

**URBAN LEAGUE OF  
BROWARD COUNTY, INC. AND  
SUBSIDIARIES**  
(A NONPROFIT ORGANIZATION)

CONSOLIDATED FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION AND  
INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2023 AND 2022

## TABLE OF CONTENTS

<b>INDEPENDENT AUDITOR’S REPORT</b> .....	1-3
 <b>FINANCIAL STATEMENTS</b>	
Consolidated Statements of Financial Position .....	4
Consolidated Statement of Activities and Changes in Net Assets for the Year Ended June 30, 2023. ....	5
Consolidated Statement of Activities and Changes in Net Assets for the Year Ended June 30, 2022. ....	6
Consolidated Statements of Cash Flows .....	7
Consolidated Statement of Functional Expenses for the Year Ended June 30, 2023. ....	8
Consolidated Statement of Functional Expenses for the Year Ended June 30, 2022. ....	9
Notes to Consolidated Financial Statements. ....	10-31
 <b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Expenditures of Federal Awards. ....	32
Schedule of Expenditures of State Financial Assistance .....	33
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance. . .	34
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> . ....	35-36
Independent Auditor’s Report on Compliance for each Major Federal Program and State Project and on Internal Control Over Compliance Required by Uniform Guidance and Chapter 10.650, <i>Rules of the Florida Auditor General</i> .....	37-39
Schedule of Findings and Questioned Costs – Federal Awards Programs and State Financial Assistance. ....	40-41
Consolidating Statement of Financial Position. ....	42
Consolidating Statement of Activities and Changes in Net Assets. ....	43



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Urban League of Broward County, Inc. and Subsidiaries

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the accompanying consolidated financial statements of Urban League of Broward County, Inc. and its subsidiaries ("ULBC"), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related 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 present fairly, in all material respects, the financial position of ULBC as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ULBC 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 opinions.

#### *Responsibilities of Management for the Consolidated 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 ULBC'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 Consolidated 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material

Armando Aburto, C.P.A.  
Jorge Albeirus, C.P.A.  
Viviana Bruno, C.P.A.  
Lisset I. Cascudo, C.P.A.  
Michelle del Sol, C.F.E., C.P.A.  
Elizabeth Jarvis, C.P.A.  
Cristy C. Rubio, C.P.A.  
Pedro L. Silva, C.P.A.  
Michael Vildosola, C.P.A.

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 consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 ULBC'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 ULBC'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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the

United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of state financial assistance, as required by Chapter 10.650 Rules of the Auditor General of the State of Florida, are presented for purposes of additional analysis and is not a required part of the financial statements. The consolidating information on pages 39 and 40 is presented for the purpose of additional analysis and is not part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2023, on our consideration of ULBC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ULBC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ULBC's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
October 11, 2023

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2023 AND 2022**

<b>ASSETS</b>		
	<b>2023</b>	<b>2022</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 10,587,915	\$ 11,993,422
Restricted cash	4,283,986	4,474,434
Investments	3,469,875	3,261,003
Grants and contracts receivable	2,064,849	1,234,205
Other receivable	438	85,501
Loan receivables, current	349,221	184,675
Contributions receivable, net	-	10,000
Prepaid expenses and other assets	92,878	40,322
<b>TOTAL CURRENT ASSETS</b>	<b>20,849,162</b>	<b>21,283,562</b>
Contribution receivable, net	-	30,990
SB loan fund receivable	500,000	500,000
Loan receivable	1,167,465	874,667
Endowment	93,225	89,333
Housing inventory	945,917	977,205
Bond issue costs	59,801	67,276
Funds held in escrow	551,000	551,000
Other assets	253,839	432,834
Property and equipment, net	5,386,486	5,260,092
<b>TOTAL ASSETS</b>	<b>\$ 29,806,895</b>	<b>\$ 30,066,959</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 1,173,907	\$ 819,198
Accrued payroll	91,414	179,456
Accrued vacation	158,489	136,650
Refundable advances and deferred revenue	2,725,194	3,763,958
CEC mortgage loan payable - current	251,909	218,838
Small business loan fund - accrued interest	40,256	31,078
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,441,169</b>	<b>5,149,178</b>
NSP loan covenant	1,047,178	1,047,178
Loan loss reserve	102,300	102,300
Note payable - Payroll Protection Program	-	-
CEC mortgage loan payable	1,867,560	2,059,546
Small business loan fund	2,565,000	2,565,000
<b>TOTAL LIABILITIES</b>	<b>10,023,207</b>	<b>10,923,202</b>
<b>NET ASSETS</b>		
Without donor restrictions - board designated	670,948	670,948
Without donor restrictions	15,319,984	15,239,691
With donor restrictions	3,792,756	3,233,118
<b>TOTAL NET ASSETS</b>	<b>19,783,688</b>	<b>19,143,757</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 29,806,895</b>	<b>\$ 30,066,959</b>

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

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions		Total
		Other Donor Restricted Funds	Gifts Restricted in Perpetuity	
<b>PUBLIC SUPPORT AND REVENUE</b>				
Federal grants	\$ 2,609,688	\$ -	\$ -	\$ 2,609,688
State grants	5,060,817	-	-	5,060,817
Broward County grants	686,505	-	-	686,505
United Way	174,504	-	-	174,504
Foundation grants	3,595,519	581,639	-	4,177,158
Other contributions	353,007	-	-	353,007
<b>TOTAL PUBLIC SUPPORT</b>	<b>12,480,040</b>	<b>581,639</b>	<b>-</b>	<b>13,061,679</b>
<b>REVENUE</b>				
Special events, net	241,931	-	-	241,931
Interest and dividend income, net	173,266	-	-	173,266
Inkind revenue	152,934	-	-	152,934
Rental income	205,315	-	-	205,315
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>13,253,486</b>	<b>581,639</b>	<b>-</b>	<b>13,835,125</b>
<b>EXPENSES</b>				
Program services:				
Education	4,272,543	-	-	4,272,543
Housing	948,585	-	-	948,585
Jobs	1,074,563	-	-	1,074,563
Health	2,671,404	-	-	2,671,404
Small business initiatives	1,524,816	-	-	1,524,816
<b>Total Program Services</b>	<b>10,491,911</b>	<b>-</b>	<b>-</b>	<b>10,491,911</b>
Subsidiary services:				
CCCDC - Affordable Housing CHDO	971,197	-	-	971,197
Urban Pompano, Inc.	26,777	-	-	26,777
Urban Ventures, LLC	443,119	-	-	443,119
<b>Total Subsidiary Services</b>	<b>1,441,093</b>	<b>-</b>	<b>-</b>	<b>1,441,093</b>
Supporting services:				
Fund development	416,963	-	-	416,963
General and administration	996,162	-	-	996,162
<b>Total supporting services</b>	<b>1,413,125</b>	<b>-</b>	<b>-</b>	<b>1,413,125</b>
<b>TOTAL EXPENSES</b>	<b>13,346,129</b>	<b>-</b>	<b>-</b>	<b>13,346,129</b>
Net assets released from restrictions	-	-	-	-
<b>CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<b>(92,643)</b>	<b>581,639</b>	<b>-</b>	<b>488,996</b>
<b>Non-operating Activities</b>				
Gain (loss) on investments, net	196,622	-	(22,001)	174,621
Loss on sale of property	(127,610)	-	-	(127,610)
Other revenue	103,924	-	-	103,924
<b>Total change from non-operating activities</b>	<b>172,936</b>	<b>-</b>	<b>(22,001)</b>	<b>150,935</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>80,293</b>	<b>581,639</b>	<b>(22,001)</b>	<b>639,931</b>
<b>NET ASSETS - beginning net assets</b>	<b>15,910,639</b>	<b>3,143,785</b>	<b>89,333</b>	<b>19,143,757</b>
<b>NET ASSETS - ending net assets</b>	<b>\$ 15,990,932</b>	<b>\$ 3,725,424</b>	<b>\$ 67,332</b>	<b>\$ 19,783,688</b>

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

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Without Donor Restrictions	With Donor Restrictions		Total
		Other Donor Restricted Funds	Gifts Restricted in Perpetuity	
<b>PUBLIC SUPPORT AND REVENUE</b>				
Federal grants	\$ 1,688,925	\$ -	\$ -	\$ 1,688,925
State grants	3,732,522	-	-	3,732,522
Broward County grants	757,580	-	-	757,580
United Way	188,260	-	-	188,260
Foundation grants	3,835,862	-	-	3,835,862
Other contributions	359,612	-	-	359,612
<b>TOTAL PUBLIC SUPPORT</b>	<b>10,562,761</b>	<b>-</b>	<b>-</b>	<b>10,562,761</b>
<b>REVENUE</b>				
Special events, net	224,426	-	-	224,426
Interest and dividend income, net	88,523	-	-	88,523
Rental income	219,670	-	-	219,670
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>11,095,380</b>	<b>-</b>	<b>-</b>	<b>11,095,380</b>
<b>EXPENSES</b>				
Program services:				
Education	4,130,678	-	-	4,130,678
Housing	626,882	-	-	626,882
Jobs	1,157,248	-	-	1,157,248
Health	1,681,953	-	-	1,681,953
Small business initiatives	773,788	-	-	773,788
<b>Total Program Services</b>	<b>8,370,549</b>	<b>-</b>	<b>-</b>	<b>8,370,549</b>
Subsidiary services:				
CCCDC - Affordable Housing CHDO	811,106	-	-	811,106
Urban Pompano, Inc.	23,634	-	-	23,634
Urban Ventures, LLC	354,267	-	-	354,267
<b>Total Subsidiary Services</b>	<b>1,189,007</b>	<b>-</b>	<b>-</b>	<b>1,189,007</b>
Supporting services:				
Fund development	338,651	-	-	338,651
General and administration	614,780	-	-	614,780
<b>Total supporting services</b>	<b>953,431</b>	<b>-</b>	<b>-</b>	<b>953,431</b>
<b>TOTAL EXPENSES</b>	<b>10,512,987</b>	<b>-</b>	<b>-</b>	<b>10,512,987</b>
Assets released from restrictions	1,180,776	(1,180,776)	-	-
<b>CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<b>1,763,169</b>	<b>(1,180,776)</b>	<b>-</b>	<b>582,393</b>
<b>Non-operating Activities</b>				
Loss on investments, net	(344,156)	-	(22,001)	(366,157)
PPP loan forgiveness	782,884	-	-	782,884
Insurance proceeds	131,056	-	-	131,056
Other revenue	4,418,240	-	-	4,418,240
Income taxes	(1,074,000)	-	-	(1,074,000)
<b>Total change from non-operating activities</b>	<b>3,914,024</b>	<b>-</b>	<b>(22,001)</b>	<b>3,892,023</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>5,677,193</b>	<b>(1,180,776)</b>	<b>(22,001)</b>	<b>4,474,416</b>
NET ASSETS - beginning net assets	10,233,446	4,324,561	111,334	14,669,341
<b>NET ASSETS - ending net assets</b>	<b>\$ 15,910,639</b>	<b>\$ 3,143,785</b>	<b>\$ 89,333</b>	<b>\$ 19,143,757</b>

