membership dues, tuition fees, and the exchange portion of sponsorship income received in advance are deferred and recognized over the periods to which they relate.

Custodial Accounts

Custodial accounts are used for fees and expenses incurred for specific group activities that are sponsored by the Center for its members. Funds are held for forthcoming classes, trips, and club activities and are represented in the consolidated financial statements as assets offset by corresponding liabilities.

Use of Estimates

The preparation of consolidated 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.

Income Taxes

North Shore Senior Center, NSSC Foundation and North Shore Senior Options, are Illinois nonprofit corporations exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and are not subject to income taxes, except regarding income unrelated to their tax-exempt purpose. The Organization also qualify for a charitable contribution deduction in regard to their donors. Accordingly, no tax provision has been made in the financial statements. The Foundation is classified as a Type I supporting organization as described by the IRC 509(a)(3) that is controlled by the supported organization, the Center, as further explained in Note A, *Nature of Activities* paragraph.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **(continued)**

The Organization follows the guidance of Accounting Standards Codification (ASC) 740, *Accounting for Income Taxes*, related to uncertainties in income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. There are no such uncertain tax positions for the Organization for the years ended June 30, 2020 and 2019. The Organization's federal and state information returns are subject to examination, generally for three years after the filing date.

NOTE B – PROGRAMS

The Center offers three main programs: House of Welcome, Lifelong Learning, and Senior and Family Services.

The House of Welcome ("HOW") day program specializes in *adult day services* for individuals with Alzheimer's disease and related dementias. This program offers several therapeutic, small group activities in a homelike setting for its participants. The Center also works with the Greater Illinois Chapter of the Alzheimer's Association in providing support group programs. *Mind Matters Early Memory Loss Program* is a therapeutic, evidence-based group program based on research indicating that social interaction, physical exercise, cognitive activities and creative arts therapies can benefit those with early memory loss.

The Lifelong Learning ("L&L") program is available to adults age 50 and older to pursue new interests; cultivate new friends; and participate in a wide variety of cultural, recreational, educational, and social activities. A sample of the program's activities offered includes the following:

- Education and Learning
- Social and Special Interests
- Creative and Performing Arts
- Health and Fitness
- Leisure and Recreation
- Travel and Adventure

The Center's Senior and Family Services ("SFS") program provides a wide range of services for seniors at its headquarters location, satellite location, village halls, hospitals, park districts, and senior housing facilities.

The no fee-based SFS programs include the following:

- Information and Assistance
- Adult Protective Services Program
- Benefits Counseling
- Respite and Caregiver Services
- Choices for Care Program
- Chore Housekeeping
- Community Care Program (CCP)
- Counseling
- Escorted Transportation Services
- Friendly Visiting Program
- General Case Management
- Hearing Loss Program
- Home-Delivered Meals
- Lending Closet
- Medicare Counselors (SHIP)
- Support Groups
- Wellness Education

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE B – PROGRAMS (continued)

The NSSO offers fee-based programs which aims to be the go-to resource for services that can guide older adults and their family members to thrive in the place they call home. To accomplish this, NSSO offers a client-centered approach for seniors and their families, works with families to provide answers at a time of seemingly endless questions, and helps guide seniors to the actions and decisions that ensure an optimal life. NSSO process to achieve this goal involves:

- Assessment and Monitoring
- Planning and Problem-Solving
- Education and Advocacy

These fee-based programs fill a gap in services for seniors whose income or asset levels do not allow them to participate in government-provided or managed care services and most insurance companies do not reimburse for costs:

- Care Management
- Guardianship
- Daily Money Management
- PEARLS: The Program to Encourage Active and Rewarding Lives for Seniors
- Psychotherapy

NOTE C - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization monitors its liquidity to be able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>Center</u>	<u>Senior Options</u>	<u>Foundation</u>	<u>Total 2020</u>	<u>Total 2019</u>
Financial Assets:					
Cash and Cash Equivalents	\$ 204,810	\$ -	\$ 111,179	\$ 315,989	\$ 488,806
Receivables, Net	374,403	65,642	-	440,045	830,431
Operating Investments	515,647		2,478,427	2,994,074	3,217,109
Endowment Distribution	796,000	318,000	(1,114,000)	-	-
Total financial assets available within one year	<u>\$1,890,860</u>	<u>\$383,642</u>	<u>\$1,475,606</u>	<u>\$3,750,108</u>	<u>\$4,536,346</u>

In addition to financial assets available to meet general expenditures over the year, the Organization has board designated amounts of \$458,661 as of June 30, 2020 and 2019, that could be made available if necessary.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE D – INVESTMENTS AND CLASSIFICATION IN THE FAIR VALUE HIERARCHY

All investments are valued at fair market under the provisions of FASB ASC 958. The following is a summary of the Organization's investments and investment income as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash/Money Market Funds	\$ 473,284	\$ 29,863
Mutual Funds	13,794,720	14,694,857
Real Estate Fund	1,652,974	1,683,222
Total Foundation's Investments	<u>15,920,978</u>	<u>16,407,942</u>
Cash/Money Market Funds	1,035,889	832,583
Total Center's Investments	<u>1,035,889</u>	<u>832,583</u>
Total Investments	<u>\$ 16,956,867</u>	<u>\$ 17,240,525</u>

The Accounting Standards Codification for *Fair Value Measurements* (ASC 820) establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability'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, 2020 and 2019.

Common Stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds: Valued at the closing price reported on the active market on which the individual funds are traded.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE D – INVESTMENTS AND CLASSIFICATION IN THE FAIR VALUE HIERARCHY (continued)

Real Estate Fund: Valued at net asset value (NAV) of units held. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liability. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

Money Market: Valued at cost plus interest earned, which approximates fair value.

The preceding approach described might produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization 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 following tables set forth by level, within the fair value hierarchy, the Organization's investment assets at fair value at June 30, 2020:

	<u>Assets at Fair Value at June 30, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Fair Value</u>
Mutual Funds - Equity	\$ 8,512,515	\$ -	\$ -	\$ 8,512,515
Mutual Funds - Fixed Income	4,304,551	-	-	4,304,551
Mutual Funds - Balanced	<u>977,654</u>	<u>-</u>	<u>-</u>	<u>977,654</u>
Total Assets at Fair Value	<u>\$ 13,794,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>13,794,720</u>
Investments Measured at NAV*				1,652,974
Cash/Money Market Funds				<u>1,509,173</u>
Total Investments				<u>\$ 16,956,867</u>

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE D – INVESTMENTS AND CLASSIFICATION IN THE FAIR VALUE HIERARCHY (continued)

The following tables set forth by level, within the fair value hierarchy, the Organization’s investment assets at fair value at June 30, 2019:

	Assets at Fair Value at June 30, 2019			Total Fair Value
	Level 1	Level 2	Level 3	
Mutual Funds - Equity	\$ 8,096,988	\$ -	\$ -	\$ 8,096,988
Mutual Funds - Fixed Income	5,577,385	-	-	5,577,385
Mutual Funds - Balanced	1,020,484	-	-	1,020,484
Total Assets at Fair Value	\$ 14,694,857	\$ -	\$ -	14,694,857
Investments Measured at NAV*				1,683,222
Cash/Money Market Funds				862,446
Total Investments				\$ 17,240,525

* The fair values of the real estate fund reflected in the tables above have been determined using the NAV per share (or its equivalent) practical expedient and, as such, have not been categorized within the fair value hierarchy. The fair values presented in the tables are intended to permit reconciliation of the fair value hierarchy table to amounts presented in the Consolidated Statement of Activities.

