The Family Support Center

Year Ended June 30, 2020

Financial Statements

And

Independent Auditor's Report

Family Support Center

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BOUNTIFUL
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ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Family Support Center
Taylorsville, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of Family Support Center (a nonprofit organization) (the "Center") which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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*, issues by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Family Support Center as of June 30, 2020, and the results of its operations and its cash flow for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Report on Summarized Comparative Information

We have previously audited Family Support Center's June 30, 2019 financial statements, and our report dated November 16, 2019, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bountiful Peak Advisors

Bountiful, Utah
October 28, 2020

Family Support Center

Statement of Financial Position
June 30, 2020
With Comparative Totals for June 30, 2019

ASSETS	06/30/2020	06/30/2019
Current assets		
Cash and cash equivalents	$ 635,209	$ 541,136
Accounts and contracts receivable, including promises to give	197,549	188,970
Prepaid expenses	42,750	22,364
Total current assets	875,508	752,470
Fixed assets, at cost		
Land	543,934	543,934
Buildings and improvements	2,651,233	2,564,333
Furniture and equipment	309,085	284,185
Total fixed assets	3,504,252	3,392,452
Less: accumulated depreciation	(1,335,697)	(1,249,165)
Net fixed assets	2,168,555	2,143,287
Other assets		
Beneficial interest in assets held by others	6,157	6,074
Notes receivable - housing development limited liability companies - related parties	443,250	443,250
Investment in and advances to housing development limited liability company - related party	552,723	552,723
Total other assets	1,002,130	1,002,047
Total assets	$ 4,046,193	$ 3,897,804
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 35,118	$ 27,276
Accrued payroll and payroll liabilities	29,463	21,235
Accrued vacation	40,354	23,964
Other accrued liabilities	3,676	3,526
Current portion of long-term debt	20,021	19,141
Total current liabilities	128,632	95,142
Accrued interest - government agency	107,224	98,270
Long-term debt, net of current portion	626,151	492,606
Total liabilities	862,007	686,018
Net assets		
Without donor restrictions	3,184,186	3,191,786
With donor restrictions	-	20,000
Total net assets	3,184,186	3,211,786
Total liabilities and net assets	$ 4,046,193	$ 3,897,804

See accompanying notes to financial statements.

Family Support Center

Statement of Activities
Year June 30, 2020
With Comparative Totals For The Year Ended June 30, 2019

	06/30/2020			
	Without Donor Restrictions	With Donor Restrictions	Total	06/30/2019 Total
SUPPORT AND REVENUES				
Support				
Government contracts	$ 864,723	$ -	$ 864,723	$ 906,935
Contributions	453,749	-	453,749	423,458
In-kind donations	88,883	-	88,883	132,946
Fundraising events	86,165	-	86,165	77,475
Donated services	18,021	-	18,021	12,353
Interest income	11,639	-	11,639	32,027
United Way donations	2,750	-	2,750	20,539
Net assets released from restrictions	20,000	(20,000)	-	-
Total support	1,545,930	(20,000)	1,525,930	1,605,733
Revenues				
Client fees	194,096	-	194,096	211,169
Rents - Tiffany Town	69,537	-	69,537	66,419
Development fees	-	-	-	41,300
Total revenues	263,633	-	263,633	318,888
Total support and revenues	1,809,563	(20,000)	1,789,563	1,924,621
EXPENSES				
Program services	1,562,808	-	1,562,808	1,521,278
Management and general	149,196	-	149,196	155,992
Fundraising	105,159	-	105,159	73,378
Total expenses	1,817,163	-	1,817,163	1,750,648
Change in net assets	(7,600)	(20,000)	(27,600)	173,973
Net assets, beginning of year	3,191,786	20,000	3,211,786	3,037,813
Net assets, end of year	$ 3,184,186	$ -	$ 3,184,186	$ 3,211,786

See accompanying notes to financial statements.

