

**CRISIS CONNECTIONS**

Financial Statements  
December 31, 2022 and 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Crisis Connections  
Seattle, Washington

### **Opinion**

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Crisis Connections as of December 31, 2022 and its change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Prior Period Financial Statements**

The financial statements of Crisis Connections as of December 31, 2021 were audited by other auditors whose report dated July 25, 2022, expressed an unmodified opinion on those statements.

### **Emphasis of Matter Regarding Change in Accounting Principles**

As discussed in Note 1 to the financial statements, Crisis Connections adopted a provision of Financial Accounting Standards Board Accounting Standards Updates 2016-02, Leases (Topic 842). The guidance requires lessees to recognize a right-of-use asset and corresponding liability for all operating and finance leases with lease terms greater than one year. Our opinion is not modified with respect to that matter.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Crisis Connections' ability to continue as a going concern twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

*Greenwood Ohlund*

Seattle, Washington  
July 20, 2023

## CRISIS CONNECTIONS

### STATEMENTS OF FINANCIAL POSITION

December 31, 2022 and 2021

ASSETS	2022	2021
Current Assets		
Cash and cash equivalents	\$ 3,803,946	\$ 2,810,897
Grants and contributions receivable	2,864,973	2,137,810
Prepaid expenses and other assets	312,024	311,393
Total current assets	6,980,943	5,260,100
Right-of-Use Asset - Operating Leases	3,744,024	-
Property and Equipment, net	499,283	565,495
Security Deposits	81,864	81,864
Total assets	\$ 11,306,114	\$ 5,907,459
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 419,261	\$ 236,689
Accrued payroll and related expenses	443,440	477,691
Operating lease liability	466,422	-
Grants and contributions received in advance	1,238,611	-
Other accrued liabilities	9,755	73,876
Total current liabilities	2,577,489	788,256
Operating Lease Liability, less current portion	3,468,315	-
Total liabilities	6,045,804	788,256
Net Assets without Donor Restrictions	5,260,310	5,119,203
Total liabilities and net assets	\$ 11,306,114	\$ 5,907,459

*See accompanying notes to financial statements.*

## CRISIS CONNECTIONS

### STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Support and Revenue		
Government grants	\$ 10,574,617	\$ 8,329,739
Grants and contributions	3,633,978	5,471,038
Other revenue	126,025	196,212
	<u>14,334,620</u>	<u>13,996,989</u>
Expenses		
Programs	11,951,122	11,590,758
General and administrative	1,860,528	1,844,853
Fundraising	381,863	225,725
	<u>14,193,513</u>	<u>13,661,336</u>
	<b>141,107</b>	<b>335,653</b>
Net Assets without Donor Restrictions, beginning of year	<u>5,119,203</u>	<u>4,783,550</u>
Net Assets without donor restrictions, end of year	<u>\$ 5,260,310</u>	<u>\$ 5,119,203</u>

*See accompanying notes to financial statements.*

## CRISIS CONNECTIONS

### STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2022

	Crisis Services	Information & Referral	Community Training	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 5,940,092	\$ 1,072,946	\$ 160,645	\$ 7,173,683	\$ 1,006,640	\$ 100,443	\$ 8,280,766
Employee benefits	803,019	222,115	24,960	1,050,094	114,530	3,998	1,168,622
Payroll taxes	493,041	92,259	12,920	598,220	111,161	8,114	717,495
Total payroll expenses	7,236,152	1,387,320	198,525	8,821,997	1,232,331	112,555	10,166,883
Professional fees and subcontracts	772,389	68,148	10,182	850,719	351,903	112,899	1,315,521
Occupancy	512,382	143,187	7,487	663,056	104,043	44,289	811,388
Information technology	440,634	32,046	6,035	478,715	35,488	4,147	518,350
Equipment maintenance	185,990	10,199	58	196,247	28,358	2,277	226,882
Telephone	170,171	26,734	3,093	199,998	12,350	1,104	213,452
Advertising	99,901	-	3,775	103,676	-	65,027	168,703
Miscellaneous	70,006	81,277	3,440	154,723	6,418	6,055	167,196
Staff training and conferences	98,582	4,097	22,641	125,320	10,735	2,375	138,430
Recruitment	69,152	7,666	3,413	80,231	21,765	9,191	111,187
Postage, printing and media	55,549	1,512	6,162	63,223	11,718	18,032	92,973
Insurance	30,594	6,348	851	37,793	3,923	377	42,093
Supplies	26,164	2,596	590	29,350	5,604	818	35,772
Recognition	2,877	3,318	95	6,290	24,090	243	30,623
Bank fees	17,166	3,103	1,730	21,999	3,295	1,250	26,544
Dues and subscriptions	13,189	6,582	218	19,989	996	657	21,642
Total expenses before depreciation and amortization	9,800,898	1,784,133	268,295	11,853,326	1,853,017	381,296	14,087,639
Depreciation and amortization	78,911	16,901	1,984	97,796	7,511	567	105,874
	<u>\$ 9,879,809</u>	<u>\$ 1,801,034</u>	<u>\$ 270,279</u>	<u>\$ 11,951,122</u>	<u>\$ 1,860,528</u>	<u>\$ 381,863</u>	<u>\$ 14,193,513</u>