Fair Value of Investments that Calculate Net Asset Value. The following table summarizes investments measured at fair value based on net asset value (NAVs) per share as of June 30, 2020 and 2019, respectively:

Instrument	Fair Value as of June 30, 2020	Fair Value as of June 30, 2019	Redemption Frequency	Redemption Notice Period
Real Estate Fund	\$ 1,652,974	\$ 1,683,222	quarterly	Requests at any time

The Real Estate Fund invests primarily in in core institutional quality industrial, multi-family, office, and retail properties located throughout the United States, and is diversified by product type, geographic region, and economic exposure in order to mitigate investment risk. Requests for redemptions of units in the Fund may be made at any time and are effective at the end of the calendar quarter in which the request is received.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE E – CHARITABLE GIFT ANNUITIES

The Foundation is the recipient of charitable gift annuities. Under charitable gift annuity contracts, the Foundation receives immediate and unrestricted title to contributed assets and agree to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability was recorded as a contribution without donor restrictions. In subsequent years, the liability for future annuity payments is reduced by payments made to the specified beneficiaries and is adjusted to reflect the amortization of the discount and changes in actuarial assumptions at the end of the year. Total annuity payments for years ending June 30, 2020 and 2019, was \$46,092 and \$51,952, respectively. Change in value of split-interest agreements totaling \$143,658 and \$47,730 for 2020 and 2019, respectively, were included in the consolidated statement of activities.

NOTE F – LEASE OBLIGATIONS

The Center has a lease for additional office space located at 7900 Milwaukee Ave, Niles, Illinois for period March 1, 2016, through February 28, 2023. Under the lease agreement, the Center is responsible for a pro rata share of real estate taxes, insurance, and common area maintenance.

The Center has a lease for additional office space located at 2100 Ridge Ave, Evanston, Illinois for period October 1, 2019, through September 30, 2022. Under the lease agreement, the Center is responsible for a pro rata share of real estate taxes, insurance, and common area maintenance.

The Center also has an operating lease for a parking lot that expires on July 31, 2022, an various equipment leases expiring on August 1, 2025, and a month to month lease for storage space.

Lease expense for the year ended June 30, 2020 and 2019, was \$141,242 and \$132,026, respectively.

Future minimum lease obligations for the next fiscal years are as follows:

Fiscal Year Ended June 30,	Total Office Space	Parking Lot and Equipment
2021	\$ 90,427	\$ 19,238
2022	91,552	52,435
2023	58,220	9,920
2024	-	1,986
2025	-	1,176
Thereafter	-	294
Total	<u>\$ 240,199</u>	<u>\$ 85,049</u>

NSSO and the Foundation has utilized office space and personnel from the North Shore Senior Center. An allocation of certain rent, salary, and associated benefits is charged to the NSSO and Foundation accounts to accurately represent these costs, which were eliminated in the consolidated financial statements.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE G – NATURE OF RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose or periods		
Foundation		
Charitable Gift Annuity for Student Internship Program	\$ 9,123	\$ 9,123
House of Welcome Program	54,542	56,566
Men's Club Music Concerts	25,648	26,184
	<u>89,313</u>	<u>91,873</u>
Center		
Comprehensive Care Services and Other	28,240	33,347
Bond Debt Service	145,181	35,845
	<u>173,421</u>	<u>69,192</u>
Total subject to expenditure for specified purpose or periods	<u>262,734</u>	<u>161,065</u>
Endowments – Accumulated investment gains and term endowment subject to appropriation and expenditures based on spending policy and donor restrictions		
Foundation		
The Harry and Jeanette Weinberg Endowment	3,588,922	3,685,034
Sandra R. Johnson Endowment	78,190	88,250
Golder Distinguished Senior Lecture Series Fund	317,936	341,966
Thaviu Concert Series Fund	267,989	257,897
Edwin J. Brach and Hazel and Bertram Brodie Endowment	95,089	103,811
Weber Endowment for Training and Professional Development for House of Welcome	35,448	38,673
Thaviu House of Welcome Scholarships	27,947	31,544
	<u>4,411,521</u>	<u>4,547,175</u>
Endowments – Original donor restricted gift amounts and amounts required to be maintained in perpetuity by donor		
Foundation		
Sandra R. Johnson Endowment	279,647	279,647
Golder Distinguished Senior Lecture Series Fund	200,000	200,000
Thaviu Concert Series Fund	200,000	200,000
Edwin J. Brach and Hazel and Bertram Brodie Endowment	258,000	258,000
Weber Endowment for Training and Professional Development for House of Welcome	92,987	92,987
Thaviu House of Welcome Scholarships	100,000	100,000
Other Funds	111,083	111,083
	<u>1,241,717</u>	<u>1,241,717</u>
Center	<u>61,581</u>	<u>61,581</u>
	<u>1,303,298</u>	<u>1,303,298</u>
Total Endowments	<u>5,714,819</u>	<u>5,850,473</u>
Total Net Assets With Donor Restrictions	<u>\$ 5,977,553</u>	<u>\$ 6,011,538</u>

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE H – ENDOWMENT

Description of the Governing Board's Interpretation of the Law(s) that Underlie the Organization's Net Asset Classification of Donor-Restricted Endowment Funds

The Organization interpreted the Illinois Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund,
- The purposes of the Organization and the donor-restricted endowment fund,
- General economic conditions,
- The possible effect of inflation and deflation,
- The expected total return from income and appreciation of investments,
- Other resources of the Organization,
- The investment policies of the Organization.

As provided by UPMIFA, its guidelines for expenditure of donor-restricted endowment funds apply in the absence of overriding, explicit donor stipulations. Specific provisions of donor gift instruments will take precedence over the general default provisions of UPMIFA.

Investment and Spending Policy

The Center –

Endowment assets include those assets of donor-restricted funds that the Center must hold in perpetuity. The Center maintains the endowment funds in cash and cash equivalents based on historical precedent. The Center places an emphasis on money market accounts and certificate of deposits to achieve its long-term return objectives within prudent risk parameters.

The Center's spending policy is at the discretion of the board of directors as determined by the governing documents for the various donor-restricted funds that make up the endowments and applicable federal and state law.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE H – ENDOWMENT (continued)

The Foundation –

The Foundation has adopted an investment policy for financial assets that attempts to provide a predictable stream of funding to the Center's programs while seeking to maintain the purchasing power of such assets. The financial assets are invested in a manner that is intended to maximize total return without undue risk. The Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) and current yields (interest and dividends).