Family Support Center

Statement of Functional Expenses
Year June 30, 2020
With Comparative Totals For The Year Ended June 30, 2019

	06/30/2020				
	Program Services	Management and General	Fundraising	Total	06/30/2019 Total
Salaries and wages	$ 864,609	$ 91,169	$ 79,062	$ 1,034,840	$ 972,457
Payroll taxes	67,788	7,148	6,199	81,135	108,021
Employee benefits	95,374	10,057	8,721	114,152	82,656
Total salaries and related expenses	1,027,771	108,374	93,982	1,230,127	1,163,134
Repairs	161,519	6,094	3,001	170,614	133,589
In-kind donations - supplies	82,876	-	-	82,876	117,549
Insurance	44,493	4,206	-	48,699	31,327
Utilities	30,735	894	441	32,070	32,071
Program supplies	27,433	1,668	-	29,101	39,855
Telephone	21,837	1,724	849	24,410	27,473
Interest	17,791	639	-	18,430	18,606
Volunteer services - clinical	18,021	-	-	18,021	12,353
Mileage	12,275	484	-	12,759	13,413
Professional services	-	10,936	-	10,936	12,055
Food	10,018	-	-	10,018	18,392
Licenses	4,671	1,295	-	5,966	7,597
Client rewards	5,691	-	-	5,691	10,588
Office supplies	5,151	289	143	5,583	5,986
Workshops and training	4,466	348	172	4,986	4,488
Household items	4,297	273	135	4,705	6,084
Bank charges	2,347	930	458	3,735	3,302
Link Line expenses	155	2,476	-	2,631	-
Publications	143	1,405	692	2,240	2,731
Special events expenses	-	-	2,040	2,040	6,685
Advertising	1,013	289	143	1,445	1,926
Postage	931	54	26	1,011	1,252
Miscellaneous	119	555	273	947	3,469
Printing	388	262	129	779	1,778
Tiffany Town expenses	-	571	-	571	105
Equipment rent	220	13	7	240	532
Total expenses before depreciation	1,484,361	143,779	102,491	1,730,631	1,676,340
Depreciation	78,447	5,417	2,668	86,532	74,308
Total expenses	$ 1,562,808	$ 149,196	$ 105,159	$ 1,817,163	$ 1,750,648

See accompanying notes to financial statements.

Family Support Center

Statement of Cash Flows
Year June 30, 2020
With Comparative Totals For The Year Ended June 30, 2019

	06/30/2020	06/30/2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (27,600)	$ 173,973
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	86,532	74,308
Accrual of interest - government agency	8,954	8,954
Change in beneficial interest in assets held by others	(83)	(356)
Changes in current assets and liabilities:		
Accounts and contracts receivable, including promises to give	(8,578)	(39,755)
Prepaid expenses	(20,386)	10,619
Accounts payable	7,843	4,395
Accrued payroll and payroll liabilities	8,227	(399)
Accrued vacation	16,390	2,555
Other accrued liabilities	150	1,126
Net cash provided by operating activities	71,449	235,420
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments received from note receivable	-	55,991
Cash paid for the purchases of fixed assets	(111,800)	(198,955)
Net cash used in investing activities	(111,800)	(142,964)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt	134,424	(18,361)
Net cash used in financing activities	134,424	(18,361)
Net change in cash and cash equivalents	94,073	74,095
Cash and cash equivalents, beginning of year	541,136	467,041
Cash and cash equivalents, end of year	$ 635,209	$ 541,136
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ 18,430	$ 18,606
Cash paid for income taxes	$ -	$ -

See accompanying notes to financial statements.

1. ORGANIZATION HISTORY AND PURPOSE

Family Support Center (the "Center") was incorporated under the laws of the State of Utah on February 14, 1980 as a nonprofit corporation. The Center's mission is protecting children, strengthening families, and preventing child abuse. The Family Support Center accomplishes this mission through the following programs:

- Adoption Respite Care: In-home and on-site childcare for adoptive families.
- Counseling services: professional therapy and counseling for children, families, and adults, including those who are at-risk or who have been physically or sexually abused.
- Crisis Nurseries: Immediate short-term childcare for families in crisis or emergency situations.
- Family Mentor Program: A free, personalized, confidential program for the overwhelmed parent. It is provided in the comfort of home to help define solutions specific to family challenges. Families with children birth to 17 years old will come together during a 75-minute weekly visit to gain the tools they need to strengthen their family. They will learn and practice essential skills in their home rather than a classroom environment. Through this program, parents have indicated an increase satisfaction and confidence as a caretaker.
- Lifestart Village: Self-sufficiency program and low-income housing for homeless single parents and their children. Includes case management, life training, and employment counseling.
- Parent Education: parental instruction through parent education classes.

