

COMMUNITY REBUILDERS

FINANCIAL STATEMENTS

For the years ended
December 31, 2022 and 2021

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FINANCIAL STATEMENTS

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Federal Financial Assistance Programs Supplemental Information Issued Under Separate Cover

INDEPENDENT AUDITOR'S REPORT

June 23, 2023

To the Board of Directors of
Community Rebuilders
Grand Rapids, Michigan

Opinion

We have audited the accompanying financial statements of Community Rebuilders (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statement of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Community Rebuilders as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Rebuilders and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Rebuilders' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Rebuilders' ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our reported dated June 23, 2023, on our consideration of Community Rebuilders' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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 Community Rebuilders' internal control over financial reporting and compliance.

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Certified Public Accountants
Grand Rapids, Michigan

FINANCIAL STATEMENTS

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STATEMENTS OF FINANCIAL POSITION

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

ASSETS

Current Assets

	2022	2021
Cash and cash equivalents	\$ 700,258	\$ 533,287
Investments	2,686,776	3,113,908
Accounts receivable, net	829,622	1,604,468
Interest receivable	15,794	18,172
Inventory	7,215	4,484
Prepaid expenses	66,963	39,298

Total Current Assets	4,306,628	5,313,617
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Property and Equipment

Land	48,712	48,712
Computers and equipment	7,576	7,576
Autos and trucks	21,915	21,915
Leasehold improvements	224,920	224,920
Buildings	1,369,836	1,362,690
Construction in progress	86,096	174,700

	1,759,055	1,840,513
Accumulated depreciation	(1,339,680)	(1,302,513)

Net Property and Equipment	419,375	538,000
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Total Assets	\$ 4,726,003	\$ 5,851,617
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 226,689	\$ 378,598
Security deposits	30,648	26,392
Accrued expenses	30,952	34,636
Payroll liabilities	116,010	118,944
Deferred revenue	296,825	360,455

Total Current Liabilities	701,124	919,025
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Net Assets

Without donor restrictions	3,980,909	4,907,340
With donor restrictions	43,970	25,252

Total Net Assets	4,024,879	4,932,592
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Total Liabilities and Net Assets	\$ 4,726,003	\$ 5,851,617
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STATEMENTS OF ACTIVITIES

COMMUNITY REBUILDERS

For the year ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Federal grant revenue	\$ 9,628,858	\$ -	\$ 9,628,858
Non-federal grant revenue	459,585	-	459,585
Program revenue	165,989	-	165,989
Rental revenue	507,653	-	507,653
Contributions of cash and other financial assets	28,126	23,303	51,429
Contributions of nonfinancial assets	74,876	-	74,876
Miscellaneous	59,844	-	59,844
Interest income	87,907	-	87,907
Unrealized loss on investments	(283,150)	-	(283,150)
Net assets released from restriction	4,585	(4,585)	-
Total Revenue and Support	10,734,273	18,718	10,752,991
Expenses			
Program expenses	11,082,126	-	11,082,126
Management and general	578,578	-	578,578
Total Expenses	11,660,704	-	11,660,704
Change in Net Assets	(926,431)	18,718	(907,713)
Net Assets, beginning of year	4,907,340	25,252	4,932,592
Net Assets, end of year	\$ 3,980,909	\$ 43,970	\$ 4,024,879

STATEMENTS OF ACTIVITIES (Continued)

COMMUNITY REBUILDERS

For the year ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Federal grant revenue	\$ 10,419,438	\$ -	\$ 10,419,438
Non-federal grant revenue	218,275	-	218,275
Program revenue	184,789	-	184,789
Rental revenue	465,990	-	465,990
Contributions of cash and other financial assets	41,294	13,584	54,878
Contributions of nonfinancial assets	74,178	-	74,178
Miscellaneous	74,255	-	74,255
Interest income	80,981	-	80,981
Unrealized loss on investments	(76,981)	-	(76,981)
Net assets released from restriction	8,776	(8,776)	-
Total Revenue and Support	11,490,995	4,808	11,495,803
Expenses			
Program expenses	10,964,698	-	10,964,698
Management and general	700,167	-	700,167
Total Expenses	11,664,865	-	11,664,865
Change in Net Assets	(173,870)	4,808	(169,062)
Net Assets, beginning of year	5,081,210	20,444	5,101,654
Net Assets, end of year	<u>\$ 4,907,340</u>	<u>\$ 25,252</u>	<u>\$ 4,932,592</u>

