Financial Statements and
Independent Auditor's Report

Mountain Valley Developmental Services, Inc.

June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Mountain Valley Developmental Services, Inc.

Opinion

We have audited the accompanying financial statements of Mountain Valley Developmental Services, Inc. (the Center), 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 Mountain Valley Developmental Services, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our audit. We believe 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 the Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Castle Rock, CO 80104

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 the Center'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 the Center'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 the Center's 2021 financial statements, and our report dated September 7, 2021, expressed an unmodified opinion on those audited financial statements. 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.

Logan, Thomas & Johnson, LLC

Broomfield, Colorado
September 18, 2023

Financial Statements

Mountain Valley Developmental Services, Inc.
STATEMENT OF FINANCIAL POSITION
June 30, 2022
(With summarized financial information as of June 30, 2021)

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	$ 4,081,160	$ 3,591,442
Accounts receivable		
Fees and grants from governmental agencies	2,107,089	2,256,287
Other	22,445	16,887
Inventories	42,558	44,727
Prepaid expenses and other	325,022	308,583
Total current assets	6,578,274	6,217,926
Land, building and equipment, net of accumulated depreciation	2,484,649	2,286,853
Total assets	$ 9,062,923	$ 8,504,779
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	$ 1,746,512	$ 1,374,825
Current portion of notes payable	57,184	54,816
Deferred revenue	93,670	183,381
Total current liabilities	1,897,366	1,613,022
Long-term liabilities		
Notes payable, net of current portion	231,595	288,780
Total liabilities	2,128,961	1,901,802
Net assets		
Without donor restrictions		
Invested in property and equipment, net of related debt	2,195,870	1,943,257
Undesignated	4,738,092	4,659,720
Total net assets	6,933,962	6,602,977
Total liabilities and net assets	$ 9,062,923	$ 8,504,779

The accompanying notes are an integral part of this statement.

Mountain Valley Developmental Services, Inc.
STATEMENT OF ACTIVITIES
Year ended June 30, 2022
(With summarized financial information for the year ended June 30, 2021)

	Total without donor restrictions	
	2022	2021
Revenues and support		
Fees and grants from governmental agencies		
Fees for services		
State of Colorado		
State General Fund	$ 1,364,287	$ 1,391,760
Medicaid	7,995,664	7,340,291
Counties	159,562	184,398
Grants and other		
Part C	202,607	-
Department of Housing and Urban Development	1,594	3,227
Department of Social Services	6,375	3,737
Colorado Department of Education	72,600	51,764
Colorado Department of Human Services	135,802	136,547
Other	1,236,971	603,765
Total fees and grants from governmental agencies	11,175,462	9,715,489
Public support - contributions	99,267	100,829
Residential room and board	598,757	591,207
Production revenue	224,505	198,380
Other revenue	200,175	123,949
Total revenues and support	12,298,166	10,729,854
Expenses		
Program services		
Medicaid comprehensive	7,020,575	6,841,440
State adult supported living	54,463	76,563
Medicaid adult supported living	527,711	514,573
Children's extensive support	27,048	24,248
Early intervention	840,500	669,158
Family support	146,350	139,645
Case management	772,674	792,869
Rocky mountain early childhood council	1,337,815	593,292
Total program services	10,727,136	9,651,788
Supporting services		
Management and general	1,240,045	1,090,442
Total expenses	11,967,181	10,742,230
CHANGE IN NET ASSETS BEFORE OTHER CHANGES	330,985	(12,376)
Forgiveness of PPP loan and accrued interest	-	1,284,292
CHANGE IN NET ASSETS	330,985	1,271,916
Net assets, beginning of year	6,602,977	5,331,061
Net assets, end of year	$ 6,933,962	$ 6,602,977

The accompanying notes are an integral part of this statement.

