GENE SLAY'S BOYS CLUB OF ST. LOUIS, INC.
(D/B/A GENE SLAY'S GIRLS AND BOYS CLUB OF ST. LOUIS)

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
YEAR ENDED JUNE 30, 2022

(WITH SUMMARIZED COMPARATIVE INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021)

Contents

ANDERS
CPAs + ADVISORS

Independent Auditors' Report

Board of Directors
Gene Slay's Boys Club of St. Louis, Inc. (d/b/a Gene Slay's Girls and Boys Club of St. Louis)
St. Louis, Missouri

Opinion

We have audited the accompanying financial statements of Gene Slay's Boys Club of St. Louis, Inc. (d/b/a Gene Slay's Girls and Boys Club of St. Louis), a nonprofit organization, which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gene Slay's Boys Club of St. Louis, Inc. as of June 30, 2022, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gene Slay's Boys Club of St. Louis, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Gene Slay's Boys Club of St. Louis, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Gene Slay's Boys Club of St. Louis, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gene Slay's Boys Club of St. Louis, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited Gene Slay's Boys Club of St. Louis, Inc.'s (d/b/a Gene Slay's Girls and Boys Club of St. Louis) 2021 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated November 19, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Anders Minkler Huber & Helm LLP

March 16, 2023

Gene Slay's Boys Club of St. Louis, Inc.
(d/b/a Gene Slay's Girls and Boys Club of St. Louis)
Statement of Financial Position
June 30, 2022
(With summarized totals for 2021)

Assets

	2022	2021
Current Assets		
Cash and cash equivalents	$ 201,885	$ 426,718
Unconditional promises to give, net	326,556	312,519
Prepaid expenses	-	16,326
Other current assets	2,232	2,821
Total Current Assets	530,673	758,384
Investments, at fair value	2,966,227	3,467,586
Unconditional Promises to Give	-	33,000
Beneficial Interest in Perpetual Trusts	1,299,631	1,551,158
Property and Equipment, net	2,339,540	2,565,897
Other Assets	41,400	48,900
Total Assets	$ 7,177,471	$ 8,424,925

Liabilities and Net Assets

	2022	2021
Current Liabilities		
Line of credit	$ 244,480	$ 350,000
Current maturities of long-term debt	-	105,000
Accounts payable	268,949	18,586
Accrued expenses and other current liabilities	48,108	83,710
Total Current Liabilities	561,537	557,296
Long-term Debt	102,215	-
Debt - Paycheck Protection Program	-	137,010
Total Liabilities	663,752	694,306
Net Assets		
Without donor restrictions	2,353,159	3,258,018
With donor restrictions	4,160,560	4,472,601
Total Net Assets	6,513,719	7,730,619
Total Liabilities and Net Assets	$ 7,177,471	$ 8,424,925

Gene Slay's Boys Club of St. Louis, Inc.
(d/b/a Gene Slay's Girls and Boys Club of St. Louis)
Statement of Activities
Year Ended June 30, 2022
(With summarized totals for 2021)

	Without Donor Restrictions	With Donor Restrictions	Totals 2022	Totals 2021
Revenues, Gains and Other Support				
Contributions	$ 416,268	$ -	$ 416,268	$ 635,043
United Way support	112,111	59,296	171,407	182,092
Grants	507,498	-	507,498	945,784
Donated materials and services	186,237	-	186,237	187,672
SBA grant through Paycheck Protection Program	137,010	-	137,010	137,000
Membership dues	22,910	-	22,910	17,181
Miscellaneous	78,190	-	78,190	17,021
Investment income	117,087	-	117,087	150,908
Realized gain on investments	141,945	-	141,945	81,893
Unrealized gain (loss) on investments	(569,770)	-	(569,770)	356,021
Change in beneficial interest	-	(251,527)	(251,527)	331,725
	1,149,486	(192,231)	957,255	3,042,340
Gross special events revenue	673,294	-	673,294	1,121,872
Less cost of direct benefits to donors	(242,261)	-	(242,261)	(398,705)
Net special events revenue	431,033	-	431,033	723,167
Satisfaction of time and usage restrictions	119,810	(119,810)	-	-
Total Revenues, Gains and Other Support	1,700,329	(312,041)	1,388,288	3,765,507
Expenses				
Program Services	1,774,477	-	1,774,477	1,437,951
Total Program Services	1,774,477	-	1,774,477	1,437,951
Supporting Activities				
Management and general	512,751	-	512,751	362,047
Fundraising	317,960	-	317,960	248,871
Total Supporting Activities	830,711	-	830,711	610,918
Total Expenses	2,605,188	-	2,605,188	2,048,869
Change in Net Assets	(904,859)	(312,041)	(1,216,900)	1,716,638
Net Assets, Beginning of Year	3,258,018	4,472,601	7,730,619	6,013,981
Net Assets, End of Year	$ 2,353,159	$ 4,160,560	$ 6,513,719	$ 7,730,619

