

ANNUAL FINANCIAL REPORT

METROPOLITAN ALLIANCE OF CONNECTED COMMUNITIES
MINNEAPOLIS, MINNESOTA

FOR THE YEARS ENDED
DECEMBER 31, 2023 AND 2022

Metropolitan Alliance of Connected Communities
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December 31, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Metropolitan Alliance of Connected Communities
Minneapolis, Minnesota

Opinion

We have audited the accompanying consolidated financial statements of Metropolitan Alliance of Connected Communities (a nonprofit organization), which comprise the consolidated statements of financial position of Metropolitan Alliance of Connected Communities and MACC Service Network, LLC, as of December 31, 2023, 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.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Prior Period Financial Statements

The consolidated financial statements of the Organization as of December 31, 2022, were audited by other auditors whose report dated October 11, 2023 expressed an unmodified opinion on those statements.



Abdo
Minneapolis, Minnesota
July 18, 2024



CONSOLIDATED FINANCIAL STATEMENTS

Metropolitan Alliance of Connected Communities

Consolidated Statements of Financial Position

December 31, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 633,436	\$ 638,666
Accounts receivable	523,165	459,687
Grants and pledges receivable	12,500	50,000
Prepaid expenses	105,307	81,531
Total Current Assets	<u>1,274,408</u>	<u>1,229,884</u>
Other Assets		
Property and equipment, net of accumulated depreciation	242,958	167,115
Operating right-of-use asset	226,332	-
Total Other Assets	<u>469,290</u>	<u>167,115</u>
 Total Assets	 <u>\$ 1,743,698</u>	 <u>\$ 1,396,999</u>
Liabilities		
Current Liabilities		
Accounts payable	\$ 82,413	\$ 58,732
Accrued expenses	333,072	287,464
Deferred revenue	3,536	1,500
Lease liability, current portion	46,887	-
Total Current Liabilities	<u>465,908</u>	<u>347,696</u>
Long-Term Liabilities		
Notes payable to founders	107,821	107,821
Lease liability, noncurrent portion	201,099	-
Total Long-Term Liabilities	<u>308,920</u>	<u>107,821</u>
 Total Liabilities	 <u>774,828</u>	 <u>455,517</u>
Net Assets		
Without donor restrictions	943,077	875,654
With donor restrictions	25,793	65,828
Total Net Assets	<u>968,870</u>	<u>941,482</u>
 Total Liabilities and Net Assets	 <u>\$ 1,743,698</u>	 <u>\$ 1,396,999</u>

See Independent Auditor's Report and Notes to the Financial Statements.

Metropolitan Alliance of Connected Communities

Consolidated Statements of Activities

For the Years Ended December 31, 2023 and 2022

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	
Support and Revenue				
Contributions	\$ 84,571	\$ -	\$ 84,571	\$ 86,391
Government contributions	-	-	-	1,816
Program service fees	4,946,443	-	4,946,443	4,610,663
Membership dues	294,681	-	294,681	269,347
Interest and other income	(1,256)	-	(1,256)	1,471
Total Support and Revenue	5,324,439	-	5,324,439	\$ 4,969,688
Net Assets Released From Restriction				
Satisfaction of program and time restrictions	40,035	(40,035)	-	-
Total Support and Revenue	5,364,474	(40,035)	5,324,439	\$ 4,969,688
Expenses				
Program services	4,200,492	-	4,200,492	3,848,352
Support services				
Management and general	1,064,454	-	1,064,454	913,206
Fundraising	32,105	-	32,105	8,947
Total Expenses	5,297,051	-	5,297,051	4,770,505
Change in Net Assets	67,423	(40,035)	27,388	199,183
Net Assets, Beginning of Year	875,654	65,828	941,482	742,299
Net Assets, End of Year	\$ 943,077	\$ 25,793	\$ 968,870	\$ 941,482

See Independent Auditor's Report and Notes to the Financial Statements.