Mountain Valley Developmental Services, Inc.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended June 30, 2022
(With summarized financial information for the year ended June 30, 2021)

	Program Services			
	Medicaid comprehen-sive	State adult supported living	Medicaid adult supported living	Children's extensive support
Salaries	$ 3,770,828	$ 29,192	$ 227,026	$ 14,506
Benefits and taxes	747,823	5,313	37,967	1,103
Professional services	1,051,210	13,990	235,403	-
Occupancy	325,163	2,502	2,653	-
Insurance	69,974	1,167	5,209	-
Supplies	321,051	121	2,401	7,559
Client assistance and activities	1,314	-	-	-
Interest	13,137	-	-	-
Depreciation	216,169	341	8,933	-
Other	503,906	1,837	8,119	3,880
Total expenses	$ 7,020,575	$ 54,463	$ 527,711	$ 27,048

The accompanying notes are an integral part of this statement.

Program Services					Total	
Early interven-tion	Family support	Case manage-ment	Rocky mountain early childhood council	Management and general	2022	2021
$ 200,681	$ 14,217	$ 589,194	$ 117,693	$ 641,180	$ 5,604,517	$ 5,292,207
26,271	958	126,324	14,621	179,368	1,139,748	1,545,307
602,642	-	-	-	98,910	2,002,155	1,620,136
-	-	8,474	-	51,691	390,483	328,249
81	-	4,295	242	12,222	93,190	93,202
128	-	7,016	-	14,678	352,954	290,658
-	131,175	-	1,205,259	-	1,337,748	582,687
-	-	-	-	-	13,137	25,385
-	-	2,387	-	41,796	269,626	282,621
10,697	-	34,984	-	200,200	763,623	681,778
$ 840,500	$ 146,350	$ 772,674	$ 1,337,815	$ 1,240,045	$ 11,967,181	$ 10,742,230

The accompanying notes are an integral part of this statement.

Mountain Valley Developmental Services, Inc.
STATEMENT OF CASH FLOWS
Year ended June 30, 2022
(With summarized financial information for the year ended June 30, 2021)

	2022	2021
Cash flows from operating activities		
Change in net assets	$ 330,985	$ 1,271,916
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	269,626	282,621
Gain on sale of fixed assets	(1,000)	-
Gain on forgiveness of PPP loan	-	(1,275,000)
Change in assets and liabilities		
(Increase) decrease in accounts receivable	143,640	(474,267)
(Increase) decrease in inventories	2,169	(13,458)
(Increase) decrease in prepaid expenses and other	(16,439)	8,562
Increase (decrease) in accounts payable and accrued expenses	371,687	(4,212)
Increase (decrease) in deferred revenue	(89,711)	122,880
Net cash provided by (used in) operating activities	1,010,957	(80,958)
Cash flows from investing activities		
Purchase of land, building and equipment	(467,422)	(32,112)
Proceeds from sale of fixed assets	1,000	-
Net cash used in investing activities	(466,422)	(32,112)
Cash flows from financing activities		
Payments on notes payable	(54,817)	(52,255)
Net cash used in financing activities	(54,817)	(52,255)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	489,718	(165,325)
Cash and cash equivalents, beginning of year	3,591,442	3,756,767
Cash and cash equivalents, end of year	$ 4,081,160	$ 3,591,442
Noncash investing and financing activities		
Forgiveness of PPP loan and accrued interest	$ -	$ 1,284,292
Supplemental data		
Cash paid for interest	$ 13,137	$ 16,092

The accompanying notes are an integral part of this statement.

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

This description of Mountain Valley Developmental Services, Inc.'s (the Center) nature of activities and summary of significant accounting policies is presented to assist in understanding the Center's financial statements.

1. *Summary of Business Activities*

   Mountain Valley Developmental Services, Inc., a Colorado nonprofit corporation, was incorporated under the laws of the State of Colorado in 1975 for the purpose of providing a community center board to coordinate programs through interagency cooperation and local agencies to provide services to persons with developmental disabilities in Garfield, Eagle, Pitkin and Lake Counties. The Center's revenue comes primarily from the State of Colorado for services provided.