*See accompanying notes to financial statements.*

## CRISIS CONNECTIONS

### STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2021

	Crisis Services	Information & Referral	Community Training	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 4,692,686	\$ 1,347,430	\$ 135,368	\$ 6,175,484	\$ 866,208	\$ 109,691	\$ 7,151,383
Payroll taxes	394,542	98,549	11,629	504,720	59,422	7,425	571,567
Employee benefits	670,655	229,864	22,447	922,966	93,418	5,926	1,022,310
Total payroll expenses	5,757,883	1,675,843	169,444	7,603,170	1,019,048	123,042	8,745,260
Professional fees and subcontracts	49,595	2,170,902	52,741	2,273,238	503,300	43,189	2,819,727
Occupancy	307,546	118,803	44,068	470,417	129,064	7,141	606,622
Information technology	335,931	29,617	7,917	373,465	27,186	-	400,651
Advertising	30,919	244,587	21,280	296,786	-	5,977	302,763
Telephone	184,210	52,566	7,479	244,255	21,045	1,732	267,032
Recruitment	45,001	3,132	982	49,115	101,257	-	150,372
Postage, printing and media	18,528	794	33,426	52,748	3,887	12,029	68,664
Miscellaneous	19,731	6,269	4,135	30,135	10,931	20,439	61,505
Insurance	22,545	7,797	753	31,095	4,937	187	36,219
Supplies	18,190	1,335	1,015	20,540	7,087	261	27,888
Equipment maintenance	10,239	896	267	11,402	2,382	8,440	22,224
Recognition	11,894	2,835	207	14,936	4,095	44	19,075
Bank fees	9,737	2,731	2,462	14,930	858	1,810	17,598
Staff training and conferences	2,766	370	9,411	12,547	1,436	-	13,983
Dues and subscriptions	5,366	4,809	300	10,475	617	868	11,960
Total expenses before depreciation and amortization	6,830,081	4,323,286	355,887	11,509,254	1,837,130	225,159	13,571,543
Depreciation and amortization	62,849	16,358	2,297	81,504	7,723	566	89,793
	<u>\$ 6,892,930</u>	<u>\$ 4,339,644</u>	<u>\$ 358,184</u>	<u>\$ 11,590,758</u>	<u>\$ 1,844,853</u>	<u>\$ 225,725</u>	<u>\$ 13,661,336</u>

*See accompanying notes to financial statements.*



## CRISIS CONNECTIONS

### STATEMENTS OF CASH FLOWS For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Change in net assets	\$ 141,107	\$ 335,653
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	105,874	89,793
Amortization of right-of-use assets - operating leases	634,299	-
Changes in operating assets and liabilities:		
Grants and contributions receivable	(727,163)	(99,143)
Prepaid expenses and other assets	(631)	(108,609)
Accounts payable	182,572	(67,804)
Accrued payroll and related expenses	(34,251)	86,223
Operating lease liability	(443,586)	-
Grants and contributions received in advance	1,238,611	-
Other accrued liabilities	(64,121)	3,182
	1,032,711	239,295
Cash Flows from Investing Activity		
Purchase of property and equipment	(39,662)	(58,330)
	<b>993,049</b>	<b>180,965</b>
Cash and Cash Equivalents, beginning of the year	2,810,897	2,629,932
Cash and Cash Equivalents, end of the year	\$ 3,803,946	\$ 2,810,897

*See accompanying notes to financial statements.*

# CRISIS CONNECTIONS

## NOTES TO FINANCIAL STATEMENTS

### **Note 1 – Organization and Summary of Significant Accounting Policies**

#### *Organization*

Crisis Connections (formerly Crisis Clinic) was founded in the state of Washington in 1964 for the purpose of providing emergency telephone information and referral services; emergency suicide and crisis intervention services, and postvention support services.