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



**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022**

	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES		
Change in net assets	\$ 639,931	\$ 4,474,416
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Increase in allowance for doubtful accounts	40,990	-
Depreciation and amortization	270,228	260,857
Investment unrealized (gains) losses	(172,935)	155,119
Loss on sale of fixed asset	127,610	-
Donated assets	(116,560)	-
PPP loan forgiveness	-	(782,884)
Reduction of right-of-use asset	276,000	-
Change in right-of-use liability	(276,000)	-
Changes in operating assets and liabilities		
(Increase) decrease in operating assets:		
Grants and contracts receivable	(745,581)	797,122
Prepaid expenses and other assets	126,439	(406,689)
Increase (decrease) in operating liabilities:		
Accounts, fiscal payable and accrued expenses	288,506	127,390
Refundable advances and deferred revenues	(1,038,764)	885,663
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(580,136)</u>	<u>5,510,994</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(368,909)	(48,622)
Proceeds from investments	(34,829)	192,115
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	<u>(403,738)</u>	<u>143,493</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on CEC mortgage loan, net of amortization of bond costs	(158,915)	(158,915)
Purchases of loan receivables	(707,930)	(340,000)
Proceeds from note payable	9,178	1,072,187
Funds placed into escrow	-	(551,000)
Repayment of loan receivables	250,586	265,462
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	<u>(607,081)</u>	<u>287,734</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,590,955)	5,942,221
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	16,462,856	10,520,635
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 14,871,901</u>	<u>\$ 16,462,856</u>
DISPLAYED AS:		
Cash and cash equivalents	\$ 10,587,915	\$ 11,993,422
Restricted cash and cash equivalents	4,283,986	4,474,434
Total cash	<u>\$ 14,871,901</u>	<u>\$ 16,467,856</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest during the year	<u>\$ 152,315</u>	<u>\$ 143,773</u>
Right-of-use asset obtained in exchange for lease obligation:		
Operating lease	<u>\$ 2,202,349</u>	<u>\$ -</u>
Reductions to right-of-use asset		
Operating lease	<u>\$ 276,000</u>	<u>\$ -</u>

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

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Account Description	Program Services					Subsidiary Services			Support Services		Total
	Housing	Jobs	Education	Small Business	Health	CCCDC	Urban Pompano	Urban Ventures	Fund Development	General & Administration	
Salaries, benefits and payroll taxes	\$ 351,208	\$ 379,115	\$ 1,428,929	\$ 362,276	\$ 1,371,770	\$ 525,301	\$ 13,342	\$ -	\$ 256,151	\$ 440,413	\$ 5,128,505
Professional fees	518,454	8,039	92,864	137,353	245,037	32,769	3,323	20,176	13,647	152,591	1,224,253
Telephone & network	17,242	21,633	80,567	21,716	79,716	28,493	79	100	20,140	90,203	359,889
Postage	118	98	569	59	362	100	4	-	1,054	650	3,014
Office supplies	2,700	20,428	12,796	1,282	15,673	8,552	4	890	1,404	10,732	74,461
Conferences & meetings	4,797	12,457	60,210	11,935	1,018	5,386	-	8,967	26,671	22,606	154,047
Program services	1,957	128,922	103,912	131	29,930	1,271	-	-	34,514	4,899	305,536
Program supplies	331	65	31,707	355	5,482	875	-	-	4,000	11,448	54,263
Contracted services	-	466,999	2,316,673	949,295	655,310	-	-	-	-	-	4,388,277
Travel	382	2,616	6,759	38	15,762	-	-	-	-	2,209	27,766
Printing & publications	609	463	2,210	222	1,788	603	1	-	1,875	3,937	11,708
Dues & subscriptions	-	-	-	385	-	485	-	-	1,590	15,561	18,021
Donated services/expenses	-	-	-	-	-	-	-	-	36,374	-	36,374
Advertising	6,985	6,100	6,165	7,533	109,752	10,168	-	-	4,861	9,958	161,522
Occupancy	31,989	17,401	83,776	8,426	96,221	111,299	261	31,697	9,790	46,461	437,321
Equipment rental & repair	4,202	4,132	16,997	3,110	16,263	6,754	28	11,557	1,921	9,695	74,659
Licenses & fees	2,092	228	1,321	3,494	1,413	2,378	150	149	106	755	12,086
Bank charges	-	-	-	-	-	2,939	30	-	-	10,917	13,886
Auto	-	-	-	-	-	-	-	-	-	11,218	11,218
Insurance	5,519	5,867	26,888	4,451	25,907	61,043	52	-	2,865	9,330	141,922
Interest	-	-	-	-	-	55,436	-	96,879	-	-	152,315
Depreciation	-	-	-	-	-	31,288	-	231,465	-	-	262,753
Miscellaneous	-	-	200	10,530	-	84,884	826	249	-	142,579	239,268
Tax fees	-	-	-	2,225	-	1,173	8,677	-	-	-	12,075
Bad debt	-	-	-	-	-	-	-	40,990	-	-	40,990
<b>Total Expenses</b>	<b>\$ 948,585</b>	<b>\$ 1,074,563</b>	<b>\$ 4,272,543</b>	<b>\$ 1,524,816</b>	<b>\$ 2,671,404</b>	<b>\$ 971,197</b>	<b>\$ 26,777</b>	<b>\$ 443,119</b>	<b>\$ 416,963</b>	<b>\$ 996,162</b>	<b>\$ 13,346,129</b>

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

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

Account Description	Program Services					Subsidiary Services			Support Services		Total
	Housing	Jobs	Education	Small Business Initiatives	Health	CCCDC	Urban Pompano	Urban Ventures	Fund Development	General & Administration	
Salaries, benefits and payroll taxes	\$ 281,467	\$ 490,471	\$ 1,414,419	\$ 343,327	\$ 998,195	\$ 457,552	\$ 19,139	\$ -	\$ 202,922	\$ 422,413	\$ 4,629,905
Professional fees	209,477	15,082	55,856	133,611	93,781	33,075	1,349	27,516	19,771	43,569	633,087
Telephone & network	13,035	24,305	56,926	14,318	58,113	26,753	1,245	200	31,661	30,447	257,003
Postage	184	157	748	124	497	72	2	-	1332	1,295	4,411
Office supplies	82,072	6,581	13,126	11,183	51,773	10,286	27	391	3,909	16,049	195,397
Conferences & meetings	200	2,581	3,779	3,304	2,980	401	-	1,309	2,000	7,008	23,562
Program services	1,381	91,068	102,227	385	12,454	-	-	-	27,788	2,469	237,772
Program supplies	1,199	82,160	30,489	100	15,260	1,975	-	250	3,177	8,286	142,896
Contracted services	-	381,700	2,288,359	218,708	247,286	-	-	-	-	-	3,136,053
Travel	19	203	3,680	28	7,340	-	-	-	-	1,069	12,339
Printing & publications	110	218	977	23	203	266	5	-	417	919	3,138
Dues & subscriptions	384	-	-	-	-	350	-	-	350	15,550	16,634
Donated services/expenses	-	-	-	-	-	-	-	-	1,020	-	1,020
Advertising	720	7,865	10,857	17,398	51,816	4,428	-	-	30,341	-	123,425
Occupancy	28,678	40,007	102,766	20,238	118,318	136,440	1,435	7,583	8,673	29,776	493,914
Equipment rental & repair	1,339	2,670	6,959	808	5,386	2,853	36	22,204	663	8,256	51,174
Licenses & fees	112	195	627	6,663	522	20,425	162	703	53	647	30,109
Bank charges	-	-	-	-	-	1,894	87	-	-	8,232	10,213
Special events	-	-	-	-	-	-	-	-	560	-	560
Auto	-	-	14	-	-	-	-	-	-	5,385	5,399
Insurance	6,505	11,985	26,989	3,370	18,029	40,186	147	-	2,994	12,620	122,825
Interest	-	-	-	-	-	40,468	-	103,305	-	-	143,773
Depreciation	-	-	-	-	-	31,288	-	190,806	-	-	222,094
Miscellaneous	-	-	11,880	200	-	-	-	-	1,020	790	13,890
Tax fees	-	-	-	-	-	2,394	-	-	-	-	2,394
<b>Total Expenses</b>	<b>\$ 626,882</b>	<b>\$ 1,157,248</b>	<b>\$ 4,130,678</b>	<b>\$ 773,788</b>	<b>\$ 1,681,953</b>	<b>\$ 811,106</b>	<b>\$ 23,634</b>	<b>\$ 354,267</b>	<b>\$ 338,651</b>	<b>\$ 614,780</b>	<b>\$ 10,512,987</b>

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

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 1 – NATURE OF OPERATIONS

***Organization***

The Urban League of Broward County, (“ULBC”) was founded in 1974 as a not-for-profit social and human services organization by a diverse group of community leaders to alleviate some of the racial tensions brought on by forced desegregation of the county’s public schools. The ULBC, which was given affiliate status in 1975 as the National Urban League’s 94th affiliate, employs 95 employees and directly serves over 27,184 people annually. The ULBC is widely regarded as one of the most progressive Urban League affiliates in the nation.