2. *Description of Services Provided*

   The major program services or supports and functional activities directly provided or purchased by the Center are:

   Program Services or Supports

   Comprehensive (Medicaid) refers to residential services, adult day services or supports and transportation activities as specified in the eligible person's Individualized Plan (IP). Included are a number of different types of residential settings, which provide an array of training, learning, experiential and support activities provided in residential living alternatives designed to meet individual needs. Additionally, adult day services provide opportunities for individuals to experience and actively participate in valued roles in the community. These services and supports enable individuals to access and participate in typical community activities such as work, recreation, and senior citizen activities. Finally, transportation activities refer to "Home to Day Program transportation" services relevant to an individual's work schedule as specified in the IP. For these purposes, "work schedule" is defined broadly to include adult and retirement activities such as education, training, community integration and employment.

   Adult Supported Living (State and Medicaid) provides individualized living services for persons who are responsible for their own living arrangements in the community.

   Children's Extensive Support is a deeming waiver (only the child's income is considered in determining eligibility) intended to provide needed services and supports to eligible children under the age of eighteen years in order for the children to remain in or return to the family home. Waiver services are targeted to children having extensive support

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

2. *Description of Services Provided (Continued)*

Program Services or Supports (Continued)

needs, which require constant line-of-sight supervision due to significantly challenging behaviors and/or co-existing medical conditions. Available services include personal assistance, household modification, specialized medical equipment and supplies, professional services and community connection services.

Early Intervention is for children from birth through age two which offer infants and toddlers and their families services and supports to enhance child development in the areas of cognition, speech, communication, physical, motor, vision, hearing, social-emotional development, and self help skills; parent-child or family interaction; and early identification, screening and assessment services.

Family Support provides an array of supportive services to the person with a developmental disability and his/her family when the person remains within the family home, thereby preventing or delaying the need for out-of-home placement, which is unwanted by the person or the family.

Case Management is the determination of eligibility for services and supports, service and support coordination, and the monitoring of all services and supports delivered pursuant to the IP, and the evaluation of results identified in the IP.

Rocky Mountain Early Childhood Council promotes and supports a system of quality, accessibility, affordability of early childhood for families in the Rural Resort Region.

Supporting Services

Management and General includes those activities necessary for planning, coordination and overall direction of the organization, financial administration, general board activities and other related activities indispensable to the organization's corporate existence.

3. *Basis of Accounting*

Financial statements of the Center have been prepared on the accrual basis, whereby revenue is recorded when services are performed and expenses are recognized when incurred.

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

4. *Subsequent Events*

The Center has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through September 18, 2023, the date on which the financial statements were issued. The Center did not identify any events or transactions that would have a material impact on the financial statements.

5. *Use of Estimates*

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, support and expenses during the reporting period. Actual results could differ from those estimates.

6. *Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Center considers cash to be cash on hand and cash on deposit, subject to immediate withdrawal, and cash equivalents to be certificates of deposit with an original maturity of three months or less.

The Center maintains cash balances in financial institutions located in Glenwood Springs, Colorado, which at times, may exceed federally insured limits. The Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

7. *Accounts Receivable*

The majority of the Center's accounts receivable are due from the State of Colorado. Accounts receivable are due according to contractual terms and are stated at the amount management expects to collect from outstanding balances. The Center believes all receivables are collectible and that no allowance for doubtful accounts is necessary. The Center writes off accounts receivable to bad debt expense after reasonable collection efforts have been made. Payments subsequently received on such receivables, if any, are recorded as other revenue.

8. *Inventories*

The cost of inventories was determined principally on a first-in, first-out basis under the lower of cost or market method of accounting.

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

9. *Land, Building and Equipment*

Land, building and equipment are reported at cost for purchased assets with a cost of $5,000 or more and an estimated fair value, at date of receipt, for donated property. Depreciation is provided on the straight-line method over the following estimated useful lives:

	Years
Buildings and improvements	5–30
Equipment	2–10
Vehicles	3–6

10. *Revenue Recognition*

Revenue is reported at the amount that reflects the consideration to which the Center expects to be entitled in exchange for providing services. Program revenue consists primarily of funds received from the State of Colorado for Medicaid and other services, miscellaneous smaller grants and awards from federal, state, county and municipal sources. Billings for services are billed after the services are performed. As performance obligations are satisfied, revenue is recognized.