Crisis Connections operates the following support and service lines:

- 24-Hour Crisis Line;
- King County 2-1-1;
- WA Recovery Help Line;
- Washington Warm Line;
- Teenlink Help Line;
- Care Connect WA; and
- King County 988.

Crisis Connections offers support groups for survivors of suicide and those newly bereaved by suicide (CC Cares), and training for youth and adults on a wide range of topics including suicide and crisis intervention.

Community Resources Online provides a database of more than 5,000 health and human services in King County and more than 20,000 statewide. In 2021, Crisis Connections handled more than 600,000 calls.

#### *Crisis Services*

- 24-Hour Crisis Line - A free, 24/7/365, confidential helpline offering immediate assistance to anyone in crisis/distress. Individuals call when they are considering suicide, experiencing major stress, grief, or anxiety, depression, violence, etc. While CC has offered the Crisis Line in King County for 56 years, in January 2020 we began serving crisis lines for 8 additional Washington State Counties.
- Teen Link - the only program in King County devoted exclusively to youth suicide preventions education and offering a teen-answered helpline. Since 1996, we have provided teens a safe, confidential place to call for help and educated them around how to help themselves or someone they know who may be considering suicide.
- Washington Recovery Help Line - began in 2011 as a statewide resource for those struggling with substance abuse, problem gambling, and mental health. Staff and volunteers are available 24/7/365 to provide callers with emotional support and information/referrals to support services.
- Washington Warm Line - a statewide peer support line for people who are living with emotional or mental health challenges. Volunteers with lived experience in mental health challenges and living in recovery answer calls & provide support.

## CRISIS CONNECTIONS

### NOTES TO FINANCIAL STATEMENTS

- Postvention CC Cares - a free phone/mail based program for Washingtonians who have lost a loved one to suicide. Individuals receive care packages with comfort items and resources and benefit from weekly phone calls with a mentor who has themselves survived suicide loss. We also have a Survivors of Suicide support groups.
- Volunteer Services - Crisis Connections has a variety of volunteer opportunities to match your interest and availability for both youth and adults. When you volunteer with Crisis Connections you can expect to receive professional training and caring supervision from our Crisis and Teen Link programs. The goal is to assure you have the knowledge and skill to make a difference in the lives of our callers.
- King County 988 - Crisis Connections expertly trained staff respond to 988 calls in King County, 24/7. They help people who are experiencing mental-health related distress. People can call or text 988 or chat 988lifeline.org for themselves or if they are worried about a loved one who may need crisis support. 988 serves as a universal entry point so that no matter where you live in the United States, you can reach a trained crisis call specialist who can help.

#### *Information and Referral Services*

- King County 2-1-1 - the designated dialing code for information and referrals to health and human services in King County that is focused on whole person care and the social determinants of health. By dialing, texting, emailing, or chatting, individuals get help finding food, shelter, rent/mortgage assistance, legal help, free or low-cost healthcare, government programs, and much more.
- Washington Listens - During the COVID pandemic, Crisis Connections helped facilitate a support line called Washington Listens. Washington Listens provided non-clinical support to people who felt sad, anxious, or stressed due to COVID-19. This program ended in mid-2022.
- Care Connect Washington - works with local health jurisdictions and their partners, provides critical resources to people who need support when they are staying home due to COVID-19 isolation and quarantine rules. On the ground care coordinators help connect Washingtonians to community-based services such as medication, food delivery, health care, help applying for unemployment, local housing agencies, food banks, childcare providers and more. This program is one of the partners with WA State Department of Health.

#### *Community Training*

Crisis Connections Training Department offers a series of community training designed specifically for mental health and social service providers working across the state and nation. Each course is conducted by a caring, skilled professional with years of hands-on experience in their field, who meets the appropriate certification or licensure requirements for the training.