Established in 1910, the National Urban League, headquartered in New York City, spearheads the non-partisan efforts of the 90 local affiliates. The National Urban League is the nation’s oldest and largest community-based movement devoted to empowering African Americans.

The Urban League of Broward County has three subsidiaries, as follows:

- Central County Community Development Corporation (“CCCDC”), was established in 1993 initially for the purpose to acquire, develop, sponsor, purchase and rehabilitate deteriorating and/or substandard housing for subsequent sale and/or rental at affordable prices to residents of low and moderate incomes. The CCCDC also provides support for community development and economic development activities, such as small business lending and loan funds. CCCDC is also recognized as a Community Development Housing Organization (“CHDO”) certified by the Florida Housing Finance Corporation and Broward County, Florida.
- Urban Pompano, Inc. is a Florida corporation established to serve as General Partner in the Oaks of Pompano, Limited, a Florida limited partnership, along with the Cornerstone Limited Partner, LLC as the Managing General Partner and John Hancock as the Limited Partner. Urban Pompano as a general partner had a .02% interest in the project. Oaks of Pompano is a multi-family mixed income rental community in Pompano, Florida constructed in 1996 with 224 units as a low income housing tax credit project. During the year ended June 30, 2022, Oaks at Pompano, Ltd. sold their property and as of June 30, 2022, Urban Pompano, Inc. no longer has an interest in the project.
- Urban Ventures is a single purpose entity created to hold a specific real estate asset, the Community Empowerment Center, and its related leasing. The entity was established by the Board of Directors as a risk mitigation strategy and also to allow for the lease of the Community Empowerment Center to the parent company, Urban League of Broward County, Inc.

***Mission***

The mission of the Urban League of Broward County is to enable African-Americans and others in historically underserved communities to secure economic self-reliance, parity, power, and civil rights.

***Our Areas of Service***

**Education**

ULBC values education as a key component for living a healthier and more prosperous life. Our education and youth development programs provide young people with the critical skills they need to excel academically, avoid at-risk behavior and become engaged members in their communities.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 1 – NATURE OF OPERATIONS (Continued)

**Entrepreneurship**

ULBC's Entrepreneurship Center's M3 Model (Markets, Management & Money) helps small business owners access the tools needed to grow and develop their business. ULBC provides technical assistance, business management training and lending solutions.

**Jobs**

ULBC is committed to strengthening the family unit by promoting economic self-sufficiency. Through training, career building, and financial coaching we help equip individuals with tools needed to obtain gainful employment, stabilize their finances and build assets.

**Justice**

ULBC strives to build a stronger, safer community for the children and families we serve. Through our community justice programs, our youth learn the value of social responsibility. We use a variety of methods including the restorative justice model to engage youth in critical conversations about their interaction with peers, parents, and law enforcement.

**Housing**

ULBC is dedicated to building thriving communities through strong economic infrastructure. ULBC's housing programs offer families long-term, sustainable solutions that focus on building assets through savings and homeownership. ULBC's wealth accumulation services include financial literacy education, budgeting, credit counseling, homeownership, foreclosure prevention, and loan modification.

**Health**

ULBC believes that health and wellness education is the key to optimal growth for our children and families. Our health programs are designed to ensure that preventative care advances and vital health resources reach those who need them most.

***Governance***

The Urban League of Broward County (ULBC) is governed by a 25-member Board of Directors. The members of the Corporate Board of Directors are committed volunteers who formulate policies, develop financial resources and monitor staff implementation of policies. The Governance Committee of the Board of Directors on an annual basis nominates those persons whom it believes should serve as the elected officers and members of the Board. The proposed slate is presented to the Board at the Annual Meeting of the Board. The Governance Committee endeavors to select members of the Board from a broad spectrum of community and business and recommends persons who evidence a commitment to, or on behalf of, the ULBC. The majority of the Board members present at the annual meeting must vote in the affirmative for the slate to be approved. The 2021-2022 Urban League Board of Directors consisted of 25 members with staggered terms. Board members are elected initially for a one-year term, with option for renewal for a two-year term, followed by a three-year term and up to 4 one-year term extensions for a maximum of ten consecutive years. The Board has five standing committees (Executive, Governance, Board Relations, Finance, and Audit). In addition, the Board of Directors has ad hoc committees including Marketing, Stewardship, Investment Subcommittee, Human Resources, Government Relations, and Social Enterprise.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by ULBC and its Subsidiaries are described below.

***Basis of presentation***

The consolidated financial statements of the ULBC have been prepared on the accrual basis in accordance with U.S. generally accepted accounting principles (GAAP). The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) is the source of authoritative GAAP. Revenues are recorded when earned and realized/realizable. Expenses are recorded when materials are received or services are provided. Expenses incurred at fiscal year-end have been accrued and expenses applicable to future periods have been deferred.

Accordingly, ULBC's resources are classified and reported based upon the existence or absence of donor-restricted restrictions, as follows:

- Net assets without donor restriction – include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transactions (except income and gains on assets that are restricted by donors or by law) are included in the net assets without donor restriction class.
- Net assets with donor restriction – include those net assets whose use by ULBC has been limited by donor imposed stipulations that either expire by the passage of time or can be fulfilled by expending the funds for their restricted purpose. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with the investment return available for operations. Net assets with donor restrictions totaled \$3,792,756 and \$3,233,118 as of June 30, 2023 and 2022, respectively. See Note 13.

***Principles of consolidation***

The consolidated financial statements include the accounts of Central County Community Development Corporation, Urban Pompano Inc. and Urban Ventures, all wholly owned subsidiaries of ULBC. These subsidiaries were created for the purposes mentioned above and the results of their operations are reflected in the consolidated financial statements.

All significant inter-company accounts and transactions have been eliminated in the consolidation of the accounts of ULBC and its subsidiaries.

***Cash and cash equivalents***

Cash and cash equivalents include all monies in banks and highly liquid investments with a maturity date of less than three (3) months.

***Grants receivable***

Grants receivable represent reimbursable costs incurred and accrued but not yet received as of the years ended June 30, 2023 and 2022. ULBC considers grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If receivables become uncollectible, they will be charged to operations when that determination is made.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Promises to Give/Contributions Receivable***

Contributions are recognized as revenue when they are received or unconditionally pledged. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a risk-free interest rate applicable to the year in which the promise is received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met. An allowance for uncollectible contributions is provided based upon management's judgment, including such factors as prior collection history, type of contribution and nature of fundraising activity.

***Loans receivable***

Loans receivable represent amounts loaned to under-resourced businesses headquartered in the State of Florida. Loans are collateralized by the assets of the businesses.

***Investments***

Under FASB ASC 958-320-50-1, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidated statements of financial position as unrealized gains or losses on investments not previously recognized.

***Housing inventory***

The properties are recorded pursuant to GAAP using the "Cost Recovery Method".

***Property and Equipment***

ULBC capitalizes all expenditures for equipment in excess of \$1,000, or if donated, at fair market value (at date of gift) in excess of \$1,000. Property and equipment are depreciated using the straight-line method. Useful lives range from 5 to 20 years.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as increases in net assets without restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions. ULBC reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. ULBC reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

***Unamortized Bond Issuance Costs***

Costs incurred in connection with bond issuances are being amortized on the effective-yield method over the lives of the respective bond. Amortization expense for the years ended June 30, 2023 and 2022 were \$7,642 and \$7,642, respectively.

***Accrued vacation***

ULBC's vacation policy allows an employee to carry over unused vacation time to the next year in an amount equal to 50% of the annual amount being accrued as of the employee anniversary date. Upon termination, an employee who has been employed for one year or more is entitled to be paid 50% of the annual amount accrued on the termination date. ULBC's obligation for accrued vacation amounts as of June 30, 2023 and 2022 was \$158,489 and \$136,650, respectively, and is included in the accompanying consolidated statement of financial position.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Refundable advances and Deferred Revenue***

ULBC has recorded restricted grant awards as refundable advances for approximately \$2,725,194 and \$3,763,958 as of June 30, 2023 and 2022, respectively; until such awards are expended for the purpose of the grants at which time they become unconditional and are recognized as revenue. These amounts are included in restricted cash in the consolidated statement of financial position.

***Advertising costs***

Advertising costs are expensed as incurred. Advertising costs for the years ended June 30, 2023 and 2022 was approximately \$161,522 and \$123,425, respectively.

***Income Taxes***

ULBC is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code (the “Code”), and is not considered a private foundation within the meaning of the Code. Donations to ULBC qualify for the charitable contributions deduction provided for under the Internal Revenue Code. Subsidiaries of the Urban League of Broward County in these financial statements are not subject to tax except for Urban Pompano.

ULBC has adopted the provisions of FASB ASC 740 (formerly FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes – An Interpretation of FASB Statement No. 109) (“FIN 48”). Under ASC 740, ULBC must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. The adoption of ASC 740 had no impact on ULBC’s consolidated financial statements. Management of ULBC does not believe there are any material uncertain tax positions and accordingly has not recognized any liability for unrecognized tax benefits. ULBC has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, ULBC has filed Internal Revenue Service Form 990 tax returns as required and all other applicable returns in those jurisdictions where it is required.

ULBC believes that it is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2019. However, ULBC is still open to examination by taxing authorities from fiscal year 2020 forward.