The Foundation's investment policy targets a diversified asset allocation that balances a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints along with a substantive allocation (approximately 30% of the total portfolio) to fixed income to provide certainty of return and tempering of volatility. The investment policy is developed with the goal of achieving an investment rate of return of 7% on average. The performance objective of the Foundation is to exceed, after investment management fees, a customized blended benchmark.

In determining distributable amounts from endowment earnings, the Foundation considers applicable federal and state law, and the governing documents for the various donor-restricted funds.

The average annual distribution to the Center from the Foundation assets is determined by multiplying the rolling three-year average market value of the fund by 5%. In calculating the average market value, the December 31 market value for the previous three years is used. Exceptions to this policy may be made only with the approval of the board of directors. The Foundation expects this distribution practice to allow its investments to grow in excess of the annual spending. This is consistent with the Foundation's objective to maintain the purchasing power of the assets as well as to provide additional real growth through new gifts and investment return.

Details of the Composition of Endowment Funds at the End of the Fiscal Year

The Center –

The Center's endowment consists of \$61,581 that is to be held in perpetuity, as designated by the donors. The income from the assets can be used to support the Center's general activities. All earnings of the endowment fund are appropriated for spending in the year earned.

The Foundation –

The Foundation's endowment consists of all donor-restricted endowment funds. Management keeps the original gift and realized and unrealized gains and losses on those assets linked for determining the fair value of the fund for administrative purposes. Investment income and realized and unrealized gains and losses on those assets are recorded as restricted assets until appropriated in accordance with the donor instructions and stipulations and do not impact the amount of the original donor-restricted assets.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE H – ENDOWMENT (continued)

Details of the Composition of Endowment Funds at the End of the Year

Endowment net asset composition by type of fund at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
The Foundation, Donor Restricted Endowment		
Accumulated investment gains	\$ 1,411,521	\$ 1,547,175
Original donor-restricted gift amount and amounts required to be maintained for specific time and purpose by donor	3,000,000	3,000,000
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	<u>1,241,717</u>	<u>1,241,717</u>
Total Foundation's Endowment	<u>5,653,238</u>	<u>5,788,892</u>
The Center, Donor Restricted Endowment		
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	<u>61,581</u>	<u>61,581</u>
Total Center's Endowment	<u>61,581</u>	<u>61,581</u>
Total Endowment	<u>\$ 5,714,819</u>	<u>\$ 5,850,473</u>

Reconciliation of the Beginning and Ending Balances of Endowment Funds

There were no changes in Center's endowment net assets as of June 30, 2020 and 2019. The changes in donor-restricted endowment net assets are as follows for the years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
The Foundation, Donor Restricted Endowment		
Endowment Net Assets, Beginning of Year	\$ 5,788,892	\$ 5,746,363
Investment Return	138,270	289,609
Appropriated for Expenditure	<u>(273,924)</u>	<u>(247,080)</u>
Endowment Net Assets, End of Year	<u>5,653,238</u>	<u>5,788,892</u>
The Center, Donor Restricted Endowment		
Endowment Net Assets, End of Year	<u>61,581</u>	<u>61,581</u>
Total Endowment	<u>\$ 5,714,819</u>	<u>\$ 5,850,473</u>

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE H – ENDOWMENT (continued)

Information on Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. Such deficiencies result from unfavorable market fluctuations and are evaluated by the Organization in accordance with principles of prudent fiscal oversight. Any accumulated losses for underwater endowments are included together with that fund in net assets with donor restrictions. There were no significant deficiencies as of June 30, 2020 and 2019.

NOTE I – TAX DEFERRED SAVINGS PLAN

Effective January 1, 2014, North Shore Senior Center (the "Plan Sponsor") adopted a defined contribution plan covering all qualified employees of the Plan Sponsor. To be eligible to make a salary deferral contribution or receive an employer matching contribution participant must have attained age 18. Participation in the employee elective contributions portion of the Plan begins on the first day of employment at the Plan Sponsor. Participation in the matching portion of the Plan begins on the date on which the participant completed one year of service and at least 1,000 hours of service. Through payroll deductions, participants may contribute on a tax-deferred basis or after-tax basis (Roth deferrals) up to the maximum allowed under the Internal Revenue Code.

The Plan Sponsor contributed 50 percent of the first 6 percent of eligible compensation that a participant contributed after 1 year of service, calculated on a per check basis. Contributions are subject to certain limitations. The Center made contributions under 401(k) plans of \$80,274 and \$75,194 in the fiscal year ended June 30, 2020 and 2019, respectively.

On March 27, 2020, U.S. Congress passed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), which included several relief provisions available to tax-qualified retirement plans and their participants. Plans are permitted to adopt these provisions immediately provided the Plan document is retroactively amended on or before December 31, 2022. Plan management is currently evaluating the adoption of these provisions.

NOTE J – BONDS PAYABLE

On August 18, 1999, the North Shore Senior Center borrowed \$7 million from the issuance of Illinois Development Finance Authority variable-rate demand revenue bonds. The bond proceeds were used to purchase and renovate the existing land and the 40,000 square foot facility at 161 Northfield Road. Two percent of the bond proceeds were used for the cost of the bond issue, and 98% of the bond proceeds were for the acquisition and renovation of the property located at 161 Northfield Road and 18 months of capitalized interest.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE J – BONDS PAYABLE – (continued)

The maturity date of the bonds is August 1, 2029, with no mandatory redemption until that date. Interest is paid monthly on the first day of the month. The interest rate changes each week and is set by the re-marketing agent based on the prevailing financial conditions and yields at which comparable securities are then being sold. For fiscal years 2020 and 2019, the average annual interest rates were 1.25% and 1.61%, respectively. During the weekly mode of interest calculation, the Center may redeem the bonds at par in whole or in part, without penalty, with the written permission of the guaranteeing bank. Interest expense was \$97,191 and \$110,974 for the year ended June 30, 2020 and 2019, respectively.

The bonds are secured by a direct pay letter of credit issued by a bank in the amount of \$7,103,562, with the maturity on August 16, 2021, and requires an annual fee of 1.33 percent of the issue amount. The NSSC Foundation is a guarantor of the bonds and must maintain unrestricted cash and marketable securities with a value at least equal to \$7,700,000 (required threshold applicable for fiscal years ended June 30, 2020 and 2019) to comply with the terms of the Guaranty Agreement.

The Center must, among other covenants, maintain its principal depository account with the letter of credit bank or its affiliates. In addition, the ratio of unrestricted cash and investments to funded debt for any semi-annual period ended on or about any June 30 or December 31 must be at least 1.1 to 1.0. The Center complied with all covenants, as applicable, during the fiscal years ended June 30, 2020 and 2019.