Gene Slay's Boys Club of St. Louis, Inc.
(d/b/a Gene Slay's Girls and Boys Club of St. Louis)
Statement of Functional Expenses
Year Ended June 30, 2022
(With comparative totals for 2021)

	Program Services	Supporting Activities: Management and General	Supporting Activities: Fundraising	Supporting Activities: Total	Total: 2022	Total: 2021
Personnel Expenses						
Salaries and benefits	$ 718,057	$ 194,970	$ 148,143	$ 343,113	$ 1,061,170	$ 916,337
Hospitalization insurance	95,093	12,679	19,018	31,697	126,790	119,673
Payroll taxes	62,388	15,991	12,398	28,389	90,777	69,682
Payroll service fees	-	59,455	-	59,455	59,455	-
Total Personnel Expenses	875,538	283,095	179,559	462,654	1,338,192	1,105,692
Other Expenses						
Meetings	2,644	2,789	352	3,141	5,785	765
Dutchtown non-capital startup costs	-	-	-	-	-	45,564
Insurance	-	-	-	-	-	7,708
Maintenance - building and grounds	59,240	13,238	4,713	17,951	77,191	91,650
Maintenance - computers	14,795	2,099	1,466	3,565	18,360	25,012
Maintenance - equipment and furnishings	16,750	2,233	3,350	5,583	22,333	21,302
Miscellaneous	53,312	22,173	17,018	39,191	92,503	47,653
Office supplies and service contracts	47,000	5,742	15,414	21,156	68,156	35,267
Operation of agency vehicles	37,413	4,984	7,475	12,459	49,872	10,168
Postage	6,283	3,806	3,284	7,090	13,373	11,791
Professional fees	52,351	65,283	7,942	73,225	125,576	120,343
Promotions	10,672	-	-	-	10,672	-
Property insurance	54,270	7,236	10,854	18,090	72,360	42,094
Athletic, recreation, and aquatic supplies	150,889	-	-	-	150,889	201,847
Rent - in-kind	67,500	9,000	13,500	22,500	90,000	-
Staff training and incentives	74,258	3,304	4,956	8,260	82,518	53,655
Communications	18,621	2,211	1,488	3,699	22,320	22,154
Bad debt expense	-	54,243	-	54,243	54,243	23,334
Utilities	55,674	7,679	11,135	18,814	74,488	55,594
Total Other Expenses	721,672	206,020	102,947	308,967	1,030,639	815,901
Total Expense Before Depreciation	1,597,210	489,115	282,506	771,621	2,368,831	1,921,593
Depreciation	177,267	23,636	35,454	59,090	236,357	127,276
Total Expenses	$ 1,774,477	$ 512,751	$ 317,960	$ 830,711	$ 2,605,188	$ 2,048,869

Gene Slay's Boys Club of St. Louis, Inc.
(d/b/a Gene Slay's Girls and Boys Club of St. Louis)
Statement of Cash Flows
Year Ended June 30, 2022
(With summarized totals for 2021)