***Concentration of Credit Risk***

Financial instruments, which potentially subject ULBC to significant concentrations of credit risk, consist principally of cash and cash equivalents, and investments. ULBC’s bank account balances are insured up to \$250,000 per depositor accounts by the Federal Deposit Insurance Corporation (the “FDIC”), an independent agency of the United States government. ULBC cash accounts may exceed federally insured limits from time to time. A summary of total insured and uninsured cash balances as of June 30, 2023 and 2022 were as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Total Cash in Bank	\$ 14,399,905	\$ 16,403,938
Less: Portion insured by FDIC	(4,129,505)	(1,955,084)
Uninsured cash balances	<u>\$ 10,270,400</u>	<u>\$ 14,448,854</u>



**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Concentration of Credit Risk (Continued)***

ULBC invests in a variety of publicly traded investment vehicles, including common stocks, government and money market funds totaling \$3,469,875 and \$3,261,003 as of June 30, 2023, and 2022, respectively. Management seeks to mitigate risks inherent in the investment portfolio by investing primarily in highly rated financial instruments and through regular monitoring of the investment portfolio.

Management believes that ULBC is not exposed to any significant credit risk on its cash and cash equivalents. Furthermore, ULBC has not experienced any losses on its cash equivalents. In addition, ULBC's investments do not represent significant concentrations of market risk inasmuch as ULBC's investment portfolio is adequately diversified among issuers.

***Fair Value of Financial Instruments***

The carrying amounts of cash and cash equivalents, grants receivable, other receivables, pledges receivable – current and accounts payables approximate fair value because of the short-term maturity of these financial instruments. The carrying amounts of pledges receivable-long term are recorded using the applicable discount rate in effect at the time the pledge was made.

Contributions of assets, other than cash (including housing inventory), are recorded at their estimated fair value at the date of the gift. Estimates of fair value involve assumptions and estimation methods that are uncertain and, therefore, the estimates could differ from actual results.

The fair value for investments and other financial instruments recorded at fair value on a recurring basis are included in Note 5.

***Adopted Accounting Pronouncements***

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)". The guidance in these ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize leased assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of activities. The new standard is effective for ULBC for the fiscal year ending June 30, 2023. As a result, ULBC has recognized on the consolidating statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the term of the lease, however, it is eliminated upon consolidation. See Note 11.

In September 2020, the FASB issued ASU 2020-07, Not-for-profit Entities (Topic 958) Presentation Disclosures by Not-for-profit Entities for Contributed Nonfinancial Assets, requiring an entity to present contributed financial assets as a separate line item on the statement of activities, apart from contributions of cash and other financial assets. ASU 2020-07 includes additional disclosure requirements about contributed nonfinancial assets for not-for-profit entities, including additional disclosure requirements for recognized contributed services. See Note 12.

***Use of Estimates***

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***FASB ASC 842, Leases***

ULBC recognizes and measures its leases in accordance with FASB ASC 842, Leases. ULBC is a lessee in a noncancellable operating lease for office space with one of its subsidiaries. ULBC determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. ULBC recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise ULBC uses its incremental borrowing rate.

The implicit rates of our leases are not readily determinable and accordingly, ULBC uses the incremental borrowing rate based on the information available at the commencement date for all leases. ULBC's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized.

***Functional Expenses Allocation***

The costs of providing the various programs and supporting services have been summarized on a functional basis in the consolidated statement of activities. Accordingly, costs have been allocated among the program and supporting services benefited. The expenses that are allocated are personnel expenses, which are allocated on the basis of estimates of time and effort; facilities and interest expenses and depreciation, which are allocated on a weighted-average square footage basis; and supplies and contracted services, which are allocated based on actual expenses incurred for each function.

***Subsequent Events***

Under FASB ASC, subsequent events are events or transactions that occur after the statutory financial statement date but before the financial statements are issued or ready to be issued. ULBC recognizes in the statutory financial statements the effect of all subsequent events that provide additional evidence about conditions that existed at the date of the financial statements, including estimates inherent in the process of preparing the financial statements. ULBC's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the financial statement but arose after the financial statement date and before the financial statements are issued. ULBC has evaluated the subsequent events through October 11, 2023, which is the date the financial statements were available to be issued.

NOTE 3 – RESTRICTED CASH

Restricted cash at June 30, 2023 and 2022, respectively, represent amounts to be used specifically for:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Community Empowerment Campaign	\$ 1,081,513	\$ 1,051,100
Escrow bank account	545,176	494,129
State DEO and Crime Prevention	54,018	363,792
Florida DEO Loan Loss Reserve Fund	2,603,279	2,565,413
	<u>\$ 4,283,986</u>	<u>\$ 4,474,434</u>

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

**NOTE 4 – INVESTMENTS**

Investments represent one Endowment Fund of mutual equity and fixed income funds held by the Community Foundation of Broward on behalf of ULBC, as well as a portfolio of equities and debt securities held and managed by TD Bank. Investments are at fair market value at June 30, 2023 and 2022 and consist of the following:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Equities	\$ 1,341,358	\$ 1,133,798
Fixed income	2,018,774	2,035,090
Other investments	202,968	181,448
Total Investments	<u>\$ 3,563,100</u>	<u>\$ 3,350,336</u>

Interest, dividends, and investment income is composed of the following for the years ended June 30, 2023 and 2022, respectively:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Interest and dividends	\$ 74,788	\$ 52,320
Net realized (loss)	(7,066)	(210,989)
Net unrealized gain (loss)	172,935	(155,119)
Investment expenses	(31,785)	(33,396)
	<u>\$ 208,872</u>	<u>\$ (347,184)</u>

**NOTE 5 – FAIR VALUE MEASUREMENTS**

ULBC reports its fair value measures using a fair value hierarchy defined by generally accepted accounting principles in the United States. The additional disclosures required about fair value measurements include, among other things, (a) the amounts and reasons for certain significant transfers among the three hierarchy levels of inputs, (b) the gross, rather than net, basis for certain Level 3 roll-forward information, (c) use of a “class” basis rather than a “major category” basis for assets and liabilities, and (d) valuation techniques and inputs used to estimate Level 2 and Level 3 fair value measurements.

Under the FASB’s authoritative guidance on fair value measurements, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, ULBC uses various methods including market, income and cost approaches. Based on these approaches, ULBC often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. ULBC utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, ULBC is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 5 – FAIR VALUE MEASUREMENTS (Continued)

Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

**Level 1** Inputs to valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the ULBC has the ability to access.

**Level 2** Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

**Level 3** Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation; also includes observable inputs for nonbinding single dealer quotes not corroborated by observable market data.

The following is a description of the valuation methodologies used for assets measured at fair value.

Investments: The valuation methodology used for assets measured at fair value was based on the security price obtained by the investment manager for each of the investment securities held at the end of the year.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the ULBC believes its valuation method is appropriate and consistent with other market participants, the use of difference methodologies or assumptions to determine that fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the assets at fair value as of June 30, 2023:

Description	Fair Value 6/30/2023	Quoted Prices	Significant Other	Significant Other
		In Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Investments	\$ 3,469,875	\$ 3,469,875	\$ -	\$ -
Endowment	93,225	-	93,225	-
	<u>\$ 3,563,100</u>	<u>\$ 3,469,875</u>	<u>\$ 93,225</u>	<u>\$ -</u>

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 5 – FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the assets at fair value as of June 30, 2022:

Description	Fair Value 6/30/2022	Quoted Prices	Significant Other	Significant Other
		In Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Investments	\$ 3,261,003	\$ 3,261,003	\$ -	\$ -
Endowment	89,333	-	89,333	-
	<u>\$ 3,350,336</u>	<u>\$ 3,261,003</u>	<u>\$ 89,333</u>	<u>\$ -</u>

NOTE 6 – CONTRIBUTIONS RECEIVABLE

Contribution receivable were as follows:

	June 30, 2023	June 30, 2022
Contributions Receivable to be collected:		
Less than one year	\$ 15,000	\$ 15,000
One to five years	48,776	48,776
Total Contribution Receivable	<u>63,776</u>	<u>63,776</u>
Less:		
Allowance for uncollectible amounts	<u>63,776</u>	<u>22,786</u>
Total deductions	<u>63,776</u>	<u>22,786</u>
Net contribution receivable	<u>\$ -</u>	<u>\$ 40,990</u>

Contributions receivables at June 30, 2023 and 2022 are classified as follows:

Current contribution receivable	\$ -	\$ 15,000
Long-term contribution receivable	-	25,990
Total contributions receivable	<u>\$ -</u>	<u>\$ 40,990</u>

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

**NOTE 7 – HOUSING INVENTORY AND NSP LOAN**

Housing inventory consists of the following:

<u>Funding Source</u>	<u>Home Reference</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
JP Morgan Chase	Pompano 206	\$ 65,930	\$ 65,930
Self-financed	Washington Park - House 2905	198,551	198,551
NSP - BAND - City of Plantation	Plantation - House 931	189,323	189,323
NSP - BAND - City of Plantation	Plantation - House 9	176,936	176,936
NSP - BAND - City of Plantation	Plantation - House 8	133,757	133,757
NSP - BAND - City of Plantation	Plantation - House 216	151,932	151,932
NSP - BAND - City of Plantation	Plantation - House 217	232,197	232,197
NSP - BAND - City of Plantation	Plantation - House 475	163,033	163,033
		<u>1,311,659</u>	<u>1,311,659</u>
Less accumulated depreciation		(365,742)	(334,454)
Total Inventory		<u>\$ 945,917</u>	<u>\$ 977,205</u>

Single family homes in Plantation, Florida were acquired with funds from the U.S. Department of Housing and Urban Development’s (HUD) Neighborhood Stabilization Program (NSP) – Round 1. ULBC recorded a long term mortgage payable liability in the amount of \$1,047,178 as of June 30, 2023 and 2022, respectively, which is equivalent to the acquisition and rehabilitation costs of the properties following execution of mortgage assumption documents and deed of conveyances by the City of Plantation and the original owner, Broward Alliance for Neighborhood Development (BAND). The mortgages are non-amortizing and are in place to ensure that the HUD affordable rental housing restrictive covenants are enforced.