NOTE K – CAPITALIZED INTEREST COSTS

Under FASB ASC 835-20, *Capitalization of Interest*, formerly SFAS #62, *Capitalization of Interest Cost In Situations Involving Certain Tax-exempt Borrowings and Certain Gifts and Grants*, capitalization of interest expenses, net of bond proceeds interest income, starts when the proceeds are received and ceases when the project is ready for its intended use. In the fiscal year 2000, the Center capitalized interest costs associated with the tax-exempt bonds until the date of occupancy, July 31, 2001. The Center is amortizing these costs over a period of 30 years, beginning with their initial occupancy on July 31, 2001. The total capitalized interest included in the 161 Northfield building cost is \$137,585.

For the fiscal years ended June 30, 2020 and 2019, the amortization expense was \$5,905 and \$5,914, respectively.

NOTE L – RISKS AND UNCERTANTIES

A substantial amount of the Center's total revenue is derived from government grants and service contracts. Program revenue in excess of program expenses is typically subject to recapture under various provisions. Additionally, the disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability to the Center. Also, a change in the funding levels could have a significant effect on operations.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NOTE L – RISKS AND UNCERTANTIES - (continued)

The Foundation's endowment consists of all donor-restricted endowment funds. If an organization is subject to UPMIFA, the net appreciation on endowments not restricted by the donor in perpetuity is considered restricted until appropriated for expenditure by the board. Opinions of legal counsel may be necessary if there are questions about legal restrictions on the net appreciation on investments. Future changes in government regulations, legal opinions, or any claims resulting from state agencies' audits could materially impact the classification of net assets. Management believes that financial statements present fairly, in all material respects, endowments in accordance with accounting principles generally accepted in the United States of America and in accordance with donor intent.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen, which are likely to negatively impact the Organization's operations. While the disruption is expected to be temporary, there is considerable uncertainty around the duration. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

NOTE M –CONDITIONAL PROMISES TO GIVE

The Organization determines whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met, or the donor has explicitly released the restriction.

The approximate conditional promises to give as of June 30, 2020 and 2019, available for spending in the next following year when the conditions are expected to be met:

	2020	2019
Federal Funding under Title III Older Americans Act	\$ 160,000	\$ 142,000
Municipalities and Townships grants	144,000	170,000
Total Conditional Promises to Give	\$ 304,000	\$ 312,000

The Coronavirus Aid, Relief, and Economic Security Act (the CARES Act or the Act) signed into law on March 27, 2020, temporarily permits Small Business Administration (SBA) to guarantee 100 percent of 7(a) loans under a new program titled the "Paycheck Protection Program." Section 1106 of the Act provides for forgiveness of up to the full principal amount of qualifying loans guaranteed under the Paycheck Protection Program (PPP). The actual amount of loan forgiveness depends, in part, on the total amount spent over the covered period that begins on the date the lender makes the first disbursement of the PPP loan to the borrower on certain expenses as defined in the Act. The Covered Period is either (1) the twenty-four week (168-day) period beginning on the PPP loan disbursement date, or (2) if the borrower received its PPP loan before June 5, 2020, the borrower may elect to use an eight-week (56-day) Covered Period.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE M –CONDITIONAL PROMISES TO GIVE (continued)

On April 5, 2020, the Organization obtained a PPP loan totaling \$1,107,780 and elected the twenty-four weeks as the covered period. Subject to the PPP loan terms, the forgiven balance will reduce the loan's principal balance and the related accrued interest balance. The remaining principal and accrued interest at a 1% fixed rate are due and payable five years from the note's date after a ten months deferral period. As of June 30, 2020, the loan conditions have been substantially met. Following the guidance for conditional contributions, the Organization recognized as grant income the full loan amount of \$1,107,780.

NOTE N – SUBSEQUENT EVENTS

The management of the Organization has evaluated events subsequent to the consolidated statement of financial position date of June 30, 2020, through December 28, 2020, the date the consolidated financial statements were available to be issued. It has concluded that there are no effects that provide additional evidence about conditions that existed at the consolidated statement of financial position date that require recognition in the 2020 financial statements or related consolidated note disclosures in accordance with FASB ASC 855, *Subsequent Events*.

SUPPLEMENTARY INFORMATION

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES**CONSOLIDATING STATEMENT OF FINANCIAL POSITION****JUNE 30, 2020**

<u>ASSETS</u>	<u>North Shore Senior Center</u>	<u>North Shore Senior Options</u>	<u>NSSC Foundation</u>	<u>Eliminations</u>	<u>Total</u>
CURRENT ASSETS					
Cash	\$ 378,231	\$ -	\$ 111,179	\$ -	\$ 489,410
Contributions Receivable	62,106	7,228	-	-	69,334
Grants and Contracts Receivable	311,146	-	-	-	311,146
Due from Related Party	540,000	-	-	(540,000)	-
Accounts Receivable	1,151	58,414	-	-	59,565
Prepaid Expenses and Other Assets	63,041	-	-	-	63,041
Total Current Assets	<u>1,355,675</u>	<u>65,642</u>	<u>111,179</u>	<u>(540,000)</u>	<u>992,496</u>
INVESTMENTS	<u>1,035,889</u>		<u>15,920,978</u>	<u>-</u>	<u>16,956,867</u>
PROPERTY AND EQUIPMENT					
Land	1,860,000	-	-	-	1,860,000
161 Northfield Building	7,577,404	-	-	-	7,577,404
House of Welcome Building	2,566,969	-	-	-	2,566,969
Land Improvements	1,229,097	-	-	-	1,229,097
Furniture and Equipment	2,744,570	-	-	-	2,744,570
	<u>15,978,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,978,040</u>
Less: Accumulated Depreciation	<u>(9,197,156)</u>		<u>-</u>	<u>-</u>	<u>(9,197,156)</u>
Total Property and Equipment	<u>6,780,884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,780,884</u>
Total Assets	<u>\$ 9,172,448</u>	<u>\$ 65,642</u>	<u>\$ 16,032,157</u>	<u>(\$ 540,000)</u>	<u>\$ 24,730,247</u>