These programs are funded by grants and contracts from various public and private agencies as well as other donors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Center have been prepared on the accrual basis. The Center follows the provisions of Accounting Standards Codification (ASC) 958, Not-for Profit Entities. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Date of Management's Review

Subsequent events were evaluated through October 28, 2020, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.

Estimates in the Financial Statements

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Classes of Net Assets

Net assets, revenues and gains are classified based on the presence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

a. *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

b. *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Therefore, investments are reported at their fair values in the statement of financial position. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are carried at their estimated collectible amounts. The Center's accounts receivable are generally short-term in nature; thus accounts receivable do not bear interest.

Accounts receivable are periodically evaluated for collectibility based on past credit history with customers and their current financial condition. An allowance for doubtful accounts has not been established because management believes that all accounts receivable will be fully collectible.

Fixed Assets and Long-Lived Assets

Fixed assets are recorded at acquisition cost, or if donated, at the fair market value at the date donated. The Center capitalizes additions that exceed $5,000. Depreciation expense is provided on a straight-line basis over the estimated useful lives of the respective assets, which range from five to twenty years. Depreciation expense for the year ended June 30, 2020 was $86,532.

The Center reviews long-lived assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, as measured by a comparison of estimated future cash flows (undiscounted and without interest charges) to the carrying value of the asset. Assets held for sale are written down to their fair value, less cost to sell.

Contributions

Contributions are recognized when cash or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Promises to give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Center determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. An allowance for uncollectible promises has not been established at June 30, 2020 because management believes that all promises to give will be fully collectible.

Income taxes

The Center is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, the Center has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the year ended June 30, 2020.

The Center's Forms 990 for the years ending June 30, 2020, 2019, 2018, and 2017 are subject to examination by the IRS, generally for three years after they were filed. Generally accepted accounting principles require tax effects from an uncertain tax position to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. If an uncertain tax position meets the more-likely-than-not threshold, the largest amount of tax benefit that is greater than 50% likely to be recognized upon ultimate settlement with the taxing authority is recorded. Management has evaluated the tax positions reflected in the Center's tax filings and does not believe that any material uncertain tax positions exist.

Donated Services and Materials

In-kind contributions are recorded as support at their estimated fair market value at the date of gift. These contributions are considered to be without donor restrictions unless restricted by the donor. Assets donated with donor-imposed restrictions regarding their use are considered net assets with donor restrictions until the asset is placed in service. In-kind contributions and donated services received during the year ended June 30, 2020 consisted of the following:

Donated services - Practicum students	$ 18,021
In-kind goods	88,883
	$ 106,904

In accordance with FASB ASC 958-605-25-16, *Contributed Services*, the Center recognizes contributed services only if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The in-kind goods represent primarily the donation of materials that are provided to or consumed by participants in the Center's Crisis Nursery and Lifestart Village programs.

Government Funding

Funding from all government sources is considered to be unrestricted as long as it is expended under contract guidelines and is expended in the period for which it is contracted.

Investment in Housing Development Limited Liability Company

Investment in the housing development limited liability company consists of a minority, but managing membership interest, in a related housing development limited liability company accounted for using the equity method of accounting.

Concentrations of Credit Risks

The Center maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. At June 30, 2020, there was $49,493 of uninsured balances. The Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

The Center receives a significant amount of its funding from government sources. Decreases in this government support would have an adverse effect upon the Center. Approximately 44% of its revenue is derived from two government agencies. Approximately 83% of its accounts receivable balance is from two organizations.

A significant percentage of the Center's assets are related to its investment in and notes receivable from related housing limited liability companies. At June 30, 2020, assets related to these related housing entities total $995,973, or approximately 25% of the Center's total assets. These are long-term assets and are presented as "other assets" in the statement of financial position.

Functional Allocation of Expenses

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

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, employee benefits, occupancy, and depreciation, which are allocated on the basis of estimated time and effort.

Fair Value of Financial Instruments

The Center has some financial instruments, none of which are held for trading purposes. The Center estimates that the fair value of all financial instruments at June 30, 2020, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

Advertising

Advertising costs are expensed when the advertising first takes place. Marketing costs include radio, television, and print media ad space. Advertising expense for the year ended June 30, 2020 was $1,445.