Performance obligations are determined based on the nature of the services provided. As performance obligations are satisfied over time, revenue is recognized based on when related services are performed. This method provides for the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligations. Revenue received in advance is deferred to the applicable period in which the related program services are performed and at which time will be recognized in the period in which the related services are performed. Transaction price is based on standard charges for services provided, which is set by the State of Colorado. Rent income is recognized in the month in which it is earned rather than received.

11. *Accounting for Contributions*

All contributions are considered to be without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises to give, which do not state a due date, are presumed to be time-restricted by the donor until received and are reported as net assets with donor restrictions.

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

11. *Accounting for Contributions (Continued)*

A donor restriction expires when a stipulated time restriction ends, when an unconditional promise with an implied time restriction is collected, or when a purpose restriction is accomplished. Upon expiration, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. Restricted contributions received in the same year in which the restrictions are met are recorded as increases in net assets without donor restrictions.

12. *In-kind Contributions*

Contributions of property, materials and personal services are known as in-kind contributions and are recorded at estimated fair value at the date of receipt. The amount recorded for these contributions (other than contributions of land, building and equipment) is also included as program costs to properly reflect the total cost of the particular program.

13. *Net Assets*

From time to time, the Center's Board of Directors approves designating net assets for future use for a specific purpose.

14. *Functional Allocation of Expenses*

The costs of supporting various programs and other 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. Certain costs have been allocated to program and management and general based on estimates of time and effort, square footage of the office and other methods.

15. *Income Taxes*

The Center is operated as a nonprofit organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. The Center recognizes tax liabilities when, despite the Center's belief that its tax return positions are supportable, the Center believes that certain positions may not be fully sustained upon review by tax authorities. Benefits from tax positions are measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement. The Center has concluded there is no tax liability or benefit required to be recorded as of June 30, 2022. The Center is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Center believes it is no longer subject to income tax examinations for the years prior to the year ended June 30, 2019.

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

16. *Prior Year Summarized Information and Reclassifications*

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Center's financial statements as of and for the year ended June 30, 2021 from which the summarized information was derived.

17. *Recent Accounting Pronouncements*

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The most significant change for lessee is the requirement under the new guidance to recognize right-of-use assets and lease liabilities for all leases not considered short-term leases. Changes to the lessor accounting model include: (a) synchronizing key aspects of the model with the new revenue recognition guidance, such as basing whether a lease is similar to a sale or whether control of the underlying asset has transferred to the lessee and (b) prospectively eliminating the specialized accounting for leveraged leases. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. The ASU will be effective for fiscal years beginning after December 15, 2019, with early adoption permitted. In November 2019, the FASB issued ASU 2019-10, which defers the effective date of ASU 2016-02 one year, making it effective for annual reporting periods beginning after December 15, 2020. In June 2020, the FASB issued ASU 2020-05, which allows certain entities the option to delay the adoption by one year, making it effective for annual reporting periods beginning after December 15, 2021. The Center is in the process of evaluating the impact of this new guidance.

NOTE B – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	$ 4,081,160
Accounts receivable	2,129,534
	$ 6,210,694

As a part of the Center's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE C – LAND, BUILDING AND EQUIPMENT

Land, building and equipment consists of the following at June 30, 2022:

Buildings and improvements	$ 6,996,709
Equipment	216,827
Vehicles	558,010
	7,771,546
Less accumulated depreciation and amortization	6,082,591
	1,688,955
Land	795,694
	$ 2,484,649

Depreciation expense was $269,626 for the year ended June 30, 2022.