Metropolitan Alliance of Connected Communities
Consolidated Statements of Activities (Continued)
For the Years Ended December 31, 2023 and 2022

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions	\$ 86,391	\$ -	\$ 86,391
Government contributions	1,816	-	1,816
Program service fees	4,610,663	-	4,610,663
Membership dues	269,347	-	269,347
Interest and other income	1,471	-	1,471
Total Support and Revenue	4,969,688	-	4,969,688
Net Assets Released From Restriction			
Satisfaction of program and time restrictions	90,753	(90,753)	-
Total Support and Revenue	5,060,441	(90,753)	4,969,688
Expenses			
Program services	3,848,352	-	3,848,352
Support services			
Management and general	913,206	-	913,206
Fundraising	8,947	-	8,947
Total Expenses	4,770,505	-	4,770,505
Change in Net Assets	289,936	(90,753)	199,183
Net Assets, Beginning of Year	585,718	156,581	742,299
Net Assets, End of Year	\$ 875,654	\$ 65,828	\$ 941,482

See Independent Auditor's Report and Notes to the Financial Statements.

Metropolitan Alliance of Connected Communities

Consolidated Statement of Functional Expenses For the Years Ended December 31, 2023 and 2022

	2023				Total Expenses	2022
	Program Services	Management and General	Fundraising	Total Support Services		
Salaries and wages	\$ 2,706,329	\$ 520,279	\$ 1,905	\$ 522,184	\$ 3,228,513	\$ 2,912,124
Payroll taxes	191,155	40,125	139	40,264	231,419	419,009
Employee benefits	368,903	71,101	267	71,368	440,271	224,884
Total Personnel Costs	3,266,387	631,505	2,311	633,816	3,900,203	3,556,017
Professional fees	456,453	127,380	29,794	157,174	613,627	520,100
Information technologies	387,004	11,790	-	11,790	398,794	409,753
Occupancy	-	185,719	-	185,719	185,719	123,614
Depreciation	37,778	30,762	-	30,762	68,540	59,725
Miscellaneous	30,396	21,319	-	21,319	51,715	66,658
Office expense	1,345	38,480	-	38,480	39,825	-
Staff and volunteer training	15,565	15,168	-	15,168	30,733	29,056
Transportation	5,564	2,331	-	2,331	7,895	5,582
Total Expenses	<u>\$ 4,200,492</u>	<u>\$ 1,064,454</u>	<u>\$ 32,105</u>	<u>\$ 1,096,559</u>	<u>\$ 5,297,051</u>	<u>\$ 4,770,505</u>

See Independent Auditor's Report and Notes to the Financial Statements.

Metropolitan Alliance of Connected Communities
Consolidated Statement of Functional Expenses (Continued)
For the Years Ended December 31, 2023 and 2022

	2022				
		Support Services			
	Program Services	Management and General	Fundraising	Total Support Services	Total Expenses
Salaries and wages	\$ 2,452,610	\$ 456,920	\$ 2,594	\$ 459,514	\$ 2,912,124
Employee benefits	352,764	65,882	363	66,245	419,009
Payroll taxes	188,952	35,740	192	35,932	224,884
Total Personnel Costs	<u>2,994,326</u>	<u>558,542</u>	<u>3,149</u>	<u>561,691</u>	<u>3,556,017</u>
Professional fees	419,781	95,055	5,264	100,319	520,100
Office and technology	351,332	58,010	411	58,421	409,753
Occupancy	-	123,614	-	123,614	123,614
Other expense	21,754	44,781	123	44,904	66,658
Staff and volunteer training	14,847	14,209	-	14,209	29,056
Transportation	5,552	30	-	30	5,582
Depreciation	<u>40,760</u>	<u>18,965</u>	<u>-</u>	<u>18,965</u>	<u>59,725</u>
Total Expenses	<u><u>\$ 3,848,352</u></u>	<u><u>\$ 913,206</u></u>	<u><u>\$ 8,947</u></u>	<u><u>\$ 922,153</u></u>	<u><u>\$ 4,770,505</u></u>

See Independent Auditor's Report and Notes to the Financial Statements.