STATEMENTS OF FUNCTIONAL EXPENSES

COMMUNITY REBUILDERS
For the year ended December 31, 2022

	Housing Solutions	Keys First	Program Services							United Way	Veterans per Diem
			LOFT	HEROES	Shelter plus Care	Rental	HOPWA				
Salary and wages	\$ 204,119	\$ 265,833	\$ 124,598	\$ 41,429	\$ 292,116	\$ 144,707	\$ 149,147	\$ 24,081	\$ 319,138		
Payroll taxes	15,358	19,229	10,141	3,128	20,126	11,414	12,048	2,152	22,134		
Employee insurance	23,521	34,812	15,238	3,486	29,578	20,095	20,662	3,902	45,047		
Retirement contributions	5,166	7,059	3,364	989	6,680	8,020	4,518	661	7,387		
	248,164	326,933	153,341	49,032	348,500	184,236	186,375	30,796	393,706		
Occupancy	7,100	9,876	5,197	2,078	12,668	647	3,404	1,435	17,669		
Housing assistance	319,516	384,516	258,515	128,668	1,387,467	-	191,593	-	207,048		
Credit and collections	-	-	-	-	-	-	-	-	-		
Bank and interest charges	27	-	-	-	-	181	-	-	312		
Subcontractors	-	193,676	-	-	-	-	-	-	-		
Communications	12,077	18,484	9,022	3,218	25,789	14,179	6,873	3,422	33,726		
Outreach and marketing	448	636	369	131	1,028	329	282	122	776		
Property maintenance	-	-	-	-	-	183,349	-	-	-		
Office supplies	2,964	6,271	1,754	510	5,026	6,365	1,585	2,050	8,773		
Insurance	226	336	133	43	442	19,841	119	50	422		
Professional services	1,231	1,371	380	105	1,575	3,312	404	171	6,329		
Training and recruitment	756	1,061	238	33	838	746	4,104	19	2,469		
Program services	3,789	7,012	5,586	903	3,376	3,482	4,740	658	56,204		
Other operating expenses	-	-	-	-	-	42	-	-	-		
Depreciation	-	-	-	-	-	-	-	-	-		
Total Expenses	\$ 596,298	\$ 950,172	\$ 434,535	\$ 184,721	\$ 1,786,709	\$ 416,709	\$ 399,479	\$ 38,723	\$ 727,434		

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STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

COMMUNITY REBUILDERS
For the year ended December 31, 2022

	Program Services						
	Supportive Services for Veteran Families	Health Care - Homeless Vets	HOME/ Kent Together	Other Programs	ESG	First Step	VA Voice
Salary and wages	\$ 324,859	\$ 207,587	\$ 102,728	\$ 65,883	\$ 43,054	\$ 80,687	\$ 2,353
Payroll taxes	15,362	13,215	7,679	5,836	1,422	6,317	999
Employee insurance	21,453	21,960	19,316	6,047	4,183	7,145	2,287
Retirement contributions	5,211	5,255	2,525	1,498	386	2,048	77
	366,885	248,017	132,248	79,264	49,045	96,197	5,716
Occupancy	15,671	7,784	-	1,603	-	4,236	-
Housing assistance	143,963	109,759	389,264	105,509	119,574	362,262	-
Credit and collections	-	-	-	-	-	-	-
Bank and interest charges	-	169	-	-	-	-	-
Subcontractors	-	-	-	-	-	317,423	-
Communications	22,167	18,482	-	6,552	-	7,969	-
Outreach and marketing	710	505	-	211	-	247	-
Property maintenance	-	-	-	119	-	-	-
Office supplies	7,047	4,543	-	28,187	-	2,216	-
Insurance	329	280	-	58	-	84	-
Professional services	1,309	3,334	-	103	(324)	263	-
Training and recruitment	4,822	3,945	-	775	-	175	-
Program services	37,406	37,400	-	109,819	-	43,851	15
Other operating expenses	-	-	-	25	-	-	-
Depreciation	-	-	-	-	-	-	-
Total Expenses	\$ 600,309	\$ 434,218	\$ 521,512	\$ 332,225	\$ 168,295	\$ 834,923	\$ 5,731

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STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

COMMUNITY REBUILDERS
For the year ended December 31, 2022

	Program Services							
	MSHDA	Day One	Veterans TIP		PACT	ESG CV	ESP	CDBG CV
Salary and wages	\$ 58,532	\$ 295,730	\$ 151,617	\$ 116,306	\$ 138,739	\$ 47,760	\$ 47,940	\$ 19,826
Payroll taxes	3,613	9,618	11,656	8,492	9,962	3,658	1,328	912
Employee insurance	9,567	20,836	18,285	11,698	19,636	1,936	3,823	1,962
Retirement contributions	1,409	5,309	4,522	2,599	2,983	944	523	363
	73,121	331,493	186,080	139,095	171,320	54,298	53,614	23,063
Occupancy	-	5,508	8,255	2,299	3,684	241	-	-
Housing assistance	156,811	174,088	147,619	243,855	399,069	65,882	26,840	-
Credit and collections	-	-	-	-	-	-	-	-
Bank and interest charges	-	219	163	-	-	-	-	-
Subcontractors	-	33,333	-	-	99,996	-	-	-
Communications	-	22,396	9,380	4,925	7,240	-	-	128
Outreach and marketing	-	74	390	154	-	-	-	-
Property maintenance	-	4,938	-	-	-	-	-	-
Office supplies	-	1,436	3,600	1,900	1,050	190	-	183
Insurance	-	185	205	75	115	-	-	-
Professional services	-	37,807	3,268	353	564	-	-	51
Training and recruitment	-	10,454	635	234	464	179	-	34
Program services	2,541	86,354	12,141	9,505	18,133	8,906	-	-
Other operating expenses	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Total Expenses	\$ 232,473	\$ 708,285	\$ 371,736	\$ 402,395	\$ 701,635	\$ 129,696	\$ 80,454	\$ 23,459