	2022	2021
Cash Flows From Operating Activities		
Change in net assets	$ (1,216,900)	$ 1,716,638
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Grant funds directly distributed for capital purchases	-	(450,000)
Paycheck Protection Program debt forgiveness	(137,010)	(137,000)
Depreciation	236,357	127,276
Contribution of securities	-	(74,055)
Realized (gains) losses from sales of investments	-	(81,893)
Unrealized (gain) loss on investments	547,977	(356,021)
Change in beneficial interest in perpetual trusts	251,527	(331,725)
(Increase) decrease in assets:		
Unconditional promises to give, net	18,963	(6,739)
Prepaid expenses	16,326	38,406
Other assets	8,089	(43,780)
Increase (decrease) in liabilities:		
Accounts payable	250,363	6,139
Accrued expenses and other current liabilities	(35,602)	3,267
Deferred revenue	-	(147,801)
Net Cash Provided by (Used in) Operating Activities	(59,910)	262,712
Cash Flows From Investing Activities		
Purchases of investments	312,118	(23,194)
Proceeds from sales of investments	(358,736)	170,311
Purchases of property and equipment	(10,000)	(287,498)
Net Cash Used in Investing Activities	(56,618)	(140,381)
Cash Flows From Financing Activities		
Proceeds from Paycheck Protection Program	-	137,010
Payments on line of credit	(105,520)	(50,000)
Payments on long-term debt	(2,785)	(15,000)
Net Cash Provided by (Used in) Financing Activities	(108,305)	72,010
Net Increase (Decrease) in Cash and Cash Equivalents	(224,833)	194,341
Cash and Cash Equivalents, Beginning of Year	426,718	232,377
Cash and Cash Equivalents, End of Year	$ 201,885	$ 426,718
Supplemental Disclosures of Cash Flow Information		
Cash paid for		
Interest	$ 14,554	$ 3,533

Noncash Investing

During 2021, the Club financed the acquisition of property and equipment in the amount of $850,000 with proceeds from the line of credit and grant funds.

1. Nature of Operations and Basis of Presentation

Organization

Gene Slay's Boys Club of St. Louis, Inc. (d/b/a Gene Slay's Girls and Boys Club of St. Louis) (the "Club") is a not-for-profit organization established in 1929. The Club empowers girls and boys in the St. Louis metropolitan area, especially those who need us most, to realize their physical, intellectual and emotional potential.

Description of Programs

The Club's program consists of the following activities - Academic Support and Assistance which offers literacy and homework assistance, Athletics Recreation and Aquatics, Character and Citizenship which promotes college and career readiness and financial literacy, Healthy Lifestyles which involves cooking classes and youth gardening, and The Arts, which teaches various craft arts. The Club operates these activities at two locations, one in the Soulard ("Soulard") neighborhood and one in the Dutchtown ("Dutchtown") neighborhood in St. Louis.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the provisions of the Financial Accounting Standards Board ("FASB"), Accounting Standards Codification (the "FASB ASC"), which is the source of authoritative, non-governmental accounting principles generally accepted in the United States of America ("GAAP"). All references to authoritative accounting guidance contained in our disclosures are based on the general accounting topics within the FASB ASC.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Club and changes therein are classified into two categories of net assets, as applicable, and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may be satisfied by specific activities or the passage of time, or are required to be maintained in perpetuity by the Club. The income earned on any related investments may be subject to donor-imposed stipulations.

The financial statements include certain prior-year summarized comparative information in total but not by class of net assets. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Club's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of 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.

Fair Value Measurements

The Club follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. The three general valuation techniques used to measure fair value are the market approach, cost approach, and income approach.

Cash and Cash Equivalents

The Club considers all short-term investments with an original maturity of three months or less at the time of purchase to be cash and cash equivalents.

Investments

The Club carries investments at fair value with unrealized holding gains and losses included in revenues, gains and other support. Realized gains and losses are included in revenues, gains and other support and are derived using the average cost method for determining the cost of securities sold. Dividend and interest income is recognized when earned.

Unconditional Promises to Give

Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using risk-free interest rates applicable to the years in which the promises are to be received.

The Club provides an allowance for doubtful promises to give equal to the estimated losses that will be incurred in the collection of unconditional promises to give. This estimate is based on historical experience coupled with a review of the current status of existing promises. The allowance and associated promises are reduced when the promises are determined to be uncollectible. The allowance for doubtful promises totaled $15,000 as of June 30, 2022 and 2021.