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2020

	<u>North Shore Senior Center</u>	<u>North Shore Senior Options</u>	<u>NSSC Foundation</u>	<u>Eliminations</u>	<u>Total</u>
<u>LIABILITIES AND NET ASSETS</u>					
CURRENT LIABILITIES					
Accounts Payable	\$ 57,075	\$ 1,388	\$ -	\$ -	\$ 58,463
Accrued Expenses	214,432	24,681	-	-	239,113
Custodial Accounts	5,081	-	-	-	5,081
Deferred Income	171,477	-	-	-	171,477
Due to Related Party	-	-	540,000	(540,000)	-
Charitable Gift Annuities	-	-	147,314	-	147,314
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Current Liabilities	448,065	26,069	687,314	(540,000)	621,448
LONG-TERM LIABILITIES					
Bonds Payable	7,000,000	-	-	-	7,000,000
Less Bond Issuance Cost	(54,029)	-	-	-	(54,029)
Bonds Payable Less Bond Issuance Cost, Net	6,945,971	-	-	-	6,945,971
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Long-Term Liabilities	6,945,971	-	-	-	6,945,971
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	7,394,036	26,069	687,314	(540,000)	7,567,419
COMMITMENTS					
NET ASSETS					
Without Donor Restrictions					
Undesignated	1,084,749	39,573	1,902,292	-	3,026,614
Bond Covenant Reserve	-	-	7,700,000	-	7,700,000
Board Designated	458,661	-	-	-	458,661
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Without Donor Restrictions	1,543,410	39,573	9,602,292	-	11,185,275
With Donor Restrictions					
Purpose and Time Restrictions	173,421	-	4,500,834	-	4,674,255
Perpetual in Nature	61,581	-	1,241,717	-	1,303,298
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
With Donor Restrictions	235,002	-	5,742,551	-	5,977,553
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Assets	1,778,412	39,573	15,344,843	-	17,162,828
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Net Assets	<u>\$ 9,172,448</u>	<u>\$ 65,642</u>	<u>\$ 16,032,157</u>	<u>(\$ 540,000)</u>	<u>\$ 24,730,247</u>

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2020

	North Shore Senior Center			North Shore Senior Options			NSSC Foundation		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND OTHER REVENUE									
Grants and Contributions									
Members	\$ 99,109	\$ -	\$ 99,109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Friends	456,836	-	456,836	-	-	-	600	-	600
Foundation/Corporate Grants/Estates	1,103,902	327,500	1,431,402	532,155	-	532,155	-	-	-
Annual Benefit	190,811	-	190,811	-	-	-	-	-	-
Townships	157,499	-	157,499	8,334	-	8,334	-	-	-
Municipalities	138,845	-	138,845	9,455	-	9,455	-	-	-
Government Grants	1,825,571	-	1,825,571	5,137	-	5,137	-	-	-
Program Fees and Contracts									
Registration and Membership Fees	394,970	-	394,970	-	-	-	-	-	-
Program Service Fees	458,047	-	458,047	222,692	-	222,692	-	-	-
State Contracts	2,774,902	-	2,774,902	-	-	-	-	-	-
Change in Value of Split-Interest Agreements									
Charitable Gift Annuities	-	-	-	-	-	-	(143,658)	-	(143,658)
Net Assets Released from Restrictions	223,271	(223,271)	-	-	-	-	278,119	(278,119)	-
Total Public Support and Other Revenue	7,823,763	104,229	7,927,992	777,773	-	777,773	135,061	(278,119)	(143,058)
EXPENSES									
Program Services	7,155,693	-	7,155,693	670,011	-	670,011	1,114,122	-	1,114,122
Management and General	601,982	-	601,982	59,196	-	59,196	121,910	-	121,910
Fundraising	562,887	-	562,887	55,352	-	55,352	-	-	-
Total Expenses	8,320,562	-	8,320,562	784,559	-	784,559	1,236,032	-	1,236,032
Change in Net Assets Before Investment Income	(496,799)	104,229	(392,570)	(6,786)	-	(6,786)	(1,100,971)	(278,119)	(1,379,090)
Investment Income									
Interest and Dividends	4,306	-	4,306	-	-	-	317,909	205,146	523,055
Realized Gain on Investments	-	-	-	-	-	-	10,252	6,616	16,868
Unrealized Gain (Loss) on Investments	-	-	-	-	-	-	(111,354)	(71,857)	(183,211)
Investment Fees	-	-	-	-	-	-	(44,676)	-	(44,676)
Total Investment Income, Net	4,306	-	4,306	-	-	-	172,131	139,905	312,036
Change In Net Assets	(492,493)	104,229	(388,264)	(6,786)	-	(6,786)	(928,840)	(138,214)	(1,067,054)
Net Assets at Beginning of Year	2,035,903	130,773	2,166,676	46,359	-	46,359	10,531,132	5,880,765	16,411,897
Net Assets at End of Year	\$ 1,543,410	\$ 235,002	\$ 1,778,412	\$ 39,573	\$ -	\$ 39,573	\$ 9,602,292	\$ 5,742,551	\$ 15,344,843

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2020

	Eliminations	Consolidated Totals		Total
		Without Donor Restrictions	With Donor Restrictions	
PUBLIC SUPPORT AND OTHER REVENUE				
Grants and Contributions				
Members	\$ -	\$ 99,109	\$ -	\$ 99,109
Friends	-	457,436	-	457,436
Foundation/Corporate Grants/Estates	(1,456,277)	179,780	327,500	507,280
Annual Benefit	-	190,811	-	190,811
Townships	-	165,833	-	165,833
Municipalities	-	148,300	-	148,300
Government Grants	-	1,830,708	-	1,830,708
Program Fees and Contracts				
Registration and Membership Fees	-	394,970	-	394,970
Program Service Fees	-	680,739	-	680,739
Federal and State Contracts	-	2,774,902	-	2,774,902
Change in Value of				
Split-Interest Agreements				
Charitable Gift Annuities	-	(143,658)	-	(143,658)
Net Assets Released from Restrictions	-	501,390	(501,390)	-
Total Public Support and Other Revenue	(1,456,277)	7,280,320	(173,890)	7,106,430
EXPENSES				
Program Services	(1,456,277)	7,483,549	-	7,483,549
Management and General	-	783,088	-	783,088
Fundraising	-	618,239	-	618,239
Total Expenses	(1,456,277)	8,884,876	-	8,884,876
Change in Net Assets				
Before Investment Income	-	(1,604,556)	(173,890)	(1,778,446)
Investment Income				
Interest and Dividends	-	322,215	205,146	527,361
Realized Gain on Investments	-	10,252	6,616	16,868
Unrealized Gain on Investments	-	(111,354)	(71,857)	(183,211)
Investment Fees	-	(44,676)	-	(44,676)
Total Investment Income	-	176,437	139,905	316,342
Change In Net Assets	-	(1,428,119)	(33,985)	(1,462,104)
Net Assets at Beginning of Year	-	12,613,394	6,011,538	18,624,932
Net Assets at End of Year	\$ -	\$ 11,185,275	\$ 5,977,553	\$ 17,162,828