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STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

COMMUNITY REBUILDERS
For the year ended December 31, 2022

	Total Program Expenses	Supporting Services Management and General	Total 2022
Salary and wages	\$ 3,268,769	\$ 302,618	\$ 3,571,387
Payroll taxes	215,799	20,497	236,296
Employee insurance	366,475	31,830	398,305
Retirement contributions	79,496	8,608	88,104
	3,930,539	363,553	4,294,092
Occupancy	109,355		115,272
Housing assistance	5,321,818	5,917	5,321,818
Credit and collections	-	29,276	29,276
Bank and interest charges	1,071	2,106	3,177
Subcontractors	644,428	14,952	659,380
Communications	226,029	10,752	236,781
Outreach and marketing	6,412	1,646	8,058
Property maintenance	188,406	-	188,406
Office supplies	85,650	6,099	91,749
Insurance	22,943	1,079	24,022
Professional services	61,606	57,939	119,545
Training and recruitment	31,981	5,935	37,916
Program services	451,821	41,048	492,869
Other operating expenses	67	1,109	1,176
Depreciation	-	37,167	37,167
Total Expenses	\$ 11,082,126	\$ 578,578	\$ 11,660,704

See accompanying notes to financial statements.

STATEMENTS OF FUNCTIONAL EXPENSES

COMMUNITY REBUILDERS
For the year ended December 31, 2021

	Housing Solutions	Keys First	Program Services					Rental	HOPWA	United Way	Veterans per Diem
			LOFT	HEROES	Shelter plus Care						
Salary and wages	\$ 199,386	\$ 227,657	\$ 150,910	\$ 38,806	\$ 245,677	\$ 91,353	\$ 97,293	\$ 37,511	\$ 294,140		
Payroll taxes	16,261	17,808	11,737	3,045	19,692	7,027	8,669	3,268	22,334		
Employee insurance	20,990	36,241	15,648	4,728	36,790	-	15,236	4,996	43,945		
Retirement contributions	5,351	6,191	3,781	1,073	6,606	705	2,790	1,022	7,028		
	241,988	287,897	182,076	47,652	308,765	99,085	123,988	46,797	367,447		
Occupancy	3,645	5,475	1,990	967	5,553	608	1,618	89	11,641		
Housing assistance	320,920	234,960	220,808	96,553	1,227,778	-	111,713	-	187,471		
Credit and collections	5,400	-	9,494	2,621	6,000	3,600	-	-	-		
Bank and interest charges	-	-	-	-	-	148	-	-	405		
Subcontractors	-	237,269	-	-	-	-	-	-	-		
Communications	11,732	18,687	7,085	3,267	18,419	8,216	7,730	2,709	21,260		
Outreach and marketing	-	-	-	-	-	237	-	-	17		
Property maintenance	-	-	-	-	-	156,694	-	-	-		
Office supplies	3,984	3,901	4,650	2,067	3,759	4,579	2,556	439	3,536		
Insurance	107	232	49	11	250	26,531	65	26	243		
Professional services	881	1,287	595	287	1,487	2,290	709	204	6,122		
Training and recruitment	1,070	6,419	1,244	167	2,838	482	993	30	1,876		
Program services	2,775	47,504	5,585	2,190	1,016	3,451	3,722	885	32,624		
Travel	-	-	-	-	-	-	-	-	199		
Other operating expenses	-	-	-	-	-	-	-	-	5,223		
Depreciation	-	-	-	-	-	37,998	-	-	-		
Total Expenses	\$ 592,502	\$ 843,631	\$ 433,576	\$ 155,782	\$ 1,575,865	\$ 343,919	\$ 253,094	\$ 51,179	\$ 638,064		

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STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

COMMUNITY REBUILDERS
For the year ended December 31, 2021

	Program Services						
	Supportive Services for Veteran Families	Health Care - Homeless Vets	HOME/ Kent Together	Other Programs	ESG	First Step	VA Voices
Salary and wages	\$ 214,658	\$ 60,910	\$ 380,403	\$ 13,758	\$ 58,396	\$ 99,956	\$ 25,269
Payroll taxes	18,706	6,235	27,381	1,091	5,089	8,302	-
Employee insurance	22,286	9,836	63,615	3,899	13,744	10,723	-
Retirement contributions	4,912	1,783	8,835	24	1,496	3,024	-
	260,562	78,764	480,234	18,772	78,725	122,005	25,269
Occupancy	11,965	6,453	390	-	8,202	419,549	-
Housing assistance	97,988	117,623	1,067,059	-	277,455	141,235	80
Credit and collections	-	-	-	2,324	-	-	-
Bank and interest charges	-	145	-	-	-	-	-
Subcontractors	-	-	-	-	140,360	168,912	-
Communications	27,934	10,606	129	1,030	3,803	6,960	144
Outreach and marketing	-	3	-	-	-	-	-
Property maintenance	-	-	-	-	-	-	-
Office supplies	6,566	1,586	-	56	513	18,417	-
Insurance	209	40	121	344	-	18	-
Professional services	1,604	2,372	78	3	1,518	495	-
Training and recruitment	1,749	783	93	-	-	699	-
Program services	9,403	19,251	10,125	78,503	17,918	33,694	-
Travel	490	-	10	1,820	79	-	-
Other operating expenses	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Total Expenses	\$ 418,470	\$ 237,626	\$ 1,558,239	\$ 102,852	\$ 528,573	\$ 911,984	\$ 25,493