#### *Use of Estimates*

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

# CRISIS CONNECTIONS

## NOTES TO FINANCIAL STATEMENTS

### *Financial Statement Presentation*

The financial statements have been prepared on the accrual basis of accounting and have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, the net assets of Crisis Connections are reported in each of the following two classes: without donor restrictions and with donor restrictions.

Net assets without donor restrictions are available without restriction for support of Crisis Connections' operations. Crisis Connections has no net assets with donor restrictions, so this class of net assets is not shown in these financial statements. Restricted grants and contributions received where restrictions are met in the same year are treated as net assets without donor restrictions.

### *Cash and Cash Equivalents*

Crisis Connections considers all cash accounts and money market funds with an original maturity of three months or less to be cash and cash equivalents. At times, amounts may exceed federally insured limits. Crisis Connections has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

### *Grants and Contributions Receivable*

Grants and contributions receivable that are expected to be collected in one year are recorded at net realizable value.

Grants and contributions receivable is stated at the amount management expects to collect from outstanding balances. Management reviews the collectability of these receivables on a periodic basis and determines the appropriate amount of any allowances. When a receivable is determined to be uncollectible, it is written off against the allowance. Management does not believe an allowance for uncollectible amounts is necessary at December 31, 2022 or 2021.

At December 31, 2022 and 2021, respectively, 75% and 30% grants and contributions receivable were due from three and two government agencies, respectively.

### *Property and Equipment*

Crisis Connections capitalizes assets with a cost or donated value of greater than \$1,000 and a useful life greater than one year. Purchased property and equipment is carried at cost. Donated property and equipment are recorded at fair value when received. Depreciation of property and equipment is computed using the straight-line method based on estimated useful lives of the assets, ranging from five to ten years. Leasehold improvements are amortized over the lesser of the useful life of the improvements or the term of the lease.

## CRISIS CONNECTIONS

### NOTES TO FINANCIAL STATEMENTS

Property and equipment consist of the following at December 31:

	2022	2021
Equipment	\$ 331,401	\$ 328,111
Furnishings	262,508	226,138
Leasehold improvements	191,594	191,593
	785,503	745,842
Less: accumulated depreciation and amortization	(286,220)	(180,347)
	<u>\$ 499,283</u>	<u>\$ 565,495</u>

#### *Revenue Recognition*

Revenues from government grants and other grants and contributions are recognized when the conditions are met (for government grants, generally when the qualified expenditure is incurred). Revenue from government agencies is subject to audit, which could result in adjustments to revenue. The adjustments are recorded at the time that such amounts can first be reasonably determined, normally upon notification by the government agency. During the years ended December 31, 2022 and 2021, no such adjustments were made.

During the years ended December 31, 2022 and 2021, government grant revenue from five and four government agencies represented 86% and 68% of total support and revenue, respectively.

Conditional promises to give – that is, those with a measurable performance or barrier and a right of return – are not recognized until the conditions on which they depend have been met. Crisis Connections had approximately \$11,000,000 in conditional government grant revenue, of which it was notified during the year ended December 31, 2022. The promises were conditional upon Crisis Connections achieving certain goals related to specific programs run by Crisis Connections. Due to the uncertainty regarding meeting the conditions, revenue was not recognized for these government grants as of December 31, 2022. Revenue received in advance of being earned is recorded as unearned grant revenue in the statements of financial position.

#### *Donated Services*

Donated services are reflected as contributions in the accompanying statements at their estimated values at date of receipt. Donations of services are recognized if the services received create or enhance a nonfinancial asset or the services require specialized skills that are provided by individuals possessing those skills.

The delivery of services provided by Crisis Connection is accomplished with the help of volunteers. These volunteers provide uncompensated hours of service to the community. The volunteer hours provided to Crisis Connections totaled approximately 46,000 for the year ended December 31, 2022. These financial statements do not include any adjustments for these hours as they do not meet the criteria for recognition.

## CRISIS CONNECTIONS

### NOTES TO FINANCIAL STATEMENTS

#### *Allocation of Functional Expenses*

The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of Crisis Connections. Those expenses include payroll, professional fees and subcontracts, information technology, equipment maintenance, telephone, advertising and other, which are allocated based on time and effort. Occupancy and depreciation and amortization are allocated based on estimates of use of space or resources.