Property and Equipment

Property and equipment acquisitions with a life of three years or greater and a cost in excess of $5,000 are capitalized and recorded at cost, while maintenance and repairs are expensed as incurred. Donated assets are recorded at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose or period of time. When assets are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts. Any gain or loss arising from such disposition is included as income or expense in the year of disposition.

Depreciation is computed using the straight line method over the estimated useful lives of the assets.

The estimated lives for computing depreciation on property and equipment are:

Classification	Years
Buildings	7-40
Leasehold Improvements	11
Furniture and equipment	5-10
Vehicles	5

Long-Lived Asset Impairment

The Club evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Management does not believe any impairment exists as of June 30, 2022 and 2021.

Beneficial Interest in Assets Held by Others

The Club is the beneficiary of perpetual trusts with the assets held by various investment institutions administered by designated trustees. Under the terms of the trusts, the Club receives an annual distribution, in the amount of a specified percentage of the trusts' fair value, which is available for general activities. Net appreciation and depreciation in fair value of investments are included in the change in net assets in the statement of activities as an increase or decrease in net assets with donor restrictions. The Club carries its beneficial interest in assets held by others at the fair values of the underlying investments in the statement of financial position as net assets with donor restrictions.

Endowment Fund

The State of Missouri enacted the State Prudent Management of Institutional Funds Act ("SPMIFA") effective August 28, 2009. The Club follows FASB guidance on accounting for the net assets classification of restricted endowment funds for a not-for-profit organization that is subject to the enacted version of the SPMIFA. The Club has determined that the net assets with donor restrictions held in perpetuity meets the definition of endowment funds under SPMIFA.

Support and Revenue

Contributions are recorded as received, and unconditional promises to give are recorded as the promise is made. All contributions are available for general activities unless specifically restricted by the donor. When a restriction expires, 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. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions with donor restrictions in which the restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying financial statements.

Grant contracts are generally recognized as income in the period that specific services are provided. Total revenues in fiscal year ("FY") 2022 and 2021 were impacted by the following:

- In 2021, the Club received a grant from the City of St. Louis Community Development Administration – Community Development Block Grant of $450,000 for funding of the leasehold improvements related to the Dutchtown program. The full amount was recognized in grants revenue in the accompanying Statement of Activities.

- In 2021, the Club conducted two Golf Tournaments/Auctions. The August 2020 Tournament was originally scheduled to take place in FY 2020, but was rescheduled to FY 2021 due to the COVID-19 pandemic. (Note 14).

- In 2022, the Club experienced larger than usual realized and unrealized losses on investments and beneficial interests. In 2021, the Club experienced larger than usual realized and unrealized gains on investments, investment income, and increases in beneficial interests (Notes 3-4).

- In 2022 and 2021, the Club recognized $137,010 and $137,000, respectively, in revenue from forgiveness of the Paycheck Protection Program loan.

Donated Materials and Services (In Kind)

Donated noncash assets are recorded as contributions at their fair values at the date of donation. Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Club. Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Expense Allocation

The costs of program services and supporting activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Income Taxes

The Club is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"), except on net income derived from unrelated business activities as defined in the Code. Accordingly, the Club files as a tax exempt organization.

The Club follows guidance issued by the FASB on accounting for income taxes and has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings, and believes that no provision for income taxes is necessary to cover any uncertain tax positions. The Club's returns for tax years 2018 and later remain subject to examination by taxing authorities.

Reclassifications

Certain amounts in the 2021 financial statements have been reclassified to conform to the current year presentation.

Subsequent Events

The Club has evaluated subsequent events through March 16, 2023, the date the financial statements were available to be issued.

Recent Accounting Pronouncements

Leases

The FASB has issued new guidance on the recognition of lease assets and lease liabilities by lessees for those leases previously classified as operating leases. The guidance requires a lessee to recognize in the statement of financial position a liability to make lease payments and a right-of-use asset representing its right to use the underlying asset for the lease term. When measuring assets and liabilities arising from a lease, a lessee (and a lessor) should include payments to be made in optional periods only if the lessee is reasonably certain to exercise an option to extend the lease or not to exercise an option to terminate the lease. Similarly, optional payments to purchase the underlying asset should be included in the measurement of lease assets and lease liabilities only if the lessee is reasonably certain to exercise that purchase option. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. If a lessee makes this election, it should recognize lease expense for such leases generally on a straight-line basis over the lease term. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. There continues to be a differentiation between finance leases and operating leases. However, the principal difference from previous guidance is that the lease assets and lease liabilities arising from operating leases should be recognized in the statement of financial position. The guidance will be required for the first fiscal year beginning after December 15, 2021. Based on a preliminary analysis, the Club does expect the new guidance will have a significant impact on its financial statements.