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STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

COMMUNITY REBUILDERS
For the year ended December 31, 2021

	Program Services							
	Project Heal	Day One	Veterans TIP	PACT	ESG CV ES	HOPWA PLUS	Beautifully Home	ESG CV RRH
Salary and wages	\$ 30,379	\$ 39,940	\$ 130,976	\$ 125,917	\$ 247,427	\$ 63,007	\$ -	\$ 174,155
Payroll taxes	3,059	14,805	6,585	7,967	6,994	3,718	-	12,181
Employee insurance	10,324	34,796	12,264	12,817	11,550	7,241	-	25,890
Retirement contributions	628	5,412	2,629	2,891	2,345	1,677	-	3,044
	44,390	94,953	152,454	149,592	268,316	75,643	-	215,270
Occupancy	1,769	208	5,004	1,152	923	618	-	2,824
Housing assistance	94,664	162,096	112,745	209,727	195,305	42,323	-	296,626
Credit and collections	-	-	-	-	-	-	-	-
Bank and interest charges	-	-	187	-	-	-	-	-
Subcontractors	-	-	-	97,596	-	-	-	-
Communications	2,374	-	4,026	3,165	2,718	2,993	-	8,258
Outreach and marketing	-	-	7	9	-	-	-	-
Property maintenance	-	-	-	-	-	-	-	-
Office supplies	426	-	659	1,611	-	-	-	-
Insurance	-	95	-	-	-	-	-	-
Professional services	304	-	3,268	2,339	-	-	-	-
Training and recruitment	200	2,368	-	723	1,027	-	-	-
Program services	907	-	5,878	18,658	-	-	-	2,746
Travel	65	278	-	-	95	-	4,200	67
Other operating expenses	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Total Expenses	\$ 145,099	\$ 259,998	\$ 284,228	\$ 484,572	\$ 468,384	\$ 121,577	\$ 4,200	\$ 525,791

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STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

COMMUNITY REBUILDERS

For the year ended December 31, 2021

	Total Program Expenses	Supporting Services Management and General	Total
			2021
Salary and wages	\$ 3,047,884	\$ 248,703	\$ 3,296,587
Payroll taxes	231,954	20,527	252,481
Employee insurance	417,559	48,548	466,107
Retirement contributions	73,247	7,165	80,412
	3,770,644	324,943	4,095,587
Occupancy	490,643	28,192	518,835
Housing assistance	5,215,129	-	5,215,129
Credit and collections	29,439	-	29,439
Bank and interest charges	885	18,145	19,030
Subcontractors	644,137	-	644,137
Communications	173,245	58,783	232,028
Outreach and marketing	273	104	377
Property maintenance	156,694	-	156,694
Office supplies	59,305	31,028	90,333
Insurance	28,341	80	28,421
Professional services	25,843	95,821	121,664
Training and recruitment	22,761	3,654	26,415
Program services	296,835	132,215	429,050
Travel	7,303	2,698	10,001
Other operating expenses	5,223	4,504	9,727
Depreciation	37,998	-	37,998
Total Expenses	\$ 10,964,698	\$ 700,167	\$ 11,664,865

See accompanying notes to financial statements.

STATEMENTS OF CASH FLOWS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

	2022	2021
Adjustments to Reconcile Change in Net Assets to		
Net Cash Used for Operating Activities:		
Change in net assets	\$ (907,713)	\$ (169,062)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Used for Operating Activities		
Depreciation expense	37,167	37,998
Unrealized loss on investments	283,150	76,981
Changes in operating assets and liabilities:		
Accounts receivable	774,846	(456,810)
Interest receivable	2,378	(3,049)
Inventory	(2,731)	1,867
Prepaid expenses	(27,665)	85,876
Accounts payable	(151,909)	141,867
Security deposits	4,256	3,756
Accrued expenses	(6,618)	47,433
Funds held for others	-	(21,000)
Deferred revenue	(63,630)	244,724
Net Cash Used for Operating Activities	(58,469)	(9,419)
Cash Flows from Investing Activities		
Proceeds from sale of investments	226,928	411,828
Purchase of investments	(82,946)	(80,838)
Purchase of property and equipment	(27,033)	(174,700)
Return of down payment on property and equipment	108,491	-
Net Cash Provided by (Used for) Investing Activities	225,440	156,290
Cash Flows from Financing Activities		
Repayments of long-term debt	-	(149,900)
Net Increase (Decrease) in Cash	166,971	(3,029)
Beginning Cash and Cash Equivalents	533,287	536,316
Ending Cash and Cash Equivalents	\$ 700,258	\$ 533,287
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	\$ -	\$ 6,692