The NSP loan contains a covenant that if ULBC remains in continuous possession of the property for the entire 30-year term and no default exist, the entire indebtedness underlying the Promissory Note shall be forgiven. ULBC’s intent is to hold these properties for future re-sale. The sales price (and use of proceeds) of these properties purchased with NSP funds as well as the use of any income earned on these properties are governed by NSP regulations. The properties are recorded pursuant to GAAP “Under the Cost Recovery Method”. Depreciation expense relating to donated properties was \$31,288 and \$31,288 for the years ended June 30, 2023 and 2022, respectively.

**NOTE 8 – FUNDS HELD IN ESCROW**

In September 2021, ULBC entered into a sale and purchase agreement with The School Board of Broward County, Florida, to purchase a property for \$5,360,000. As of the date of these financial statements, the sale and purchase of the property had not been executed; however, per the agreement a deposit in the amount of \$536,000 had been made to the escrow account as well as an additional \$15,000 payment to extend the date of completion for the inspection period. Accordingly, as of June 30, 2023, \$551,000 is reflected as funds held in escrow on the statement of financial position. The sale and purchase agreement reflects specific entitlement approvals and milestones for finalization of the purchase of the property.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

**NOTE 9 – OTHER ASSETS**

Beginning in November 2021, CCCDC incurred costs associated with the construction of three homes that are to be sold upon completion. As of the date of these financial statements, two of the three sales have been finalized. Accordingly, loss on sale of assets has been recorded on the statement of activities and the corresponding assets sold have been reduced. The remaining \$253,839 is reflected as other assets on the statement of financial position. As of the date of these financial statements, the third sale has been finalized and the activity will be reflected in the June 30, 2024 financial statements.

**NOTE 10 – FIXED ASSETS**

Fixed assets as of June 30, 2023 and 2022 are as follows:

<u>Description</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Land	\$ 542,560	\$ 670,170
Building (CEC)	5,952,964	5,952,964
Building and improvements	1,114,053	947,427
Furnishings and equipment	86,534	86,534
Vehicles	18,894	18,894
Software	525,366	206,524
Total assets	<u>8,240,371</u>	<u>7,882,513</u>
Less: accumulated depreciation	<u>(2,853,885)</u>	<u>(2,622,421)</u>
Total net fixed assets	<u><u>\$ 5,386,486</u></u>	<u><u>\$ 5,260,092</u></u>

For the years ended June 30, 2023 and 2022, the depreciation expense relating to fixed assets was \$231,465 and \$190,806, respectively.

***Appraisal Value***

In June 2018, ULBC hired an appraisal to value its properties, the appraisal values of land and property is as follows:

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

<u>Funding Source</u>	<u>Home Reference</u>	<u>Appraisal Value</u>
JP Morgan Chase	Pompano 206	\$ 84,000
Self-financed	Washington Park - House 2905	225,000
NSP - BAND - City of Plantation	Plantation - House 931	265,000
NSP - BAND - City of Plantation	Plantation - House 9	215,000
NSP - BAND - City of Plantation	Plantation - House 8	245,000
NSP - BAND - City of Plantation	Plantation - House 216	235,000
NSP - BAND - City of Plantation	Plantation - House 217	280,000
NSP - BAND - City of Plantation	Plantation - House 475	260,000
		<u>\$ 1,809,000</u>

<u>Funding Source</u>	<u>Land</u>	<u>Appraisal Value</u>
Wells Fargo	530 NW 9th Avenue	\$ 81,500
	NW 27th St., Oakland Park & 21st	
Self-financed	Ave. & 26th St., Oakland Park	1,160,000
		<u>\$ 1,241,500</u>



**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

**NOTE 11 – RIGHT-OF-USE ASSET AND LIABILITY**

In August 2022, ULBC entered into an operating lease with one of its subsidiaries for the use of office space. On July 1, 2022, ULBC implemented FASB ASU No. 2016-02, Leases (Topic 842) and as a result has recorded right-of-use asset and liability in the consolidating statement of financial position. An interest rate of 3.99% was used to discount the annual lease payments and recognize the intangible right to use this asset and the lease liability as of August 1, 2022. The right-of-use asset was recorded at \$2,202,349, which equals the initial calculation of the right-to-use liability of \$2,202,349. During the year ended June 30, 2023, the lease expense of the right-of-use assets totaled \$276,000. These amounts are eliminated in consolidation.

Annual lease expenses are estimated as follows:

<u>June 30,</u>	
2024	\$ 276,000
2025	276,000
2026	276,000
2027	276,000
2028	276,000
Thereafter	<u>989,000</u>
	2,369,000
Less: effects of discounting	<u>(359,191)</u>
Total	<u><u>\$ 2,009,809</u></u>

In December 2008, ULBC agreed to lease land from Broward County, Florida (the “County”) for the purpose of constructing and operating a Community Empowerment Center that will serve the community by providing offices, computer, and meeting rooms. The lease agreement (“agreement”) is for an initial period of 20 years with two renewal periods of 10 years each for a total possible lease term of 40 years. ULBC shall pay the County an annual rental fee of \$1 and provide the level of services as described in the agreement. If ULBC fails to provide the services described in the agreement, it shall pay the County, market rent determined by the County to be \$114,000 as of the initial date of the agreement. Every five years the lease rental value shall be revised for inflation or deflation pursuant to the Consumer Price Index.

ULBC commenced operation at the Community Empowerment Center on May 30, 2012. Per the agreement with the County, ULBC is obligated to provide 1/12th of the \$114,000 service levels as described in the agreement. ULBC provide service levels of \$1,159,226 and \$729,308 for the year ended June 30, 2023 and 2022, respectively. Accordingly, no right-of-use asset or liability has been recorded in connection with this agreement.

**NOTE 12 – CONTRIBUTED NON-FINANCIAL ASSETS**

During the years ended June 30, 2023 and 2022, contributed non-financial assets recognized within the statement of activities included:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Computer equipment	\$ 116,560	\$ -
Donated supplies	<u>36,374</u>	<u>-</u>
	<u><u>\$ 152,934</u></u>	<u><u>\$ -</u></u>

These amounts are recorded at their fair value at the time of donation.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

**NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS**

ULBC has an agreement with the Community Foundation of Broward, Inc. (the “Foundation”) to administer an Agency Endowment Fund on its behalf. Contributions to the fund and existing assets held therein are included in net assets with donor restrictions to be held in perpetuity. The principal of ULBC’s fund is invested by the Foundation in mutual stock funds. The market value of the mutual funds at June 30, 2023 and 2022 was \$93,225 and \$89,333, respectively.

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2023 and 2022:

<u>Description</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Urban Venture	\$ 545,176	\$ 494,129
Community Empowerment Campaign Collection	1,081,513	1,051,100
Small Business Loan Fund SE FL Receivable	500,000	500,000
Loan receivable, net of loan loss reserve of \$102,300	1,414,386	957,042
Florida DEO Loan loss reserve, net of \$2,396,765		
Small Business Loan	158,456	100,524
Contribution receivable, net	-	40,990
Endowment fund held at the Foundation	93,225	89,333
Total net assets with donor restrictions	<u>\$ 3,792,756</u>	<u>\$ 3,233,118</u>

Net assets with donor restrictions are held as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Cash	\$ 1,785,145	\$ 1,645,753
Contribution receivable	-	40,990
Endowment	93,225	89,333
Loan receivable	1,414,386	957,042
Small Business Loan Fund SE FL Receivable	500,000	500,000
	<u>\$ 3,792,756</u>	<u>\$ 3,233,118</u>

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

**NOTE 14 – CEC MORTGAGE LOAN PAYABLE**

On January 28, 2011, ULBC secured financing in the amount of \$3,680,000 through a tax-exempt Industrial Revenue Bond issued by Broward County and financed as a direct placement by TD Bank, N.A. Financing terms included an 18-month construction period during which interest only payments are made on the balance of construction draws from bond proceeds. Following the 18-month construction period, the principal balance will be amortized over 20 years at a rate of 4.84%. The loan term matures on July 28, 2032 and there is a call option 7 years after completion of the 18-month interest only period. On February 4, 2013, ULBC executed the first amendment with TD Bank N.A., the Bondholder, to reduce the interest rate by 25 basis points. As a result of the amendment, the interest rate was reduced from 4.84% to 4.59% effective February 1, 2013. On January 31, 2017, ULBC executed a second amendment with TD Bank N.A., to reduce the interest rate by 60 basis points. As a result of the amendment, the interest rate was reduced from 4.59% to 3.99% effective March 1, 2017. The current bond rate of 3.99% remains in effect. The call date was set for July 28, 2026, and a rate option on the bond was available to the bank, however, the bank did not exercise its right to tender or reset the rate.