3. Fair Value Measurements

The framework for measuring fair value establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into Levels 1, 2, and 3. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). 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 instruments in active markets.

Level 2 — Inputs to the valuation methodology to include quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, inputs other than quoted prices that are observable for the instrument, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

The instruments' 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for instruments measured at fair value:

Level 1	Investments consist of publicly traded mutual funds that are valued at the net asset value ("NAV") of shares held by the Club at year-end and equity securities that are valued at the closing price reported on the active market on which the individual securities are traded.
Level 2	Investments consist of corporate bonds. These securities are valued using evaluated pricing, which incorporates modeling techniques, information from extensive market sources, observed transaction data, credit quality information, perceived market movements, news, and other relevant information.
Level 3	Investments consist of beneficial interests in perpetual trusts. These securities are valued at an evaluated price provided by trust administrators based upon quoted market prices of the underlying assets on the last day of the fiscal period.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Club 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 table presents the fair value measurements of instruments recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements are categorized at June 30:

	2022			
		Fair Value Measurements		
	Total	Level 1	Level 2	Level 3
Investments:				
Equity securities	$ 1,071,515	$ 1,071,515	$ -	$ -
Mutual funds	527,927	527,927	-	-
Corporate debt securities	1,366,785	-	1,366,785	-
	$ 2,966,227	$ 1,599,442	$ 1,366,785	$ -
Beneficial interests in perpetual trusts	$ 1,299,631	$ -	$ -	$ 1,299,631

	2021			
	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Investments:				
Equity securities	$ 1,421,631	$ 1,421,631	$ -	$ -
Mutual funds	494,448	494,448	-	-
Corporate debt securities	1,551,507	-	1,551,507	-
	$ 3,467,586	$ 1,916,079	$ 1,551,507	$ -
Beneficial interests in perpetual trusts	$ 1,551,158	$ -	$ -	$ 1,551,158

The following table provides a summary of changes in fair value of the Club's Level 3 beneficial interest in perpetual trusts, as follows:

Balance June 30, 2020	$ 1,219,433
Increase in value	331,725
Balance June 30, 2021	1,551,158
Decrease in value	(251,527)
Balance June 30, 2022	$ 1,299,631

The following table represents the Club's level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs measured on a nonrecurring basis at June 30, 2022 and 2021:

2022

Instrument	Fair Value	Valuation Technique	Unobservable Inputs
Beneficial interests in perpetual trusts	$ 1,299,631	Specified percentage of trust's fair value	Market prices of underlying assets provided by third party trust administrators

2021

Instrument	Fair Value	Valuation Technique	Unobservable Inputs
Beneficial interests in perpetual trusts	$ 1,551,158	Specified percentage of trust's fair value	Market prices of underlying assets provided by third party trust administrators

4. Investments

A summary of the cost and fair value of the Club's investments as of June 30, is as follows:

	2022		
	Amortized Cost	Unrealized Gains (Losses)	Fair Value
Equity securities	$ 722,425	$ 349,090	$ 1,071,515
Mutual funds	565,116	(37,189)	527,927
Corporate debt securities	1,536,741	(169,956)	1,366,785
	$ 2,824,282	$ 141,945	$ 2,966,227

	2021		
	Amortized Cost	Unrealized Gains	Fair Value
Equity securities	$ 802,524	$ 619,107	$ 1,421,631
Mutual funds	494,042	406	494,448
Corporate debt securities	1,528,109	23,398	1,551,507
	$ 2,824,675	$ 642,911	$ 3,467,586

5. Property and Equipment

Property and equipment at June 30, is as follows:

	2022	2021
Land	$ 220,053	$ 220,053
Buildings	2,990,207	2,665,405
Leasehold Improvements	1,206,052	-
Furniture and equipment	552,664	877,069
Vehicles	77,470	77,470
Construction in progress	-	1,196,052
	5,046,446	5,036,049
Less accumulated depreciation	2,706,906	2,470,152
	$ 2,339,540	$ 2,565,897

Depreciation expense for the years ended June 30, 2022 and 2021 totaled $236,357 and $127,276, respectively.