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The accompanying financial statements present the financial position, results of operations, and cash flows of Community Rebuilders (the “Organization”). The Organization’s mission is to provide housing opportunities and support services to households with a housing crisis in Kent County. The Organization utilizes a housing first approach focused on rapidly re-housing homeless households by providing access to affordable housing with support. The provision of rent assistance and housing stabilization services such as strengths-based case management, help with employment, connecting with mainstream resources like TANF and SSI/SSDI, budget counseling, and childcare assistance etc. are utilized to assist households to obtain housing and remain stably housed. The Organization prevents households from becoming homeless through the provision of rent assistance, paying back rent, and effective case management and homeless prevention planning.

The Organization operates the following programs:

Housing Solutions Project - this project serves individuals and families who have a severe and persistent disabling condition who are also experiencing long-term or recurring homelessness. This project successfully links these households to permanent housing and the necessary support to end their homelessness and promote their improved health and wellbeing. Persons in this project have complex needs. This project reduces and removes barriers for households with mental and physical health issues, substance use issues, poor credit or financial history, or past involvement with the criminal justice system. This project relies upon strong and direct referral linkages and relationships with mental and physical health providers, outreach programs, and crisis response systems. Housing is provided primarily in the private rental market. The project participant contributes 30% of their income towards rent with the remainder being paid with project funds.

Keys First Project - this project is designed to help families quickly exit homelessness and return to permanent housing. Assistance is offered without preconditions – such as employment, income, absence of criminal history, or sobriety. The resources provided are tailored to the unique needs of each household. The services emphasize each individual’s self-determination and strengths and promote long-term housing stability and self-sufficiency.

LOFT Project - this project serves individuals who have a severe and persistent disabling condition who are also experiencing long-term or recurring homelessness. This project successfully links these households to permanent housing and the necessary support to end their homelessness and promote their improved health and wellbeing. Persons in this project have complex needs. This project reduces and removes barriers for households with mental and physical health issues, substance use issues, poor credit or financial history, or past involvement with the criminal justice system. This project relies upon strong and direct referral linkages and relationships with mental and physical health providers, outreach programs, and crisis response systems. Housing is provided primarily in the private rental market. The project participant contributes 30% of their income towards rent with the remainder being paid with project funds.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Nature of Activities (Continued)

HEROES - this project serves Veterans who have a severe and persistent disabling condition who are also experiencing long-term or recurring homelessness. This project successfully links these households to permanent housing and the necessary support to end their homelessness and promote their improved health and wellbeing. Persons in this project have complex needs. This project reduces and removes barriers for households with mental and physical health issues, substance use issues, poor credit or financial history, or past involvement with the criminal justice system. This project relies upon strong and direct referral linkages and relationships with mental and physical health providers, outreach programs, and crisis response systems. Housing is provided primarily in the private rental market. The project participant contributes 30% of their income towards rent with the remainder being paid with project funds.

Shelter Plus Care - this project serves persons experiencing homelessness who have a severe and persistent disabling condition. Although not required, most of the participants are also experiencing long-term or recurring homelessness. This project successfully links these households to permanent housing and the necessary support to end their homelessness and promote their improved health and wellbeing. Persons in this project have complex needs. This project reduces and removes barriers for households with mental and physical health issues, substance use issues, poor credit or financial history, or past involvement with the criminal justice system. This project relies upon strong and direct referral linkages and relationships with mental and physical health providers, outreach programs, and crisis response systems. Housing is provided primarily in the private rental market. The project participant contributes 30% of their income towards rent with the remainder being paid with project funds.

Rental Program - This program expands opportunities for tenancy in the rental market by providing affordable rental units. The units are rented at or below fair market rent to individuals and families who are working to rebuild their rental histories and secure rental housing despite poverty, past evictions, and poor credit histories.

Housing Opportunities for Persons Living with Aids/ HIV Related Illnesses (HOPWA) - this project provides housing assistance and supports low-income households living with HIV/AIDS. Assistance and services are provided to promote safe, stable housing that provides the essential foundation for successful management of HIV.

United Way Allocation - this project supports services that emphasize people's self-determination and strengths and promote housing stability. These services value the capacity, skills, knowledge, connections, and potential in individuals and communities. These services, called Strengths-Based, produce results of long-term housing stability and increased self-sufficiency for program participants.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Nature of Activities (Continued)

VA Homeless Veterans per Diem Program, Veteran Heights - this project serves homeless Veterans that have been offered and accepted a permanent housing intervention and are not able to immediately enter the permanent housing. A short-term stay of generally less than 90 days in transitional housing is provided. Additional support and case management are provided to promote an individualized goal and action plan that is focused on the needs of the Veteran and the move to permanent housing.

Supportive Services for Veteran Families Program - this program provides a broad range of services and housing assistance to very low-income Veterans and their families to deliver effective and efficient homelessness prevention and rapid re-housing assistance. Five key areas of service include: 1) Outreach, engagement, and admission; 2) Assessment and housing plan; 3) Participant services non-financial; 4) Participant services, financial; and 5) Landlord supports.