The loan payable is collateralized by property and equipment with a corresponding mortgage, note and financing agreement. The mortgage loan payable principal balance as of June 30, 2023 and 2022 amounted to \$2,119,469 and \$2,278,384, respectively. The loan agreement contains various restrictive covenants, including an annual debt service covenant. For the year ended June 30, 2023, ULBC has complied with all compliance covenants from the bondholder. Maturities of the loan in each of the next five fiscal years and thereafter are as follows:

<u>Year Ending June 30,</u>	
2024	\$ 251,909
2025	199,788
2026	207,907
2027	216,356
2028	225,148
Thereafter	<u>1,018,361</u>
	<u><u>\$ 2,119,469</u></u>

Deferred financing costs associated with the loan amounted to \$183,408, which is being amortized using the straight-line method, through the life of the loan, which approximates the interest method over the terms of the loans payable, starting in January 2011. As of June 30, 2023 and 2022, the unamortized deferred financing cost on the loan is \$59,801 and \$67,276, respectively. Finally, ULBC has a revolving line of credit for a maximum credit limit of \$750,000 bearing interest at 3.25%. The balance at June 30, 2023 and 2022 was \$0.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

**NOTE 15 – BROWARD COUNTY GRANTS**

At June 30, 2023, funding awarded by Broward County and earned was as follows:

<b>Funding Division</b>	<b>Program Name</b>	<b>Program Year</b>	<b>Contract #</b>	<b>Contract Award</b>	<b>Amount Earned</b>
Children's Services Council	Embrace/Village	10/01/22 - 9/30/23	22-2611	\$ 275,222	\$ 177,291
Children's Services Council	Able/Youth Force	10/01/22 - 9/30/23	20-2618	485,820	352,748
Children's Services Council	MOST	05/01/23 -8/31/23	22-2610	95,000	36,869
Broward County- Family Success Admin	Individual Development Account	10/01/22 - 9/30/23	17-FSAD-22194-1	9,651	1,705
Broward County- Family Success Admin	Center for working Families	10/01/22 - 9/30/23	19-FSAD-8206-1	125,000	86,054
				<u>\$ 990,693</u>	<u>\$ 654,667</u>

At June 30, 2022, funding awarded by Broward County and earned was as follows:

<b>Funding Division</b>	<b>Program Name</b>	<b>Program Year</b>	<b>Contract #</b>	<b>Contract Award</b>	<b>Amount Earned</b>
Children's Services Council	Embrace/Village	10/01/21 - 9/30/22	18-2616	\$ 305,388	\$ 243,407
Children's Services Council	Able/Youth Force	10/01/21 - 9/30/22	20-2618	444,045	350,131
Children's Services Council	MOST	05/01/21 -8/31/21	18-2614	95,616	42,228
Broward County- Family Success Admin	Individual Development Account	10/01/21 - 9/30/22	17-FSAD-22194-1	9,651	9,651
Broward County- Family Success Admin	Center for working Families	10/01/21 - 9/30/22	19-FSAD-8206-1	125,000	92,658
				<u>\$ 979,700</u>	<u>\$ 738,075</u>

**NOTE 16 – FUND DEVELOPMENT**

The primary function of the Fund Development Department is to generate unrestricted funding from contributions, memberships, and special events. The fund development expenses are fundraising expenses, which are expensed as incurred. For the years ended June 30, 2023 and 2022, fundraising expenses were approximately \$416,963 and \$338,651, respectively.

**NOTE 17 – PENSION PLAN**

Effective October 1991, the Urban League of Broward County, Inc., adopted a retirement plan (Tax Deferred Annuity Plan) for the benefit of its employees. All full-time employees who are at least age 21 and have completed one year of service with the Urban League of Broward County (ULBC) are eligible. ULBC's contribution to the plan is an amount up to 5% of the employee's annual compensation. ULBC's contribution totaled approximately \$144,998 and \$108,627 for the years ended June 30, 2023 and 2022, respectively.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

**NOTE 18 – CONTINGENCIES**

The ULBC receives a significant portion of its funding from public grants. A significant reduction in the level of this funding, if this were to occur, would have an effect on the agency’s ability to carry out its programs and activities.

Costs reflected in the accompanying consolidated financial statements relating to government funded programs are subject to audit by the grantors. The possible disallowance by grantors of any item charged to the programs, if any, cannot be determined at this time. No provision for any liability that may result has been made in the consolidated financial statements.

**NOTE 19 – THIRD-PARTY ENDOWMENT**

ULBC has an agreement with the Community Foundation of Broward, Inc. (the “Foundation”) to administer an Agency Endowment Fund on its behalf for the “Campaign for Change”. The contributions of approximately \$483,000 paid to the Foundation by third parties on behalf of ULBC are to be held into perpetuity by the Foundation on behalf of ULBC. At June 30, 2023 and 2022, the fund balance with earnings (losses) less distributions totaled approximately \$478,868 and \$458,871, respectively. In accordance with FASB ASC 958-205-50-1B “Transfer of Assets to a Not-For-Profit Organization or Charitable Trust That Raises or Holds Contributions For Others”, this balance is not recorded as an asset of ULBC.

The distribution policy of the endowment agreement between ULBC and the Foundation states that the Foundation will make distributions of earnings available to ULBC, at least annually based on the current spending policy adopted by the Foundation, which may change from time to time. The distribution to ULBC for the year ended June 30, 2023 and 2022 was \$28,369 and \$23,993, respectively.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

**NOTE 20 – LOAN FUND**

During the Legislature, the State of Florida made a provision for a grant award to ULBC in Specific Appropriation Item 2256A in the 2014-2015 General Appropriations Act in the amount of \$1,500,000 for the purpose of establishing, administering and marketing a revolving loan guarantee program to stimulate access to credit for under-resourced business and specifically providing that \$1,000,000 of the grant shall be used to establish a loan loss reserve account. The remaining \$500,000 was used to provide administrative services relating to the loan guarantee program.

The State of Florida, through the Department of Economic Opportunity (“DEO”), and ULBC have entered into a Grant Agreement providing for the ULBC’s performance of specific terms, conditions, obligations, and liabilities associated with the establishment, administration, and marketing of the loan guarantee program. The term of the agreement is from July 1, 2014 to June 30, 2019 with annual renewal during this time. The agreement was renewed through June 30, 2022. As part of the requirements of the grant agreement, ULBC will identify and enter into an agreement with a third-party loan administrator to underwrite loans. In addition, ULBC will establish an interest-bearing account in the State for deposit and maintenance of the loan loss guarantee and a separate account to retain private (non-state) capital as match.

As a result of the grant agreement, ULBC established a new cost center (the “Loan Fund”) to track activities around raising the match and administration. To access the loan loss reserve, ULBC is required to raise a 4:1 match for the Loan Fund. Upon receiving the first match contribution, ULBC will be able to access the reserve immediately up to 20% of what was raised.

The loans will be offered to small businesses headquartered in the State of Florida, with average annual gross revenues of \$5,000,000 or less per year for the last two years and with a maximum number of 25 employees. Loans will range from \$10,000 to \$1,000,000 and each loan will receive a 50% guarantee from the loans loss guarantee and shall be guaranteed for a maximum of seven years. Only one guarantee will be obligated to a single borrower at any point in time.

As of June 30, 2023 and 2022, ULBC has a total of \$2,619,242 and \$2,562,740, respectively for the loan guarantee. This amount is included in net assets with donor restrictions and will only be accessed as reserves for loan losses.

On November 12, 2021, CCCDC entered into an agreement with American Express National Bank for a loan in the amount of \$1,000,000 bearing interest at a rate of 2.5% per annum. The principal balance is due on November 12, 2026, the “maturity date”. The loan proceeds are to be used to provide loans for small businesses and the development financing of affordable housing and neighborhood revitalization. The \$1,000,000 is reflected in the long-term portion of the loan fund on the statement of financial position.

On June 29, 2021, CCCDC entered into an agreement with Truist Bank for a loan of up to \$1,000,000 with a maturity date of June 29, 2026. CCCDC may draw down funds as needed. The Fund will support and increase the access to capital for minority and women-owned small businesses throughout Florida, focusing specifically on Fort Lauderdale, West Palm Beach and Miami-Dade MSAs. The Fund will use loan proceeds to extend loans, as well as technical assistance and coaching, to underserved businesses, minority owned small businesses and entrepreneurs. As of the date of these financial statements, \$65,000 had been drawn down and is reflected in the long-term portion of the loan fund on the statement of financial position.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

**NOTE 21 – LOANS RECEIVABLE**

On May 14, 2019, CCCDC, a subsidiary of ULBC, purchased loan receivables totaling \$745,000 under the SBA Program from NDC Community Impact Loan Fund (“NDC”). As part of the purchase agreement, NDC maintains the billing and collection of funds and then remits collections of outstanding principal and interest to CCCDC. Subsequent to this original purchase the organization has given additional loan amounts to local businesses. The organization’s loan portfolio is composed of loans that are primarily secured by the borrower’s business assets. The loans bear interest at various rates between 4.39% and 9.77% and have minimum payments between \$515 and \$2,834. The loans have various maturity dates between September 2022 through November 2029. The loan portfolio consisted of the following at June 30, 2023 and 2022:

<u>Borrower</u>	<u>Industry</u>	<u>Balance at June 30, 2023</u>	<u>Balance at June 30, 2022</u>
A.B.F. Learning Center, Inc.	Commercial	\$ 41,063	\$ 47,205
Blu Bliss Massage & Spa, LLC	Commercial	30,018	36,490
DavidIPhoto	Commercial	49,977	55,091
EDC3 LLC	Commercial	175,052	198,846
Showroom Cleaning	Commercial	10,105	10,103
Taylor's Tots Preschool, Inc.	Commercial	-	40,298
Pleasant Image Distributing, Inc.	Commercial	40,765	45,094
ILA Corporation	Commercial	116,062	128,752
Quality Engineering LLC	Commercial	42,344	48,391
Smoothie Girl	Commercial	-	-
CC & C Consulting Group	Commercial	12,781	15,839
Dennis Bobcat	Commercial	90,065	117,534
Nursing Concept Inc	Commercial	-	56,910
2Lyons Erospace LLC	Commercial	172,570	183,789
Johnson Adjusting & Meadation Services	Commercial	63,884	75,000
All Construction	Commercial	161,680	-
The Rose Group	Commercial	30,294	-
Prizm Art	Commercial	197,096	-
The Leap Group	Commercial	100,000	-
SociallyBuzz	Commercial	98,353	-
BCMB Enterprises	Commercial	84,577	-
		<u>1,516,686</u>	<u>1,059,342</u>
Less:			
loan loss reserve		<u>(102,300)</u>	<u>(102,300)</u>
Total loans receivable, net		<u><u>\$ 1,414,386</u></u>	<u><u>\$ 957,042</u></u>

Maturities of loans receivable are as follows:

<u>Year Ending June 30,</u>	
2024	\$ 349,221
2025	373,388
2026	442,781
2027	248,781
2028	67,343
Thereafter	35,172
	<u><u>\$ 1,516,686</u></u>

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

NOTE 22 – OTHER MATTERS

**Campaign for Change / Community Empowerment Campaign**

In an effort to meet the growing and ever changing needs of its constituents, ULBC initiated its “Campaign for Change”, a program to mobilize public and private resources necessary to transform Central Broward’s 33311 zip code area by developing its children. A key element in this program is to build a new comprehensive community center in the area, deliver programs that value, and reward self-help and personal responsibility.