Reclassifications

Certain items from June 30, 2019 have been reclassified to conform to the June 30, 2020 presentation.

3. LIQUIDITY AND AVAILABILITY

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

Cash and cash equivalents	$ 635,209
Accounts and contracts receivable, including promises to give	197,549
Financial assets available to meet cash needs for general expenditure within one year	$ 832,758

As part of its liquidity management plan, the Center structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Center invests cash in excess of daily requirements in savings and short-term investments.

4. ACCOUNTS AND CONTRACTS RECEIVABLE, INCLUDING PROMISES TO GIVE

Accounts and contracts receivable, including promises to give, consisted of the following at June 30, 2020:

Government grants/contracts	$ 197,549
Total accounts and contracts receivable, including promises to give	$ 197,549

5. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Center 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	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2020.

Pooled funds: Valued at net asset value per unit as reported by the Community Foundation of Utah, as a practical expedient for measuring fair value. The Center uses this practical expedient because the units do not trade in the marketplace and the Community Foundation of Utah reports all its investment assets at fair value. Redemption of pooled investment funds is restricted as described in Note 6. The following tables set forth by level, within the fair value hierarchy, the Center's investments at fair value as of June 30, 2020.

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Pooled funds	$ -	$ 6,157	$ -	$ 6,157
Total beneficial interest in assets held by others	$ -	$ 6,157	$ -	$ 6,157

6. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Center established the Family Support Center Agency Endowment through Community Foundation of Utah. The designated purpose of the fund is for the support of the charitable purposes of the Center. Distributions may be made for charitable purposes in accordance with the Community Foundation of Utah's spending policy. Distributions in excess of Community Foundation of Utah's spending policy may also be made to (1) acquire or renovate a capital asset, (2) meet an unexpected or nonrecurring financial need, or (3) benefit the Center, advance its charitable purpose, and benefit the community. The Center seeks to grow the fund to $50,000 before taking distributions.

At the time the fund was established, the Center granted variance power to Community Foundation of Utah. That power gives Community Foundation of Utah the right to modify any restriction or condition on the distribution of funds if such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. At June 30, 2020, Community Foundation of Utah has not notified the Center of any decision to exercise its variance power.

The Center believes that the fair value of the future cash flows to be received from its beneficial interest in assets held by the Community Foundation of Utah approximates the fair value of the underlying assets held by Community Foundation of Utah. The assets held by the Community Foundation of Utah are entirely comprised of pooled investment funds held and managed by Community Foundation of Utah. Fair value is based on the net asset value per share as determined by Community Foundation of Utah and provided by the Center. The fund consists primarily of preferred stocks, asset backed obligations, mutual and index funds, government obligations, and cash equivalent funds. The investment is directed by Community Foundation of Utah and the portfolio is designed to achieve returns consistent with Community Foundation of Utah's adopted investment policies. At June 30, 2020, the fund had a value of $6,157, which is reported in the statement of financial position as beneficial interest in assets held by others.

7. NOTES RECEIVABLE – HOUSING AND DEVELOPMENT LLC'S (RELATED PARTIES)

The Center is a 0.005% owner in the Family Support Center Village, LLC (the Village), a residential rental project consisting of 39 low-income housing units built to provide housing for single women and their families. To support the construction and development of the project, the Center solicited contributions from the general public and loaned amounts received to the Village under a promissory note receivable. The note accrues interest at 8.5 percent, beginning with project completion in 2003, until the note receivable matures in 2033. Principal payments are subject to available cash flow as defined in the promissory note. As of June 30, 2020, notes receivable due from the Village was $443,250.

The Center has not recorded any interest receivable or interest revenue related to the Village notes receivable as of June 30, 2020. The Center will record interest revenue when it is received. The Center does not expect to receive any payments on these notes during the next fiscal year.

8. INVESTMENT IN AND ADVANCES TO HOUSING DEVELOPMENT LLC – RELATED PARTY

To support the construction and development of the Village, the Center received two grant awards totaling $550,000 from the U.S. Department of Housing and Urban Development (HUD). As approved by HUD, these awards were then conveyed to FSC, Inc., a wholly-owned for-profit subsidiary of the Center. In turn, FSC, Inc. contributed $550,000 to the Village as a capital contribution. HUD could require repayment of the grant awards (See Note 13).