Health Care for Homeless Veterans, Veteran Residential Services - this program provides housing and support to Veterans who are at imminent risk of homelessness or currently experiencing homelessness. Participants are able to move from the streets and places unfit for human habitation into a transitional home that is safe and supportive of their health recovery needs and promotes their move to permanent housing within 60-90 days.

HOME/Kent Together - this project makes housing affordable for persons at imminent risk of homelessness or currently homeless by providing short-term rental voucher assistance and supportive services to promote increased income and long-term housing stability.

GRCF - After Hub Program - this project is a public/private partnership that promotes the health and wellbeing of Veterans by using two national programs: Healthy Minds, Healthy Bodies, and the Mindful Resilience Veterans Yoga Project. This project builds the community's capacity to meet the social and physical needs of Veterans through trainings and education. Veterans are assisted to build new skills and networks that support reintegration into the community after military service.

Emergency Solutions Grant Program - this program engages homeless individuals and families in rapid rehousing services. Assistance is offered without preconditions – such as employment, income, absence of criminal history, or sobriety. The resources provided are tailored to the unique needs of each household. Households are assisted to first secure housing and based on each family's unique needs, preferences, and financial resources; services are provided.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Nature of Activities (Continued)

Veteran Voices - This project serves verified Veterans within the catchment area of the Battle Creek VA Medical Center. The goal of this project is to enhance life skills, increase literacy, and improve employment readiness with the goal of gaining and maintaining employment to support long term stability. The project provides individual and group activities to support recovery, vocational counseling, life skills, and improved relationships, all resulting in increased self-sufficiency.

MSHDA Emergency Solutions Grant (MSHDA ESG) - A rapid rehousing program serving HUD literally homeless households who are able to increase their income and take over full housing payments in a short period of time. Security deposit and up to nine months of rental assistance are provided along with individualized case management supports.

Project Heal - Project Heal is a Transitional Housing and Rapid Rehousing program, designed to partner households who have experienced domestic violence with a Housing Resource Specialist who will help them move from a situation of homelessness to housing. This project contains both a TH (transitional housing) component to meet the emergency housing needs of persons before a permanent housing unit becomes available and a Rapid Rehousing (RRH) component to assist the household in moving to permanent housing as quickly as possible. Monthly meetings with a Housing Resource Specialist support the goals of maintaining housing, increasing income, and achieving self-sufficiency.

Day One - Day One is dedicated to ending family homelessness. Using a system approach, Day One supports the goal of making homelessness rare, brief, and non-recurring for families with a child in the household. Funding is directed toward responses that are data driven, and outcome focused utilizing light touch interventions such as Supported Solutions. Families are prioritized using an enhanced coordinated entry process. Data is used to evaluate program and system performance.

Veterans Transition in Place - Veterans are offered safe and affordable housing units within the community that are immediately ready for occupancy. Veterans receive an array of supportive services while in the unit all aimed at empowering the Veteran to assume the lease and full responsibility for the unit at the end of services.

PACT Project - This project serves those who are homeless as a result of having experienced domestic violence or who are fleeing or attempting to flee a dangerous or violent situation. Participants can immediately utilize transitional housing if needed to provide for their emergency housing needs while they are working on locating their permanent housing.

ESG CV ES - funding designed to respond to homeless individuals and those receiving homeless assistance who have been affected by the Coronavirus to support emergency shelter needs and additional homeless assistance.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Nature of Activities (Continued)

HOPWA Plus – an extension of the HOPWA program and it is supported through Ryan White Funding. HOPWA Plus services can only be used for rental assistance. The HOPWA program is the only federal housing program dedicated to providing rental assistance for low-income individuals living with HIV/AIDS and their families. HOPWA Plus assistance enables individuals and their families to establish or maintain stable housing, reduce risks of homelessness, improve access to healthcare and improve treatment outcomes.

Beautifully Home - Funding to support newly housed Veterans with household furnishings and technology needs.

ESG CV RRH - Supplemental funds to respond to the additional needs due to the Coronavirus Pandemic to assist individuals and families to move from a situation of homelessness to housing. Households are assisted to obtain and maintain housing as well as increase income, self-sufficiency, and the well-being of the household.

Community Development Block Grant CV (CDBG-CV) – A rapid rehousing program serving HUD literally homeless households in the City of Grand Rapids. Households are eligible for Security Deposit assistance and up to 6 months of rental assistance. There are no income requirements, but households begin to contribute 30% of their adjusted income towards their rental costs starting in the fourth month of assistance.

Gather and Align to End Homelessness: Home Investment Partnerships American Rescue Plan (GRACE HOME ARP) - Offers short term financial assistance, outreach, and case management support services to participants experiencing HUD categories 1, 2, or 4 homelessness. All activities must take place in the City of Grand Rapids. The project consists of three sub recipients: AYA Youth, Well House, and Arbor Circle.