Through the years, ULBC has broadened the scope and reach of this campaign beyond the Central Broward 33311 zip code and it officially renamed it in 2010 as the Community Empowerment Campaign.

NOTE 23 – NOTE PAYABLE – PAYROLL PROTECTION PROGRAM

In April 2020, ULBC received loan proceeds of \$782,884 from a financial institution through the Small Business Administration Paycheck Protection Program (“PPP”). The loan proceeds are to be used for payroll, rent, utilities, and interest expense. The loan matures on April 13, 2022 and bears annual interest at 1%. The loan is payable monthly with a deferral of payments for the first twelve months. The entire principal balance and accrued interest are forgivable in whole or in part in accordance with the Coronavirus Aid, Relief and Economic Security (“CARES”) Act. Pursuant to the terms of the CARES Act and any implementing rules and regulations, ULBC may apply for the loan to be forgiven by the SBA in whole or in part beginning no sooner than twenty-four (24) weeks from the date of the Note. Any loan balance remaining following forgiveness by the SBA will be fully amortized over the remaining term of the loan. During the year ended June 30, 2022, the entire balance of \$782,884 was forgiven is recognized as revenue in the accompanying statement of activities.

NOTE 24 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

ULBC monitors its liquidity so that it is able to meet its operating needs while maximizing the investment of its excess operating cash. ULBC has the following financial assets that could be made readily available within one year of the statement of financial position date to fund operating expenses without limitation, such as donor-imposed or contractual restrictions or internal designations, as of June 30, 2023 and 2022:

	June 30, 2023	June 30, 2022
Cash and cash equivalents	\$ 10,587,915	\$ 11,993,422
Investments	3,469,875	3,261,003
Grants and contracts receivable	2,064,849	1,234,205
Contributions receivable, current	-	10,000
Total current assets available	<u>16,122,639</u>	<u>16,498,630</u>
Less those unavailable for general expenditures within one year as follows:		
Board designated activities	(670,948)	(670,948)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 15,451,691</u>	<u>\$ 15,827,682</u>



**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

---

**NOTE 25 – OTHER REVENUE**

During the year ended June 30, 2022, The Oaks at Pompano, Ltd., a company in which Urban Pompano, Inc. had a 0.02% interest and served as a general partner, sold their property and refinanced existing debt which yielded proceeds to Urban Pompano, Inc. and liquidation of the interest held. As per the partnership agreement with The Oaks at Pompano, Ltd., Urban Pompano, Inc. received a total of \$4,418,240 which is included in other income for the year ended June 30, 2022 in the accompanying statement of activities. Additionally, income taxes associated with this revenue have been recorded on the statement of activities in the amount of \$1,074,000.

SUPPLEMENTARY INFORMATION

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<i>Federal or Grantor/Pass-through Program Title</i>	<i>Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Expenditure</i>
<b>U.S. Department of Health and Human Services</b>			
<i>Passed-through Broward County:</i>			
Community Programs to Improve Minority Health Grant Program	93.137	22-CP-HCS-2194-HL-01	<u>\$ 231,698</u>
Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges	93.332	NAVCA210437-01-00	<u>1,401,254</u>
<i>Passed-through Broward Healthy Start Coalition:</i>			
Medical Assistance Program	93.778	ULBC18HS	496,221
Maternal and Child Health Services Block Grant to the States	93.994	ULBC2022HRSA	97,121
Healthy Start Initiative	93.926		<u>66,259</u>
<i>Subtotal passed-through Broward Healthy Start Coalition</i>			<u>659,601</u>
<i>Passed-through Broward College:</i>			
Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and Congressionally Directed Spending for Elementary and Secondary Education Community Projects	84.215	S215N210041	65,702
Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and Congressionally Directed Spending for Elementary and Secondary Education Community Projects	84.215	22-2619	62,081
<i>Subtotal passed-through Broward College</i>			<u>127,783</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>2,420,336</u>
<b>U.S. Department of Housing and Urban Development</b>			
<i>Passed-through National Urban League:</i>			
Housing Counseling Assistance Program	14.169	NUL/HUD	<u>46,713</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>46,713</u>
<b>U.S. Department of Treasury</b>			
Community Development Financial Institutions Program	21.024	21RRP056983	<u>20,000</u>
<b>Total U.S. Department of Treasury</b>			<u>20,000</u>
<b>U.S. Department of Justice</b>			
<i>Passed-through Office of the Attorney General:</i>			
Crime Victim Assistance Program	16.575	VD788 & VE919	<u>122,639</u>
<b>Total U.S. Department of Homeland Security</b>			<u>122,639</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u><u>\$ 2,609,688</u></u>

See accompanying notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2023**

<i>State Grantor/Pass-through Program Title</i>	<i>CSFA Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Expenditure</i>
<b>STATE FINANCIAL ASSISTANCE:</b>			
<b>Florida Department of Commerce</b>			
Local Economic Development Initiatives	40.012	SL068	<u>\$ 1,802,932</u>
<b>Total Florida Department of Commerce</b>			<u>1,802,932</u>
<b>Florida Department of Legal Affairs and Attorney General</b>			
Youth Crime Prevention and Intervention Program	41.005	C-00001	<u>3,040,394</u>
<b>Total Florida Department of Legal Affairs and Office of the Attorney General</b>			<u>3,040,394</u>
<b>Florida Department of Health</b>			
<i>Passed-through Broward Healthy Start Coalition:</i>			
Healthy Start Coalitions	64.131		<u>67,491</u>
Closing the Gap	64.052	CMO63	<u>150,000</u>
<b>Total Florida Department of Health</b>			<u>150,000</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<u><u>\$ 5,060,817</u></u>

See accompanying notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2023**

---

**NOTE A - SIGNIFICANT ACCOUNTING POLICY AND BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance include the federal and state grant activities of Urban League of Broward County, Inc. (“ULBC”) and is presented on the accrual basis. The information on these schedules is presented in accordance with the requirements of Chapter 10.650, Rules of the Auditor General; and the requirements of Chapter 691-5, Rules of the Florida Department of Financial Services, Florida Administrative Code. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE B - DE MINIMIS INDIRECT COST RATE**

ULBC did elect to use the 10% de minimis cost rate.



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

---

To the Board of Directors of  
Urban League of Broward County, Inc. and Subsidiaries  
Fort Lauderdale, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Urban League of Broward County, Inc. ("ULBC"), a nonprofit organization, which comprise the statement of financial position as of and for the year ended June 30, 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 11, 2023.

*Report on Internal Control Over Financial Reporting*

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

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

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

*Report on Compliance and Other Matters*

As part of obtaining reasonable assurance about whether ULBC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

*Purpose of this Report*

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



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
October 11, 2023



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT  
AND ON INTERNAL CONTROL OVER COMPLIANCE BY UNIFORM GUIDANCE AND  
CHAPTER 10.650, *RULES OF THE FLORIDA AUDITOR GENERAL*

---

To the Board of Directors of  
Urban League of Broward County, Inc.  
Fort Lauderdale, Florida

**Report on Compliance for Each Major Federal Program and Major State Project**

*Opinion on Compliance for Each Major Federal Program and Major State Project*

We have audited ULBC's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement, and the requirements identified as subject to audit in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of ULBC's major federal programs and major state projects for the year ended June 30, 2023. ULBC's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, ULBC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended June 30, 2023.

*Basis for Opinion on Each Major Federal Program and Major State Project*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and Chapter 10.650, Rules of the Florida Auditor General. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.650, Rules of the Florida Auditor General, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of ULBC and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of ULBC's compliance with the compliance requirements referred to above.



### *Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to ULBC's federal programs and state projects.

### *Auditor's Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on ULBC's compliance based on our audit. 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, Government Auditing Standards, the Uniform Guidance, and Chapter 10.650, Rules of the Florida Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about ULBC's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Florida Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 ULBC's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of ULBC's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Florida Auditor General, but not for the purpose of expressing an opinion on the effectiveness of ULBC's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

*Report on Internal Control over Compliance*

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, Rules of the Florida Auditor General. Accordingly, this report is not suitable for any other purpose.

Coral Gables, Florida  
October 11, 2023



CERTIFIED PUBLIC ACCOUNTANTS

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND  
 STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED JUNE 30, 2023**

---

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

***Financial Statements***

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness (es) identified?  yes  no
- Significant deficiency (ies) identified that are not considered to be material weaknesses?  yes  none reported
- Noncompliance material to financial statements noted?  yes  no

***Federal Awards and State Projects***

Type of auditor's report issued on compliance for state projects: *Unmodified*

Internal control over state projects:

- Material weakness (es) identified?  yes  no
- Significant deficiency (ies) identified that are not considered to be material weaknesses?  yes  none reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.650, *Rules of the Florida Auditor General*?  yes  no

Identification of Major Programs:  yes  no

<b>Federal Program/State Project or Cluster</b>	<b>ALN/CSFA Number</b>	<b>Expenditures</b>
<b>Federal Programs:</b>		
<u>U.S. Department of Health and Human Services</u>		
Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges	93.332	\$ 1,401,254
<b>State Projects:</b>		
<u>Florida Department of Legal Affairs and Attorney General</u>		
Youth Crime Prevention and Intervention Program	41.005	\$ 3,040,394
<u>Florida Department of Commerce</u>		
Local Economic Development Initiatives	41.012	\$ 1,802,932

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND  
STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2023**

---

**SECTION I - SUMMARY OF AUDITOR'S RESULTS (Continued)**

Dollar threshold used to distinguished between type A  
and type B Federal Awards: \$ 750,000

Auditee qualified as a low risk auditee?  X  yes   no

Dollar threshold used to distinguish between type A  
And type B programs for State Financial Assistance: \$ 750,000

**SECTION II – FINANCIAL STATEMENT FINDINGS**

The audit disclosed no matters that are reportable for the current year.