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

North Shore Senior Center							
	Senior and Family Services	Lifelong Learning	House of Welcome	Total Program Services	Management and General	Fundraising	North Shore Senior Center Total
OPERATING EXPENSES							
Activities Program Expense	\$ -	\$ 199,386	\$ -	\$ 199,386	\$ -	\$ -	\$ 199,386
Assistance	142,312	-	-	142,312	-	-	142,312
Conferences	9,544	1,125	2,191	12,860	1,917	253	15,030
Dues and Multimedia	6,125	1,211	1,965	9,301	479	1,638	11,418
Equipment Repair/Rentals	42,450	16,834	7,647	66,931	12,460	25,134	104,525
Fitness Center	-	88,795	-	88,795	-	-	88,795
Food/Recreation Supplies	7,048	14,213	19,300	40,561	2,527	1,652	44,740
Health and Disability	306,049	18,503	71,958	396,510	30,689	29,598	456,797
Insurance	23,584	6,604	6,604	36,792	3,006	3,006	42,804
Occupancy	178,322	89,726	55,922	323,970	13,681	16,243	353,894
Payroll Taxes	219,975	33,437	63,577	316,989	26,833	25,676	369,498
Postage	8,065	8,457	2,184	18,706	2,669	4,024	25,399
Printing/Office Supplies	38,673	42,344	18,204	99,221	13,600	20,411	133,232
Professional Fees	181,330	26,908	39,859	248,097	146,935	21,714	416,746
Retirement Plan	43,509	8,458	10,084	62,051	6,710	3,399	72,160
Salaries	2,855,014	430,148	807,473	4,092,635	267,301	347,916	4,707,852
Sundry	11,389	11,788	14,303	37,480	20,783	12,223	70,486
Telecommunications	14,178	1,599	2,102	17,879	1,348	714	19,941
Transportation	27,019	375	117	27,511	193	1,739	29,443
Related Party Grants	342,155	-	-	342,155	-	-	342,155
Total Operating Expenses	4,456,741	999,911	1,123,490	6,580,142	551,131	515,340	7,646,613
PROPERTY AND EQUIPMENT							
Depreciation and Amortization	264,925	64,381	72,338	401,644	35,486	33,181	470,311
Professional Fees—Facilities	16,925	4,113	4,621	25,659	2,267	2,119	30,045
Interest Expense and Costs	97,785	23,763	26,700	148,248	13,098	12,247	173,593
Total Property and Equipment	379,635	92,257	103,659	575,551	50,851	47,547	673,949
	\$ 4,836,376	\$ 1,092,168	\$ 1,227,149	\$ 7,155,693	\$ 601,982	\$ 562,887	\$ 8,320,562

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	North Shore Senior Options				NSSC Foundation					Consolidated Totals			
	Program - Comprehensive Care	Management and General	Fundraising	North Shore Senior Options Total	Program Services	Management and General	Fundraising	NSSC Foundation Total	Eliminations	Program Services	Management and General	Fundraising	Total 2020
OPERATING EXPENSES													
Activities Program Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 199,386	\$ -	\$ -	\$ 199,386
Assistance	-	-	-	-	-	-	-	-	-	142,312	-	-	142,312
Conferences	99	188	25	312	-	-	-	-	-	12,959	2,105	278	15,342
Dues and Multimedia	772	47	161	980	-	-	-	-	-	10,073	526	1,799	12,398
Equipment Repair/Rentals	5,601	1,225	2,472	9,298	-	-	-	-	-	72,532	13,685	27,606	113,823
Fitness Center	-	-	-	-	-	-	-	-	-	88,795	-	-	88,795
Food/Recreation Supplies	474	249	162	885	-	-	-	-	-	41,035	2,776	1,814	45,625
Health and Disability	29,475	3,018	2,910	35,403	-	-	-	-	-	425,985	33,707	32,508	492,200
Insurance	3,773	296	296	4,365	-	-	-	-	-	40,565	3,302	3,302	47,169
Occupancy	21,030	1,345	1,597	23,972	-	6,000	-	6,000	-	345,000	21,026	17,840	383,866
Payroll Taxes	34,026	2,639	2,525	39,190	-	-	-	-	-	351,015	29,472	28,201	408,688
Postage	1,240	262	396	1,898	-	-	-	-	-	19,946	2,931	4,420	27,297
Printing/Office Supplies	6,417	1,337	2,007	9,761	-	-	-	-	-	105,638	14,937	22,418	142,993
Professional Fees	20,804	14,449	2,135	37,388	-	9,110	-	9,110	-	268,901	170,494	23,849	463,244
Retirement Plan	7,120	660	334	8,114	-	-	-	-	-	69,171	7,370	3,733	80,274
Salaries	437,795	26,285	34,212	498,292	-	106,800	-	106,800	-	4,530,430	400,386	382,128	5,312,944
Sundry	35,241	2,044	1,202	38,487	-	-	-	-	-	72,721	22,827	13,425	108,973
Telecommunications	5,318	133	70	5,521	-	-	-	-	-	23,197	1,481	784	25,462
Transportation	4,229	19	171	4,419	-	-	-	-	-	31,740	212	1,910	33,862
Related Party Grants	-	-	-	-	1,114,122	-	-	1,114,122	(1,456,277)	-	-	-	-
Total Operating Expenses	613,414	54,196	50,675	718,285	1,114,122	121,910	-	1,236,032	(1,456,277)	6,851,401	727,237	566,015	8,144,653
PROPERTY AND EQUIPMENT													
Depreciation and Amortization	39,496	3,489	3,263	46,248	-	-	-	-	-	441,140	38,975	36,444	516,559
Professional Fees—Facilities	2,523	223	209	2,955	-	-	-	-	-	28,182	2,490	2,328	33,000
Interest Expense and Costs	14,578	1,288	1,205	17,071	-	-	-	-	-	162,826	14,386	13,452	190,664
Total Property and Equipment	56,597	5,000	4,677	66,274	-	-	-	-	-	632,148	55,851	52,224	740,223
	\$ 670,011	\$ 59,196	\$ 55,352	\$ 784,559	\$ 1,114,122	\$ 121,910	\$ -	\$ 1,236,032	(\$ 1,456,277)	\$ 7,483,549	\$ 783,088	\$ 618,239	\$ 8,884,876

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	<u>ASSETS</u>	
	2020	2019
CURRENT ASSETS		
Cash	\$ 378,231	\$ 501,051
Contributions Receivable	62,106	69,280
Grants and Contracts Receivable	311,146	582,489
Due from Related Party	540,000	-
Accounts Receivable	1,151	100,849
Prepaid Expenses and Other Assets	63,041	68,603
Total Current Assets	1,355,675	1,322,272
INVESTMENTS		
	1,035,889	832,583
PROPERTY AND EQUIPMENT		
Land	1,860,000	1,860,000
161 Northfield Building	7,577,404	7,577,404
House of Welcome Building	2,566,969	2,566,969
Land Improvements	1,229,097	1,229,097
Furniture and Equipment	2,744,570	2,662,733
	15,978,040	15,896,203
Less: Accumulated Depreciation	(9,197,156)	(8,686,503)
Total Property and Equipment	6,780,884	7,209,700
Total Assets	\$ 9,172,448	\$ 9,364,555