ESP – Emergency Shelter Program – ESP is Community Rebuilders’ scattered site emergency shelter program. It includes a variable number of master leased units throughout Kent County. Housing Resource Specialist services and emergency housing accommodations are provided to HUD literally homeless households to help them quickly obtain permanent housing.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, recording revenue when earned rather than when received, and recording expenses when incurred rather than when paid.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits in banks, institutional money market funds, and cash on hand. For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents, except that such assets held in endowment are generally classified as noncurrent. The Organization maintains cash balances in checking and savings accounts. The checking and savings accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per financial institution. From time to time during the year, the Organization may have cash in a bank checking or savings account in excess of the federally insured limit.

Investments

Investments held by the Organization consist of money market funds, mutual funds, and a variety of bond funds. Such investments are carried at fair value, based on quoted market prices. Investments received as donations are initially recorded at fair value on the date of receipt. Thereafter, the carrying value of such investments are adjusted to fair value, which is determined by published market quotations. Realized gains and losses on the sale of investments are determined based on the first-in, first-out method. Unrealized gains and losses are included in nonoperating items on the statement of activities.

Accounts Receivable

Accounts receivable include amounts due from grant programs, contributions, and rents due from tenants and are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through the provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off. The Organization has established an allowance of \$8,019 and \$10,665 for uncollectible rents for the years ended December 31, 2022 and 2021, respectively.

Inventory

Inventory consists of donated furniture and household goods recorded at fair market value of the items at the time of donation. These items are distributed to program participants.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are stated at cost, or in the case of donated property, at estimated fair value at the date of donation. The Organization follows a capitalization policy of \$5,000 in determining assets to be depreciated. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives are as follows:

Computers and equipment	3 years
Autos and trucks	5 years
Leasehold improvements	5 - 27.5 years
Buildings	27.5 years

Deferred Revenue

Government grants are recognized as revenue in the period in which expenditures are made. Grant proceeds received in advance of expenditures are recorded as deferred revenue in the statement of financial position.

Net Assets

The Organization reports information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

Net assets with donor restrictions – net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Concentration of Funding

The Organization receives virtually all of its funding from the U.S. Federal, state, and local governments. Loss of this funding would result in a substantial reduction in program services.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give – that is, those with a measurable performance obligation or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

A portion of the Organization's revenue is derived from cost-reimbursable governmental and private contracts and grants, which are conditioned upon the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position.

Revenues from programs are recognized at the time the service is provided. Revenue received for programs ahead of the time the service is provided are reported as deferred revenue in the statement of financial position. Revenues from rental income and other charges to residents are recognized in the month earned.

Contributions of Nonfinancial Assets

The Organization recognized in-kind contributions that create or enhance nonfinancial assets or require specialized skills and would typically be purchased had they not been provided by donation. These contributions assist the programs and supportive services of the Organization and are recorded at their fair value as contributions and expenses in the statement of activities in the period the service is provided. See Note J for more detailed information on the donated services and goods received.

Reclassifications

Certain amounts in the prior-year financial statements have been reclassified to conform to the presentation in the current-year financial statements.

Functional Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization. All expenses are allocated by direct invoices and program related expenses.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organization evaluates tax positions taken on its federal Exempt Organization Business Income Tax Returns in accordance with accounting principles generally accepted in the United States of America, which require that tax positions taken be more-likely-than-not to be sustained. Management believes that the Organization has no significant unrecognized tax benefits under that criteria. Penalties and interest, if any, assessed by income taxing authorities are included in operating expenses. The Organization's federal Exempt Organization Business Income Tax Returns are generally subject to examination by taxing authorities for three years after they were filed.

Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through June 23, 2023, which is the date the financial statements were available to be issued.

New Accounting Standards

During 2022, the Organization has adopted Accounting Standards Update (ASU) No. 2020-07: *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. As a result of the adoption of this ASU, the Organization increased transparency in its reporting of contributed nonfinancial assets. The standard was adopted retrospectively, and the adoption did not have an impact on the Organization's net assets. See Note J for further detail.

The Organization also adopted Accounting Standards Update (ASU) No. 2016-02: *Leases (Topic 842) as amended*. This guidance is intended to improve financial reporting of lease transactions by requiring organizations that lease assets to recognize assets and liabilities for the rights and obligations created by leases that extend more than twelve months. Key provisions in this guidance include additional disclosures regarding the amount, timing, and uncertainty of cash flows arising from leases. Due to the Organization's operating leases not having a material impact on net assets, it was not required to recognize a right-to-use lease asset or lease liability as of January 1, 2022. The lease will continue to be reported in accordance with the historical accounting treatment under ASC 840 until expired. See Note F for additional information.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note B – Liquidity and Availability

The following represents the Organization's financial assets at December 31, 2022 and 2021:

	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 700,258	\$ 533,287
Investments	2,686,776	3,113,908
Accounts receivable, net	829,622	1,604,468
Interest receivable	15,794	18,172
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 4,232,450</u>	<u>\$ 5,269,835</u>

Community Rebuilders regularly monitors the availability of resources to meet operating needs and other contractual commitments. The majority of the Organization's funds are received through direct reimbursement grants from the federal government and other funding sources; these funds are accessible as needed through reimbursement request and draws, with funds being available within a 24– 48-hour period. The Organization regularly receives general contributions along with the utilization of its own rental program that is used to supplement grant funds. In addition, all other receivables from funding sources and program participants are net/30.