**SECTION III – AWARD FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE PROJECTS**

The audit disclosed no matters that are reportable for the current year.

**SECTION IV – OTHER ISSUES**

1. No management letter was issued for the year ended June 30, 2023.
2. No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings relating to Federal Awards or State Financial Assistance Projects.
3. No corrective action plan is required because there were no findings required to be reported under the Uniform Guidance or the Department of Financial Services' State Project Compliance Supplement.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2023**

	Urban League of Broward County, Inc.	CCCDC	Urban Pompano	Urban Ventures	Inter-company Eliminations	Consolidated Total
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 3,726,954	\$ 3,007,267	\$ 3,853,694	\$ -	\$ -	\$ 10,587,915
Restricted cash	54,018	2,603,279	-	1,626,689	-	4,283,986
Investments	3,469,875	-	-	-	-	3,469,875
Grants and contracts receivable	2,045,558	19,291	-	-	-	2,064,849
Other receivable	1,456,420	438	-	-	(1,456,420)	438
Loan receivable, current	-	349,221	-	-	-	349,221
Prepaid expenses and other assets	37,212	55,666	-	-	-	92,878
<b>TOTAL CURRENT ASSETS</b>	<b>10,790,037</b>	<b>6,035,162</b>	<b>3,853,694</b>	<b>1,626,689</b>	<b>(1,456,420)</b>	<b>20,849,162</b>
SB loan fund receivable	-	500,000	-	-	-	500,000
Loan receivable	-	1,167,465	-	-	-	1,167,465
Investments	93,225	-	-	-	-	93,225
Housing inventory	-	945,917	-	-	-	945,917
Bond issue costs	-	-	-	59,801	-	59,801
Funds held in escrow	551,000	-	-	-	-	551,000
Other assets	-	253,839	-	-	-	253,839
Property and equipment, net	451,617	108,374	-	4,826,495	-	5,386,486
Right-of-use asset	2,009,809	-	-	-	(2,009,809)	-
<b>TOTAL ASSETS</b>	<b>\$ 13,895,688</b>	<b>\$ 9,010,757</b>	<b>\$ 3,853,694</b>	<b>\$ 6,512,985</b>	<b>\$ (3,466,229)</b>	<b>\$ 29,806,895</b>
<b>CURRENT LIABILITIES</b>						
Accounts payable	\$ 1,172,442	\$ 638,525	\$ 165,683	\$ 653,677	\$ (1,456,420)	\$ 1,173,907
Accrued payroll	91,414	-	-	-	-	91,414
Accrued vacation	155,541	2,948	-	-	-	158,489
Refundable advances and deferred revenue	2,313,031	412,163	-	-	-	2,725,194
CEC mortgage loan payable - current	-	-	-	251,909	-	251,909
Small business loan fund - accrued interest	-	40,256	-	-	-	40,256
Right-of-use liability, current portion	276,000	-	-	-	(276,000)	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,008,428</b>	<b>1,093,892</b>	<b>165,683</b>	<b>905,586</b>	<b>(1,732,420)</b>	<b>4,441,169</b>
NSP loan covenant	-	1,047,178	-	-	-	1,047,178
Loan loss reserve	-	102,300	-	-	-	102,300
CEC mortgage loan payable	-	-	-	1,867,560	-	1,867,560
Small business loan fund	-	2,565,000	-	-	-	2,565,000
Right-of-use liability	1,733,809	-	-	-	(1,733,809)	-
<b>TOTAL LIABILITIES</b>	<b>5,742,237</b>	<b>4,808,370</b>	<b>165,683</b>	<b>2,773,146</b>	<b>(3,466,229)</b>	<b>10,023,207</b>
<b>NET ASSETS</b>						
Without donor restrictions - board designated	670,948	-	-	-	-	670,948
Without donor restrictions	7,389,278	2,129,545	3,688,011	2,113,150	-	15,319,984
With donor restrictions	93,225	2,072,842	-	1,626,689	-	3,792,756
<b>TOTAL NET ASSETS</b>	<b>8,153,451</b>	<b>4,202,387</b>	<b>3,688,011</b>	<b>3,739,839</b>	<b>-</b>	<b>19,783,688</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 13,895,688</b>	<b>\$ 9,010,757</b>	<b>\$ 3,853,694</b>	<b>\$ 6,512,985</b>	<b>\$ (3,466,229)</b>	<b>\$ 29,806,895</b>

The accompanying notes are an integral part of these financial statements.

**URBAN LEAGUE OF BROWARD COUNTY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Urban League of Broward County, Inc.	CCCDC	Urban Pompano	Urban Ventures	Inter-company Eliminations	Consolidated Total
<b>PUBLIC SUPPORT AND REVENUE:</b>						
Federal grants	\$ 2,589,688	\$ 20,000	\$ -	\$ -	\$ -	\$ 2,609,688
State grants	4,756,617	304,200	-	-	-	5,060,817
Broward County grants	628,105	58,400	-	-	-	686,505
United Way	174,504	-	-	-	-	174,504
Foundation grants	3,517,459	659,699	-	-	-	4,177,158
Other contributions	328,007	15,600	-	9,400	-	353,007
<b>TOTAL PUBLIC SUPPORT</b>	<b>11,994,380</b>	<b>1,057,899</b>	<b>-</b>	<b>9,400</b>	<b>-</b>	<b>13,061,679</b>
<b>REVENUE</b>						
Special events, net	241,931	-	-	-	-	241,931
Interest and dividend income, net	72,350	97,721	373	2,822	-	173,266
Inkind revenue	36,374	-	-	116,560	-	152,934
Rental income	-	140,735	-	340,580	(276,000)	205,315
<b>TOTAL REVENUE</b>	<b>350,655</b>	<b>238,456</b>	<b>373</b>	<b>459,962</b>	<b>(276,000)</b>	<b>773,446</b>
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>12,345,035</b>	<b>1,296,355</b>	<b>373</b>	<b>469,362</b>	<b>(276,000)</b>	<b>13,835,125</b>
<b>EXPENSES:</b>						
Salaries, benefits and payroll taxes	4,589,862	525,301	13,342	-	-	5,128,505
Professional fees	1,167,985	32,769	3,323	20,176	-	1,224,253
Telephone & network	331,217	28,493	79	100	-	359,889
Postage	2,910	100	4	-	-	3,014
Office supplies	65,015	8,552	4	890	-	74,461
Conferences & meetings	139,694	5,386	-	8,967	-	154,047
Program services	304,265	1,271	-	-	-	305,536
Program supplies	53,388	875	-	-	-	54,263
Contracted services	4,388,277	-	-	-	-	4,388,277
Travel	27,766	-	-	-	-	27,766
Printing & publications	11,104	603	1	-	-	11,708
Dues & subscriptions	17,536	485	-	-	-	18,021
Donated services/expenses	36,374	-	-	-	-	36,374
Advertising	151,354	10,168	-	-	-	161,522
Occupancy	570,064	111,299	261	31,697	(276,000)	437,321
Equipment rental & repair	56,320	6,754	28	11,557	-	74,659
Licenses & fees	9,409	2,378	150	149	-	12,086
Bank charges	10,917	2,939	30	-	-	13,886
Auto	11,218	-	-	-	-	11,218
Insurance	80,827	61,043	52	-	-	141,922
Interest	-	55,436	-	96,879	-	152,315
Depreciation	-	31,288	-	231,465	-	262,753
Miscellaneous	153,309	84,884	826	249	-	239,268
Tax fees	2,225	1,173	8,677	-	-	12,075
Bad debt	-	-	-	40,990	-	40,990
<b>TOTAL EXPENSES</b>	<b>12,181,036</b>	<b>971,197</b>	<b>26,777</b>	<b>443,119</b>	<b>(276,000)</b>	<b>13,346,129</b>
<b>CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<b>163,999</b>	<b>325,158</b>	<b>(26,404)</b>	<b>26,243</b>	<b>-</b>	<b>488,996</b>
<b>NON-OPERATING ACTIVITIES</b>						
Gain on investments, net	174,621	-	-	-	-	174,621
Loss on sale of property	-	(127,610)	-	-	-	(127,610)
Other revenue	-	-	103,924	-	-	103,924
<b>TOTAL NON-OPERATING ACTIVITIES</b>	<b>174,621</b>	<b>(127,610)</b>	<b>103,924</b>	<b>-</b>	<b>-</b>	<b>150,935</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>338,620</b>	<b>197,548</b>	<b>77,520</b>	<b>26,243</b>	<b>-</b>	<b>639,931</b>
<b>BEGINNING NET ASSETS</b>	<b>7,814,831</b>	<b>4,004,839</b>	<b>3,610,491</b>	<b>3,713,596</b>	<b>-</b>	<b>19,143,757</b>
<b>ENDING NET ASSETS</b>	<b>\$ 8,153,451</b>	<b>\$ 4,202,387</b>	<b>\$ 3,688,011</b>	<b>\$ 3,739,839</b>	<b>\$ -</b>	<b>\$ 19,783,688</b>

The accompanying notes are an integral part of these financial statements.