6. Line of Credit

On February 28, 2020, the Club entered into a line of credit agreement (the "Agreement") in the amount of $400,000, scheduled to expire on February 28, 2023. Borrowings are charged interest at 4.5 percent, and are secured by the Club's leasehold improvements related to the Dutchtown program. The Club is subject to certain restrictions and covenants as defined in the Agreement. The Club was in compliance of all restrictions and covenants at June 30, 2022. At June 30, 2022 and 2021, borrowings outstanding under the Agreement totaled $244,480 and $350,000 respectively.

7. Long-term Debt

Long-term debt at June 30, is as follows:

	2022	2021
Note payable, collateralized by certain Club assets, interest at 0.5 percent under the prime rate (4.75 percent at June 30, 2022), monthly interest only payments until maturity, maturing in February 2025.	$ 102,215	$ 105,000
Less current maturities	-	105,000
	$ 102,215	$ -

8. Contributed Nonfinancial Assets

For the years ended June 30, contributed nonfinancial assets recognized within the statement of activities included:

	2022	2021
Rent	$ 90,000	$ -
Meals	73,488	103,182
Goods and services	22,749	84,490
	$ 186,237	$ 187,672

The Club recognized contributed nonfinancial assets within revenue, including contributed rent, meals, and goods and services. No donor imposed restrictions exist on any contributed nonfinancial asset for the years ended June 30, 2022 and 2021.

The Club utilizes facility space to operate the Dutchtown location. The Club estimated the fair value of the facility space on the basis of comparable rental prices in the real estate market for similarly classed property.

Contributed meals are comprised of breakfast, lunch, and dinners provided to the Club. Meals were valued at the amount these meals would be purchased for, if not donated.

Contributed goods and services consist of goods used in the Club's various programs and services performed by the Executive Committee and Board of Directors advising the Club on various operational matters. Contributed services are valued and reported at the current rates for the services provided.

9. Liquidity and Availability of Financial Assets

The following reflects the Club's financial assets as of June 30, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions or internal designations. Amounts available do not include the unidentifiable distributions from the beneficial interest in perpetual trusts.

	2022	2021
Cash and cash equivalents	$ 201,885	$ 426,718
Unconditional promises to give, net	326,556	312,519
Investments, at fair value	2,966,227	3,467,586
Endowment spending-rate distributions and appropriations	195,266	195,266
Contractual or donor-imposed restrictions:		
Endowment fund investments	(2,789,509)	(2,789,509)
Other donor restrictions	(71,420)	(131,934)
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	$ 829,005	$ 1,480,646

Our endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor restricted endowment funds are not available for general expenditure.

The Club's primary sources of support are contributions, grants, and investment income. Some support is required to be used in accordance with the purpose restrictions imposed by the donors. As part of a liquidity management plan, the Club invests cash in excess of daily requirements in money market funds.

10. Related Party Transactions

Unconditional promises to give due from members of the Board were $67,984 and $80,200 as of June 30, 2022 and 2021, respectively. These unconditional promises to give were approximately 20 and 22 percent of the Club's unconditional promises to give at June 30, 2022 and 2021, respectively.

11. Net Assets With Donor Restrictions

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

	2022	2021
Subject to expenditures for specified purpose	$ -	$ 48,390
Subject to passage of time	71,420	83,544
Investment in perpetuity, the income of which is expendable to support future program costs.	2,789,509	2,789,509
Beneficial interest in perpetual trusts	1,299,631	1,551,158
	$ 4,160,560	$ 4,472,601

Assets released from restrictions for the years ended June 30, are as follows:

	2022	2021
Released from restrictions of purpose	$ 48,390	$ 253,458
Released from restrictions of time	71,420	104,430
	$ 119,810	$ 357,888

12. Endowment Funds

Endowment funds consists of funds established by donors to provide annual funding for specific activities and general operations.