Note C – Investments

Following are the values of investments securities as of December 31, 2022 and 2021:

	2022	2021
Money Market	\$ 176,920	\$ 687,099
Mutual Funds:		
Fixed Income	132,397	372,398
Corporate Bonds	1,128,128	232,969
US Government Notes and Bonds	1,153,579	862,010
Municipal Bonds	95,752	959,432
Total	<u>\$ 2,686,776</u>	<u>\$ 3,113,908</u>

Note D – Retirement Plan

The Organization sponsors a 403(b) plan. Under the plan, the Organization's retirement plan contribution is equal to 3% of an eligible employee's salary. Total retirement plan expense was \$88,104 and \$80,412 in 2022 and 2021, respectively.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note E – Line of Credit

The Organization renewed a \$250,000 line of credit with a bank during the year ended December 31, 2022 that matures on October 15, 2024. There was no balance outstanding as of December 31, 2022 and 2021.

Note F – Operating Leases

The Organization has multiple building lease agreements for office space and storage. All leases operate on a month-to-month basis or year by year basis and may be terminated at any point with proper written notice. The total expected future monthly payments for the year ended December 31, 2023 are \$10,423.

During 2017, the Organization entered into an agreement to lease space from a church to use for housing clients. For the year ended December 31, 2021, monthly payments were \$1,250. The lease agreement ended during mid-2021 and was not renewed.

In November 2018, the Organization entered into a copier lease agreement that requires monthly payments of \$791 set to expire in November 2023. In January of 2019, the Organization signed an additional copier lease agreement requiring monthly payments of \$904 set to expire in January 2024.

The future minimum lease obligations in effect at December 31, 2022 for long term leases are as follows:

December 31, 2023	\$	19,556
2024		904

Total lease expense was \$99,515 and \$100,073 for the years ended December 31, 2022 and 2021, respectively.

Note G – Fair Value Measurement

Accounting principles generally accepted in the United States of America establish 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 market prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The fair value hierarchy is categorized into three levels based on the inputs as follows:

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

Level 2 – Quoted prices in markets that are not considered active or financial instruments for which significant inputs include quoted prices for similar assets or liabilities, interest rates, credit risk, etc.

Level 3 – Significant unobservable inputs, which may include the Organization's own assumption in determining fair value.

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note G – Fair Value Measurement (Continued)

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 investments measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Municipal obligations and corporate bonds: Valued based upon prices received from pricing services, using models which maximize observable inputs such as trades in exact or similar securities in active markets where available. Absent such trade data, models may incorporate other inputs such as yield curves constructed from yields of similar securities, broker quotes and other observable market data.

Money market funds and mutual funds: Valued based on quoted net asset values of the shares held by the Organization on the last business day of the year.

Assets measured at fair value on a recurring basis comprise the following at December 31, 2022 and 2021:

	Level 1 Based on Quoted Prices in Active Markets	Level 2 Quoted prices in Inactive Markets	Fair Value December 31, 2022
Description:			
Money Market	\$ 176,920	\$ -	\$ 176,920
Mutual Funds: Fixed Income	132,397	-	132,397
Corporate Bonds	-	1,128,128	1,128,128
US Government Notes and Bonds	-	1,153,579	1,153,579
Municipal Bonds	-	95,752	95,752
Total	<u>\$ 309,317</u>	<u>\$ 2,377,459</u>	<u>\$ 2,686,776</u>

	Level 1 Based on Quoted Prices in Active Markets	Level 2 Quoted prices in Inactive Markets	Fair Value December 31, 2021
Description:			
Money Market	\$ 687,099	\$ -	\$ 687,099
Mutual Funds: Fixed Income	372,398	-	372,398
Corporate Bonds	-	232,969	232,969
US Government Notes and Bonds	-	862,010	862,010
Municipal Bonds	-	959,432	959,432
Total	<u>\$ 1,059,497</u>	<u>\$ 2,054,411</u>	<u>\$ 3,113,908</u>

NOTES TO FINANCIAL STATEMENTS

COMMUNITY REBUILDERS

For the years ended December 31, 2022 and 2021

Note H – Contingencies

In the normal course of its activities, the Organization is a party to various legal actions and is subject to certain asserted and unasserted claims and assessments. The actual costs to the Organization, if any, in the event of an unfavorable outcome, and net of any applicable insurance recoveries, cannot be reasonably estimated at this time. Therefore, no liability has been recorded in the accompanying statement of financial position.

Note I – Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes:

	2022	2021
Veteran programs	\$ 43,970	\$ 25,252

Note J – Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized within the statement of activities as of December 31, 2022 and 2021 included:

Category	2022	2021
Household goods	\$ 74,876	\$ 74,178

Category	2022 Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Household goods	\$74,876	Programs that provide household goods to constituents.	No associated donor restrictions.	Donor provides value at time of contribution.