NOTE D – NOTES PAYABLE

On December 8, 2017, the Center borrowed $225,000 from a financial institution with a fixed rate of 4.99%, which is due December 8, 2027, payable in monthly installments of $2,393 including interest, and collateralized by land and building. On October 1, 2020, the loan agreement was amended to change the interest rate to a fixed rate of 4.00% and the monthly installments to $2,295. The outstanding balance of this note at June 30, 2022 was $136,486.

On December 20, 2013, the Center borrowed $100,000 from a financial institution with a fixed rate of 4.85%, which is due December 20, 2023, payable in monthly installments of $1,057 including interest, and collateralized by a building and deposits held at the financial institution. The outstanding balance of this note at June 30, 2022 was $18,300.

On February 11, 2009, the Center borrowed $335,000 from a financial institution which is due February 25, 2029, collateralized by land and building. The interest rate was a 4.25% fixed rate until December 25, 2022, at which time the interest rate becomes variable based on the prime rate. On October 1, 2020, the loan agreement was amended to change the interest rate to a fixed rate of 4.00%. The monthly payment amount of principal and interest is $2,311 and the loan is due on November 25, 2027. The outstanding balance of this note at June 30, 2022 was $133,993.

NOTE D – NOTES PAYABLE (CONTINUED)

Future maturities of notes payable at June 30, 2022, are as follows:

Year ending June 30,	
2023	$ 57,184
2024	53,228
2025	48,940
2026	50,962
2027	53,068
Thereafter	25,397
	288,779
Less current portion	57,184
	$ 231,595

Interest expense was $13,137 for the year ended June 30, 2022.

NOTE E – DEFERRED REVENUE

Deferred revenue of $93,670 at June 30, 2022, consists of $12,490 of unspent funds from Eagle County, $33,334 of unspent funds from Garfield County, and $47,846 of unspent funds from Temple Hoyne Buell Foundation.

NOTE F – LEASES

The Center leases facilities and equipment under operating lease arrangements to conduct a portion of its operations. Rental expense for the year ended June 30, 2022 was $82,728. Future minimum lease payments under noncancelable operating leases at June 30, 2022 are as follows:

Year ending June 30,	
2023	$ 57,464
2024	10,003
2025	1,667
	$ 69,134

NOTE G – FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated included salaries and benefits, telephone, depreciation and amortization, insurance, utilities, postage, storage and equipment lease, miscellaneous and interest, which are allocated on the basis of usage studies, square footage and other methods.

NOTE H – RETIREMENT PLANS

Defined Contribution Plan

The Center has adopted a contributory defined contribution plan for employees. Employees are eligible to participate after one year of full-time employment. The Center is a safe harbor plan with a maximum match of 4%, depending on years of service, which becomes fully vested immediately. During the year ended June 30, 2022, contributions to the plan by the Center were $102,312.

Deferred Compensation Plan

The Center has a deferred compensation plan for a select group of management and highly compensated employees. Participants contribute a certain percentage of their salary to the Plan and the Center can make contributions to the Plan. The Center will distribute the balance of the participant's account upon the 90th day after the participant separates employment with the Center, unless the participant has elected to commence distribution prior to this date. The Center maintains accounts for the participants. The total amount in these accounts was $218,383 as of June 30, 2022. The amount is recorded in prepaid expenses and other and accounts payable and accrued expenses. For the year ended June 30, 2022, no deferred compensation contributions were made and $9,507 in distributions were made.

NOTE I – RELATED PARTY TRANSACTIONS

The Center receives a substantial amount of revenue from the State of Colorado. The amount of receivables the Center has from the State of Colorado is $1,450,325 at June 30, 2022. These transactions are considered to be transactions with a related party by virtue of significant management influence exercised by the State of Colorado through contract provisions.

NOTE J – SUBSEQUENT EVENTS

On August 30, 2022, the Columbine House was sold for $1,162,000 and on July 1, 2022, the Eagle Ridge House was purchased for $460,000. This purchase was a cash purchase. The Center entered into three vehicle leases between December 2022 and February 2023.