The Center's investment, which is recorded at cost, in and advances to the Village are summarized as follows:

Capital contributions	$ 550,000
Other advances – capital improvements	2,723
	$ 552,723

9. LONG-TERM DEBT

Long-term debt consists of the following at June 30, 2020:

Note payable to Utah Community Reinvestment Corporation; the note requires monthly interest payments of $2,334 beginning in October 2017 and bears interest of 4.32%. The note matures in September 2028. The note is secured by land and buildings.	$ 194,122
Note payable to a financial institution (through the Paycheck Protection Program); the note bears interest at 1% and it due and payable on June 1, 2022. Interest and payments are deferred until six months after receiving the loan. This loan is eligible for forgiveness if the Center meets certain criteria. The Center expects to meet the criteria for the forgiveness	153,600
Note payable to the Olene Walker Housing Loan Fund. The note requires no payments for sixteen years (beginning October 2023). The note accrues interest at 3% to be paid when the principal becomes due. The note is secured by land and buildings.	298,450
Total long-term debt	646,172
Less current portion	(20,021)
Long-term debt, net of current portion	$ 626,151

Future minimum payments required for the long-term debt are as follows:

For Year Ended June 30,	
2021	$ 20,021
2022	174,503
2023	21,824
2024	22,786
2025	23,790
Thereafter	383,248
	$ 646,172

Interest expense for the year ended June 30, 2020 was $20,717.

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as following for the year ended June 30, 2020:

Expiration of time restrictions	$ 20,000
Total net assets released from donor restrictions	$ 20,000

11. RETIREMENT PLAN

The Center sponsors a 403(b) defined contribution retirement plan for its employees. During the year ended June 30, 2020, the Center contributed $5,100 to the Plan. This amount is included in “employee benefits” on the statement of functional expenses.

12. PROGRAM SERVICES

Program services of the Center for the year ended June 30, 2020 consisted of the following:

Crisis Nursery	$ 728,152
Counseling	253,521
Lifestart Village	359,173
Family Mentor	85,068
Tiffany Town	78,840
Adoption Respite Care	37,906
Smart Steps	20,148
	$ 1,562,808

13. RELATED PARTY TRANSACTIONS

During the year ended June 30, 2020, the Center received payments from two related entities, FSC Crown, and LifeStart Village, in the amount of $14,758 and $10,853, respectively.

14. COMMITMENTS AND CONTINGENCIES

The Center participates in various government-assisted grant programs that are subject to review and audit by grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable state regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a government audit may become a liability of the Center. The ultimate disallowance pertaining to these regulations, if any, is estimated to be immaterial to the overall financial condition of the Center.

The Center may be involved in certain claims arising from the ordinary course of operations and has purchased insurance policies to cover these risks.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have had and are likely to continue to have a negative impact on the Center. Certain activities the Center typically uses to accomplish its mission have been disrupted and actions have been taken to mediate the impact. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. The related financial impact cannot be reasonably estimated at this time.

During 1984, the Center received a Salt Lake County Community Development Block Grant to purchase a facility for its operations in Midvale, Utah. Under a special warranty deed, the facility could revert back to the county if the facility is no longer used to support the prevention and treatment of child abuse.

If facilities constructed and owned by the Village cease to be used for supportive services for a minimum of ten years, the Center could be required to repay HUD some portion of the $550,000 granted to the Center in 2003 for the development of the Village. The provision to repay these funds expires ten percent per year beginning ten years from the grant date.

As the managing member of the Village, the Center has made the following commitments:

Tax Credit Recapture Guarantee

The managing member guarantees to pay amounts to the investor member if there is a tax credit recapture event. The payment amount shall be equal to any deficiency assessed against the investor member resulting from a tax credit recapture event plus any penalty and interest related to the deficiency and any tax resulting from any payment as a result of this agreement.

Tax Credit Availability Guarantee

The managing member guarantees to pay amounts to the investor member if during the tax credit period the actual credits are less than projected credits.

15. COMPARATIVE FINANCIAL INFORMATION

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles in the United States of America. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended June 30, 2019 from which the summarized information was derived.