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts Payable	\$ 57,075	\$ 117,419
Accrued Expenses	214,432	111,872
Custodial Accounts	5,081	5,592
Deferred Income	171,477	22,930
	<u>448,065</u>	<u>257,813</u>
Total Current Liabilities		
 LONG-TERM LIABILITIES		
Bonds Payable	7,000,000	7,000,000
Less Bond Issuance Cost	(54,029)	(59,934)
Bonds Payable Less Bond Issuance Cost, Net	<u>6,945,971</u>	<u>6,940,066</u>
Total Long-Term Liabilities	<u>6,945,971</u>	<u>6,940,066</u>
Total Liabilities	<u>7,394,036</u>	<u>7,197,879</u>
 COMMITMENTS		
 NET ASSETS		
Without Donor Restrictions		
Undesignated	1,084,749	1,577,242
Board Designated	458,661	458,661
	<u>1,543,410</u>	<u>2,035,903</u>
With Donor Restrictions		
Purpose and Time Restrictions	173,421	69,192
Perpetual in Nature	61,581	61,581
	<u>235,002</u>	<u>130,773</u>
Total Net Assets	<u>1,778,412</u>	<u>2,166,676</u>
Total Liabilities and Net Asset:	<u>\$ 9,172,448</u>	<u>\$ 9,364,555</u>

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	Without Donor Restrictions	With Donor Restrictions	Total 2020	Total 2019
PUBLIC SUPPORT AND OTHER REVENUE				
Grants and Contributions:				
Members	\$ 99,109	\$ -	\$ 99,109	\$ 111,919
Friends	456,836	-	456,836	434,620
Foundation/Corporate Grants/Estates	1,103,902	327,500	1,431,402	1,234,584
Annual Benefit	190,811	-	190,811	147,199
Townships	157,499	-	157,499	159,639
Municipalities	138,845	-	138,845	135,708
Government Grants	1,825,571	-	1,825,571	690,116
Program Fees and Contracts				
Registration and Membership Fees	394,970	-	394,970	698,130
Program Service Fees	458,047	-	458,047	728,136
State Contracts	2,774,902	-	2,774,902	2,884,873
Gain on Sale of Equipment	-	-	-	6,247
Net Assets Released from Restrictions	223,271	(223,271)	-	-
Total Public Support and Other Revenue	7,823,763	104,229	7,927,992	7,231,171
EXPENSES				
Program Services	7,155,693	-	7,155,693	6,663,378
Management and General	601,982	-	601,982	427,426
Fundraising	562,887	-	562,887	519,041
Total Expenses	8,320,562	-	8,320,562	7,609,845
Change in Net Assets Before Investment Income	(496,799)	104,229	(392,570)	(378,674)
Investment Income				
Interest and Dividends	4,306	-	4,306	16,837
Change In Net Assets	(492,493)	104,229	(388,264)	(361,837)
Net Assets at Beginning of Year	2,035,903	130,773	2,166,676	2,528,513
Net Assets at End of Year	\$ 1,543,410	\$ 235,002	\$ 1,778,412	\$ 2,166,676

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR OPTIONS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	<u>ASSETS</u>		2020		2019
CURRENT ASSETS					
Contributions Receivable		\$	7,228	\$	-
Accounts Receivable			<u>58,414</u>		<u>77,813</u>
Total Current Assets			<u>65,642</u>		<u>77,813</u>
Total Assets		\$	<u><u>65,642</u></u>	\$	<u><u>77,813</u></u>
 <u>LIABILITIES AND NET ASSETS</u>					
CURRENT LIABILITIES					
Accounts Payable		\$	1,388	\$	17,055
Accrued Expenses			<u>24,681</u>		<u>14,399</u>
Total Current Liabilities			<u>26,069</u>		<u>31,454</u>
Total Liabilities			<u>26,069</u>		<u>31,454</u>
NET ASSETS					
Without Donor Restrictions					
Undesignated			<u>39,573</u>		<u>46,359</u>
			39,573		46,359
Total Net Assets			<u>39,573</u>		<u>46,359</u>
Total Liabilities and Net Assets		\$	<u><u>65,642</u></u>	\$	<u><u>77,813</u></u>

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR OPTIONS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2020

(With Comparative Totals for the Year Ended June 30, 2019)

	Without Donor Restrictions	With Donor Restrictions	Total 2020	Total 2019
PUBLIC SUPPORT AND OTHER REVENUE				
Grants and Contributions				
Friends	\$ -	\$ -	\$ -	\$ 1,000
Foundation/Corporate Grants/Estates	532,155	-	532,155	471,462
Townships	8,334	-	8,334	1,667
Municipalities	9,455	-	9,455	10,000
Government Grants	5,137	-	5,137	-
Program Fees and Contracts				
Program Service Fees	222,692	-	222,692	240,387
State Contracts	-	-	-	-
Net Assets Released from Restrictions	-	-	-	-
	<u>777,773</u>	<u>-</u>	<u>777,773</u>	<u>724,516</u>
EXPENSES				
Program Services	670,011	-	670,011	638,254
Management and General	59,196	-	59,196	42,422
Fundraising	55,352	-	55,352	51,514
	<u>784,559</u>	<u>-</u>	<u>784,559</u>	<u>732,190</u>
Change In Net Assets	(6,786)	-	(6,786)	(7,674)
Net Assets at Beginning of Year	<u>46,359</u>	<u>-</u>	<u>46,359</u>	<u>54,033</u>
Net Assets at End of Year	<u>\$ 39,573</u>	<u>\$ -</u>	<u>\$ 39,573</u>	<u>\$ 46,359</u>

See accompanying Independent Auditor's Report on supplemental information.

NSSC FOUNDATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	<u>ASSETS</u>	
	<u>2020</u>	<u>2019</u>
CURRENT ASSETS		
Cash	\$ 111,179	\$ 56,947
Total Current Assets	<u>111,179</u>	<u>56,947</u>
INVESTMENTS	<u>15,920,978</u>	<u>16,407,942</u>
Total Assets	<u>\$ 16,032,157</u>	<u>\$ 16,464,889</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Due to Related Party	\$ 540,000	\$ -
Charitable Gift Annuities	<u>147,314</u>	<u>52,992</u>
Total Current Liabilities	<u>687,314</u>	<u>52,992</u>
Total Liabilities	<u>687,314</u>	<u>52,992</u>
NET ASSETS		
Without Donor Restrictions		
Undesignated	1,902,292	2,831,132
Bond Covenant Reserve	<u>7,700,000</u>	<u>7,700,000</u>
	9,602,292	10,531,132
With Donor Restrictions		
Purpose and Time Restrictions	4,500,834	4,639,048
Perpetual in Nature	<u>1,241,717</u>	<u>1,241,717</u>
	5,742,551	5,880,765
Total Net Assets	<u>15,344,843</u>	<u>16,411,897</u>
Total Liabilities and Net Assets	<u>\$ 16,032,157</u>	<u>\$ 16,464,889</u>

See accompanying Independent Auditor's Report on supplemental information.