Metropolitan Alliance of Connected Communities

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 27,388	\$ 199,183
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	68,540	59,725
Loss on sale of assets	7,303	-
Operating lease expense in excess of cash paid	21,654	-
Decreases (increases) in current asstes:		
Accounts receivable	(63,478)	(170,296)
Grants and pledges receivable	37,500	50,000
Prepaid expenses	(23,776)	26,157
Increases (decreases) in current liabilities		
Accounts payable	23,681	(16,606)
Accrued expenses	45,608	(92,461)
Deferred revenue	2,036	(4,268)
Net Cash Provided by Operating Activities	<u>146,456</u>	<u>51,434</u>
Cash Flows from Investing Activities		
Purchases of property and equipment	<u>(151,686)</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	(5,230)	51,434
Cash and Cash Equivalents, Beginning of Year	<u>638,666</u>	<u>587,232</u>
Cash and Cash Equivalents, End of Year	<u>\$ 633,436</u>	<u>\$ 638,666</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest paid	<u>\$ -</u>	<u>\$ 5,391</u>
Disposal of fully depreciated assets	<u>\$ 143,945</u>	<u>\$ -</u>
Supplemental disclosure of non-cash transactions:		
Right-of-use assets obtained in exchange for operating lease liability	<u>\$ 259,497</u>	<u>\$ -</u>

See Independent Auditor's Report and Notes to the Financial Statements.

Metropolitan Alliance of Connected Communities
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022

Note 1: Summary of Significant Accounting Policies

A. Nature of Activities

Metropolitan Alliance of Connected Communities (the Organization), formed in 1999, is a partnership of community-based social organizations, with the primary goal of advocating collectively for changes in both policy and practice in order to affect long-term, systemic change in the lives of low-income individuals, families and communities in the Minneapolis/St. Paul Metropolitan area.

B. Discontinued Operations

The financial statements of Metropolitan Alliance of Connected Communities (MACC) include the accounts of MACC Service Network, LLC (MSN). Significant inter-company transactions have been eliminated. The Board of Directors of MACC controls the appointment of the MSN Board of Governors. MSN was a sole member LLC of MACC that was dissolved on September 21, 2023.

C. Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with United States generally accepted accounting principles. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and related changes are classified and reported as follows:

Without Donor Restriction

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Net assets without donor restrictions are available for use at the discretion of the board and/or management for general operating purposes.

With Donor Restriction

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire in the same reporting period in which the revenue is recognized. All other donor restricted contributions are reported as increases in net assets without 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.

D. Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

E. Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Organization maintains its cash balances at financial institutions and, from time to time, such balances may be in excess of insurance guidelines.

Metropolitan Alliance of Connected Communities
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022

Note 1: Summary of Significant Accounting Policies (Continued)

F. Concentrations

At December 31, 2023 and 2022, the Organization held funds at a local financial institution in excess of federally insured limits. Cash and cash equivalents in excess of federally insured limits and similar coverages is subject to the usual risks of balances in excess of those limits which is considered minimal.

G. Accounts Receivable and Credit Losses

The Organization extends credit to their customers on terms established for individual customers. Receivables are recorded at amounts billed and are generally due when billed. Amounts outstanding for more than 30 days are considered delinquent. Accounts receivable are generally uncollateralized and overdue balances may be charged interest at 1% per month. The Organization reviews accounts receivable balances on a periodic basis and write off delinquent receivables when they are considered uncollectible. There were no credit losses for the years ended December 31, 2023 and 2022.

H. Pledges Receivable

The outstanding balance of pledges receivable is \$12,500 and \$50,000 at December 31, 2023 and 2022, respectively. One donor makes up 100% of the outstanding balance at December 31, 2023 and 2022. All promises to give are expected to be received in one year.

I. Property and Equipment

All major expenditures for equipment in excess of \$5,000 are recorded at cost if purchased, or an estimated market value if donated. Depreciation is provided using the straight-line method, over the following estimated useful lives:

Assets	Estimated Useful Lives
Computer Equipment	2-5 years
Furniture and Equipment	3-10 years
Leasehold Improvements	10 years

J. Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of the asset. To date, there have been no such losses.