#### *Income Taxes*

Crisis Connections is exempt from income taxes under Internal Revenue Code Section 501(c)(3), and, as such, is subject to income taxes only to the extent of taxable unrelated business income. Crisis Connections did not generate any taxable income for the years ended December 31, 2022 and 2021 and therefore no provisions for federal income taxes are necessary.

#### *Union Employees*

During the year ended December 31, 2022, discussions began regarding a collective bargaining agreement for Crisis Connections employees. This agreement was finalized in March 2023. The labor union may limit Crisis Connections' flexibility in dealing with its workforce. Any work stoppage or instability within the workforce could delay the Crisis Connections' ability to satisfy commitments under existing grant agreements.

#### *Recently Adopted Accounting Standards*

FASB issued ASU 2016-02, *Leases (Topic 842)*, requiring lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The new standard establishes a right-of-use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the statement of financial position for all leases with a term longer than 12 months. This new standard increases transparency and comparability among organizations. The most prominent change required by the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

On January 1, 2022, Crisis Connections adopted the lease accounting standard and has elected to apply the provisions of this standard to the beginning of the period of adoption using a modified retrospective method of application to all leases existing on January 1, 2022. The adoption of this standard did not result in an adjustment to beginning net assets.

Crisis Connections has elected to adopt the package of practical expedients available in the year of adoption.

#### *Leases*

Crisis Connections determines if an arrangement is a lease at inception. Operating leases are included in ROU assets and lease liabilities in the statements of financial position.

# CRISIS CONNECTIONS

## NOTES TO FINANCIAL STATEMENTS

ROU assets represent Crisis Connections' right to use an underlying asset for the lease term, and lease liabilities represent Crisis Connections' obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that Crisis Connections will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

Crisis Connections has elected to recognize payments for short-term leases with terms of 12 months or less as expense as incurred, and these leases are not included as ROU assets or lease liabilities on the statements of financial position. The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, Crisis Connections has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

Crisis Connections has elected not to separate non-lease components from lease components and instead accounts for each separate lease component and the non-lease component as a single lease component.

### *Reclassifications*

Certain prior year balances have been reclassified in order to conform to the current year presentation.

### *Subsequent Events*

Management of Crisis Connections has evaluated subsequent events through the date these financial statements were available to be issued, which was July 20, 2023.

### **Note 2 – Liquidity and Availability of Resources**

Crisis Connections has a policy to maintain four to six months of cash needs as reserves between cash and cash equivalents and receivable balances.

Crisis Connections' financial assets available to meet general expenditures within one year of the statement of financial position date consist of the following at December 31:

	2022	2021
Cash and cash equivalents	\$ 3,803,946	\$ 2,810,897
Grants and contributions receivable	2,864,973	2,137,810
	<u>\$ 6,668,919</u>	<u>\$ 4,948,707</u>

### **Note 3 – Lease Commitment**

Crisis Connections has two noncancellable operating leases for office space in Seattle, Washington and Renton, Washington, with maturities of March 2030 and July 2030 and ten-year and five-year renewal options, respectively. The renewal options are not included in Crisis Connections' ROU assets or lease liabilities as there is no reasonable certainty these options will be exercised.

## CRISIS CONNECTIONS

### NOTES TO FINANCIAL STATEMENTS

Criss Connections has recognized operating lease ROU assets and corresponding operating lease liabilities representing the discounted payments required under the lease through maturity. Operating lease costs under these leases totaled \$544,950 and \$606,622 for the years ended December 31, 2022 and 2021, respectively, and are included within occupancy in the statement of functional expenses.

A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2022, is as follows:

2023	\$	523,715
2024		539,563
2025		555,410
2026		571,258
2027		587,105
Thereafter		<u>1,392,742</u>
		4,169,793
Less: Imputed interest (at 1.55%)		<u>(235,056)</u>
	\$	<u><u>3,934,737</u></u>

The operating lease liabilities are presented in the statement of financial position as of December 31, 2022, as follows:

Operating lease liabilities (current liabilities)	\$	466,422
Operating lease liabilities, less current portion		<u>3,468,315</u>
	\$	<u><u>3,934,737</u></u>