NSSC FOUNDATION**STATEMENT OF ACTIVITIES****FOR THE YEAR ENDED JUNE 30, 2020**

(With Comparative Totals for the Year Ended June 30, 2019)

	Without Donor Restrictions	With Donor Restrictions	Total 2020	Total 2019
PUBLIC SUPPORT AND OTHER REVENUE				
Grants and Contributions:				
Friends	\$ 600	\$ -	\$ 600	\$ 500
Distributions from and change in value of Charitable Gift Annuities	(143,658)	-	(143,658)	(47,730)
Net Assets Released from Restrictions	278,119	(278,119)	-	-
 Total Public Support and Other Revenue	 135,061	 (278,119)	 (143,058)	 (47,230)
 EXPENSES				
Program Services	1,114,122	-	1,114,122	1,070,355
Management & General	121,910	-	121,910	123,827
Fundraising	-	-	-	-
 Total Expenses	 1,236,032	 -	 1,236,032	 1,194,182
 Change in Net Assets Before Investment Income	 (1,100,971)	 (278,119)	 (1,379,090)	 (1,241,412)
 Investment Income (Loss)				
Interest and Dividends	317,909	205,146	523,055	544,860
Realized Gain (Loss) on Investments	10,252	6,616	16,868	30,158
Unrealized Gain (Loss) on Investments	(111,354)	(71,857)	(183,211)	250,124
Investment Fees	(44,676)	-	(44,676)	(45,181)
 Total Investment Income, Net	 172,131	 139,905	 312,036	 779,961
 Change in Net Assets	 (928,840)	 (138,214)	 (1,067,054)	 (461,451)
 Net Assets at Beginning of Year	 10,531,132	 5,880,765	 16,411,897	 16,873,348
 Net Assets at End of Year	 <u>\$ 9,602,292</u>	 <u>\$ 5,742,551</u>	 <u>\$ 15,344,843</u>	 <u>\$ 16,411,897</u>

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES**RECONCILIATION OF PROJECT REVENUE AND EXPENSES FOR****FEDERAL FUNDED PROGRAMS ADMINISTERED THROUGH AGEPTIONS -THE AREA AGENCY****FOR THE YEAR ENDED JUNE 30, 2020**

	10/1/2018 - 6/30/2019	7/1/19 - 9/30/2019	10/1/2018 - 9/30/2019	10/1/2019 - 6/30/2020	7/1/2019 - 6/30/2020
Federal Program III B - Grants for Supportive Services and Senior Centers - CFDA 93.044, CSFA 402-01-0027					
Support & Revenue					
Federal IIIB	302,247	56,442	358,689	262,511	318,953
Project Income	3,000	-	3,000	4,598	4,598
Agency Funding					
Cash Match	120,947	30,301	151,248	59,347	89,648
In-kind	9,375	3,125	12,500	3,000	6,125
	435,569	89,868	525,437	329,456	419,324
Expenses					
Personnel & Fringe	390,324	76,038	466,362	286,881	362,919
Other	45,245	13,830	59,075	42,575	56,405
	435,569	89,868	525,437	329,456	419,324
Total	-	-	-	-	-
Federal Program III E - National Family Caregiver Support - CFDA 93.052, CSFA 402-01-0030					
Support & Revenue					
Federal IIIE	177,227	85,867	263,094	186,646	272,513
Project Income	1,500	-	1,500	2,725	2,725
Agency Funding					
Cash Match	51,796	17,766	69,562	47,887	65,653
	230,523	103,633	334,156	237,258	340,891
Expenses					
Personnel & Fringe	166,162	55,388	221,550	176,337	231,725
Other	64,361	48,245	112,606	60,921	109,166
	230,523	103,633	334,156	237,258	340,891
Total	-	-	-	-	-
Federal Program VII - Programs for Prevention of Elder Abuse, Neglect and Exploitation - CFDA 93.041, CSFA 402-01-0024					
Support & Revenue					
Federal VII	3,051	1,017	4,068	3,097	4,114
	3,051	1,017	4,068	3,097	4,114
Expenses					
Other	3,051	1,017	4,068	3,097	4,114
	3,051	1,017	4,068	3,097	4,114
Total	-	-	-	-	-

See accompanying Independent Auditor's Report on supplemental information.

NORTH SHORE SENIOR CENTER AND SUBSIDIARIES**CONSOLIDATED YEAR-END FINANCIAL REPORT****FOR THE YEAR ENDED JUNE 30, 2020**

	Adult Protective Services 402-00-2084	Care Coordination Unit 402-00-1641	CCU Technology Grant 402-04-2355	Emergency Senior Services 402-04-2389	Other	Costs not allocated	Total costs
Program Expenses							
Salaries	\$ 148,266	\$ 1,693,062	\$ -	\$ 10,000	\$ 583,686	\$ 2,877,930	\$ 5,312,944
Fringe benefits and payroll tax	25,013	392,088	-	-	94,306	469,755	981,162
Travel	3,207	23,812	-	-	-	6,843	33,862
Equipment	9,060	-	10,750	-	9,415	84,598	113,823
Supplies	-	6,810	-	-	238	38,577	45,625
Professional services	5,859	175,471	-	-	-	281,914	463,244
Occupancy - rent, utilities, insurance	10,095	167,058	-	-	24,753	229,129	431,035
Telecommunications	2,165	9,013	-	-	3,000	11,284	25,462
Training and education	-	9,544	-	-	-	5,798	15,342
Direct administrative costs	2,643	5,536	-	-	44,684	129,825	182,688
Miscellaneous costs	-	28,557	-	12,241	112,903	385,765	539,466
Total Direct Expenses	206,308	2,510,951	10,750	22,241	872,985	4,521,418	8,144,653
Indirect costs - not allocated	-	-	-	-	-	740,223	740,223
Total Expenses	206,308	2,510,951	10,750	22,241	872,985	5,261,641	8,884,876
Capitalized Equipment Purchases	4,420	-	37,570	-	6,630	-	48,620
Total	\$ 210,728	\$ 2,510,951	\$ 48,320	\$ 22,241	\$ 879,615	\$ 5,261,641	\$ 8,933,496

CSFA #	Program Name	State	Federal	Other	Total
402-00-2084	Illinois Department of Aging: Adult Protective Services	206,308	-	-	206,308
402-00-1641	Illinois Department of Aging: Care Coordination Unit	2,510,951	-	-	2,510,951
402-04-2355	Illinois Department of Aging: Care Coordination Unit Technology	10,750	-	-	10,750
402-04-2389	Illinois Department of Aging: Emergency Senior Services	22,241	-	-	22,241
	Other grant programs and activities	288,039	422,322	162,624	872,985
	All other costs not allocated	-	-	5,261,641	5,261,641
	Total Expenses	3,038,289	422,322	5,424,265	8,884,876
402-00-2084	Illinois Department of Aging: Adult Protective Services	4,420	-	-	4,420
402-04-2355	Illinois Department of Aging: Care Coordination Unit Technology	37,570	-	-	37,570
	Other grant programs and activities	6,630	-	-	6,630
	Capitalized Equipment Purchases	48,620	-	-	48,620
	Total	\$ 3,086,909	\$ 422,322	\$ 5,424,265	\$ 8,933,496

See accompanying Independent Auditor's Report on supplemental information.