K. Revenue Recognition

MACC follows the provisions of Accounting Standards Codification 606, *Contracts with Customers* on revenues derived from its membership dues and management fees.

In the case of membership dues, revenue is recognized over the membership period, which is over a period of time. Membership dues are billed annually, and dues received in advance of the membership period are reported as deferred membership dues.

In the case of management fees, revenue is recognized monthly, which is at a point in time. Management fees are billed monthly, and dues received in advance of the membership period are reported as deferred membership dues.

Metropolitan Alliance of Connected Communities
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022

Note 1: Summary of Significant Accounting Policies (Continued)

MACC's other revenues are explicitly excluded from the scope as ASC Topic 606 and are not recorded in accordance with that standard.

The following table disaggregates the Organization's revenue based on the timing of satisfaction of performance obligations for the year ended December 31, 2023:

Performance obligations satisfied at a point in time	\$ 4,946,443
Performance obligations satisfied over time	<u>294,681</u>
Total earned income	<u><u>\$ 5,241,124</u></u>

Contract Balances

Contract balances are as follows for the associated dates:

	<u>Dec 31, 2023</u>	<u>Dec 31, 2022</u>	<u>Jan 1, 2022</u>
Accounts receivable	\$ 523,165	\$ 459,689	\$ 189,391
Grants receivable	12,500	50,000	100,000

Support

The Organization follows FASB Accounting Standards Codification 958-605, *Revenue Recognition for Not-for-Profit Entities* for contributions, grants, and other similar revenues. Revenue is recognized when the contribution is received, and contributions received are recorded as donor restricted support or unrestricted support depending on the existence and/or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted support.

L. Contributed Services, Goods, and Facilities

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. However, these services did not meet the above criteria, and therefore, have not been recorded.

M. Functional Expense Allocation

Expenses are recorded in functional categories when incurred. In certain cases, allocations between categories must be made. When allocations are required, they are based on the best estimates of management.

N. Leases

The Organization entered into a lease in Minneapolis, Minnesota beginning April 1, 2023, through its expiration on August 31, 2028. Monthly lease payments start at \$4,470 and increase annually each September 1.

Lease payments will be recognized during the year they are incurred as an operating expense.

The ROU asset and corresponding lease liability were calculated utilizing a risk-free discount rate at the time of lease commencement, according to the Organization's elected policy. The Organization's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Metropolitan Alliance of Connected Communities
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022

Note 1: Summary of Significant Accounting Policies (Continued)

O. Income Taxes

MACC is a nonprofit corporation described in section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes. MACC does not have any significant unrelated business income that would be subject to tax.

P. New Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The standard's main goal is to improve financial reporting by requiring earlier recognition of credit losses on financing receivables and other financial assets in scope. ASU No. 2016-13 is effective for annual reporting periods beginning after December 15, 2022. The new guidance is effective for MACC's year ended December 31, 2023. The Company has adopted the standard effective January 1, 2023. The adoption was not considered material to the consolidated financial statements and primarily resulted in new and enhanced disclosures only.

Q. Subsequent Events

Subsequent events were evaluated through July 18, 2024, which is the date the consolidated financial statements were available to be issued.

R. Reclassification

Certain amounts from prior year have been reclassified to be consistent with the current year's presentation. Net assets have not been affected by this.

Note 2: Major Sources of Support and Revenue

The Organization provides services within the Twin Cities Area. Contributions, services fees, and accounts receivable are from local institutions and members.

Major sources of support and revenue were as follows as of December 31:

	<u>2023</u>	<u>2022</u>
The Family Partnership	\$ 948,414	\$ 896,035

The Organization had receivables from four not-for-profit entities representing 41% and 66% of total receivables for the years ended December 31, 2023 and 2022, respectively.

Given the significant concentration of revenue received from the member organizations, including in the table above, if a significant reduction in the level of support were to occur, it is reasonably possible that it might have a significant effect on the Organization's programs and activities.