The Board of Directors has interpreted Missouri State Prudent Management of Institutional Funds Act ("SPMIFA") as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2022 and 2021, there were no such donor stipulations. As a result of this interpretation, the Club retains in perpetuity the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful promises) donated to the Endowment. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Club in a manner consistent with the standard of prudence prescribed by SPMIFA. The Club considers 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 Club and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Club
- The investment policies of the Club

Endowment funds at June 30, are as follows:

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ -	$ 2,789,509	$ 2,789,509

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total Endowment Assets
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ -	$ 2,789,509	$ 2,789,509

The Club has adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The asset allocation of each endowment fund shall be periodically reviewed by the Board of Directors, in consultation with any advisors, and shall reflect a proper balance of the fund's investment objective, risk tolerance standard, and the need for liquidity.

Decisions to appropriate funds from each Endowment for expenditure or to accumulate such funds shall be made only by the Board of Directors. The Board of Directors decision to appropriate or accumulate Endowment funds consider the long-term expected return of the Endowment, economic conditions, the uses, benefits, purposes and duration for which the Endowment fund was established and the Club's investment policy. The annual distribution from the Endowments cannot exceed seven percent of the fair market value of the fund, calculated based on market values determined at least quarterly and averaged over a period of at least the last twenty quarters ending with the last quarter of the fiscal year preceding the distribution.

There were no changes in endowment net assets for the years ended June 30, 2022, and 2021.

13. Retirement Plans

The Club participates in the Boys' and Girls' Clubs of America Pension Trust. The plan is a defined contributory retirement savings plan under Section 401(a) of the Code covering substantially all employees who meet certain eligibility requirements. Employer contributions to the plan totaled approximately $46,000 and $52,000 for the years ended June 30, 2022 and 2021, respectively.

The Club maintains a contributory retirement savings plan under Section 401(k) of the Code covering substantially all employees who meet certain eligibility requirements. There were no employer contributions to the plan for the year ended June 30, 2022 and 2021.

14. Risks and Uncertainties

Concentrations

For the year ended June 30, 2022, special events income consists of revenues generated from a charitable golf tournament and a gala event. For the year ended June 30, 2021, special events income consists of revenues generated from two charitable golf events and a gala event. Due to the COVID-19 outbreak the 2020 charitable golf tournament was held in 2021. For the years ended June 30, 2022 and 2021, revenues from these events represented 32 and 37 percent, respectively, of total public support revenue generated.

Unconditional promises to give from two and three donors were approximately 40 and 49 percent of the Club's unconditional promises to give at June 30, 2022 and 2021, respectively.

Concentration of Credit Risk

Financial instruments, which potentially subject the Club to concentrations of credit risk, consist principally of cash and cash equivalents, unconditional promises to give, and investments. The Club maintains its cash primarily with four financial institutions. Deposits at these banks are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. At June 30, 2022, there was no cash balance in excess of FDIC limits at the banks. The Club performs ongoing credit evaluations of its donors and maintains allowances, as needed, for potential credit losses. Although the Club is directly affected by the financial stability of its donor base, management does not believe significant credit risk exists at June 30, 2022. The Club maintains its investments primarily with two brokerage firms. Securities held at these firms are insured by the Securities Investor Protection Corporation ("SIPC") up to $500,000. As of June 30, 2022, there were investment balances of $1,968,336 in excess of SIPC limits at the brokerage firms.

Investments

The Club invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statements of financial position.

15. Fundraising Events

During the years ended June 30, the Club engaged in fundraising activities, which included the following:

	2022	2021
Golf Tournament/Auction		
Gross revenues - August Tournament	$ -	$ 473,221
Gross expenses - August Tournament	-	134,895
Net income from golf tournament/auction	-	338,326
Gross revenues - May Tournament	526,634	415,678
Gross expenses - May Tournament	214,820	175,140
Net income from golf tournament/auction	311,814	240,538
	311,814	578,864
Gala Event		
Gross revenues	146,660	232,974
Gross expenses	27,441	88,671
Net income from gala event	119,219	144,303
Total Support from Fundraising Events, net	$ 431,033	$ 723,167