Metropolitan Alliance of Connected Communities
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022

Note 3: Property and Equipment

The Organization's property and equipment was comprised of the following as of:

	2023	2022
Computer equipment	\$ 460,445	\$ 625,793
Leasehold improvements	269,341	116,979
Furniture and equipment	4,320	24,892
	734,106	767,664
Less: accumulated depreciation	(491,148)	(600,549)
Total Property and Equipment	<u>\$ 242,958</u>	<u>\$ 167,115</u>

Depreciation expense was \$68,540 and \$59,725 for the years ended December 31, 2023 and 2022, respectively.

Note 4: Notes Payable

Noninterest bearing notes payable to founders are as follows as of:

	2023	2022
The Family Partnership	\$ 84,405	\$ 84,405
Plymouth Christian Youth Center	17,225	17,225
Phyllis Wheatley Community Center	6,191	6,191
Total	<u>\$ 107,821</u>	<u>\$ 107,821</u>

The members' unsecured notes are payable upon dissolution of the Organization. Imputed interest for the noninterest bearing notes is recorded as in-kind revenue and is calculated at a rate of 5% of the outstanding notes payable and included in contributions revenue within the consolidated financial statements of activities (see Note 5).

Note 5: In-Kind Contributions

The Organization records in-kind contributions at fair market value at date of donation. In-kind contributions include the following as of:

	2023	2022	Usage in Programs/Activities	Fair Value Techniques
Interest	<u>\$ 5,391</u>	<u>\$ 5,391</u>	Various programs and management and general	Valued at imputed interest rate of 5% of the outstanding notes payable

Metropolitan Alliance of Connected Communities
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022

Note 6: Leased Facilities

The Organization leased office space from The Family Partnership, who is a founding member, on a month-to-month basis. Rent expense was \$0 and \$78,316 for the years ended December 31, 2023 and 2022, respectively.

The Organization leases office space from Altus Broadway East & West, LLC. Rent expense was \$39,535 and \$0 for years ended December 31, 2023 and 2022, respectively.

	2023
Lease expense (included in operating expenses)	
Operating lease expense	\$ 39,535
Other Information	
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 17,882
ROU assets obtained in exchange for new operating lease liabilities	259,497
Weighted-average remaining lease term in years for operating leases	4.67
Weighted-average discount rate for operating leases	3.30%

Maturities of lease liabilities are as follows:

Year Ended December 31,	Operating Lease
2024	\$ 54,223
2025	55,953
2027	59,414
2028	40,378
Thereafter	-
Total undiscounted cash flows	267,651
Less: Present value discount	(19,665)
Total Lease Liabilities	\$ 247,986

Note 7: Pension Plan

The Organization initiated a 403(b) retirement plan January 1, 2009. The plan is funded by employer discretionary and matching contributions, and employee contributions. Employer contributions of \$162,353 and \$150,126 were made in the years ended December 31, 2023 and 2022, respectively.

Note 8: Net Assets With Donor Restrictions

Donor restricted net assets consisted of amounts from the following as of December 31:

	2023	2022
Mobilize Communications Pilot Program	\$ 13,293	\$ 15,828
Hazel R. Mayo Endowment	12,500	50,000
Total restricted net assets	\$ 25,793	\$ 65,828

Metropolitan Alliance of Connected Communities
Notes to the Consolidated Financial Statements
December 31, 2023 and 2022

Note 9: Liquidity and Availability

The following represent the Organization's financial assets as of December 31:

	<u>2023</u>	<u>2022</u>
Financial assets, current:		
Cash and cash equivalents	\$ 633,436	\$ 638,666
Accounts and grants receivable	<u>535,665</u>	<u>509,687</u>
 Financial assets available for general expenditures within one year	 <u>\$ 1,169,101</u>	 <u>\$ 1,148,353</u>

All donor restricted funds are expected to be used to support operating expenses within the next year. As part of the Organization's liquidity plan, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Note 10: Related Parties

The Organization's board of directors contains several individuals with management responsibilities within member organizations that utilize the services provided, in the normal course of business, by the Organization. For the years ended December 31, 2023 and 2022, membership fees and dues collected from these member organizations were \$1,937,151 and \$1,800,020, respectively. Related party transactions are all from related party notes, in-kind donations, and landlords. See Notes 4, 5, and 6 for further information.