

**ST. DAVID'S CENTER**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
St. David's Center  
Minnetonka, Minnesota

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

#### ***Opinion***

We have audited the accompanying financial statements of St. David's Center, which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. David's Center as of December 31, 2022 and 2021, and the changes in 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 audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. David's Center 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.

#### ***Emphasis of a Matter: Change in Accounting Principle***

As discussed in Note 1 of the financial statements, St. David's Center adopted new accounting guidance for leases. 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 this 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 St. David's Center's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with U.S. GAAS, 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 St. David's Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about St. David's Center's ability to continue as a going concern for a reasonable period of time.

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

Board of Directors  
St. David's Center

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expense by program, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
August 29, 2023

**ST. DAVID'S CENTER  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2022 AND 2021**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,207,730	\$ 4,308,991
Accounts Receivable, Net	2,865,055	2,718,683
Pledges Receivable	134,260	302,900
Prepaid Expenses	583,553	276,467
Total Current Assets	4,790,598	7,607,041
<b>NONCURRENT ASSETS</b>		
Pledges Receivable, Net	18,609	129,970
Investments	1,481,925	1,652,183
Cash Surrender Value of Life Insurance Policy	1,116,917	1,062,104
Property and Equipment, Net	11,419,980	11,585,273
Right-of-Use Asset, Net	354,423	-
Total Noncurrent Assets	14,391,854	14,429,530
Total Assets	\$ 19,182,452	\$ 22,036,571
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 443,845	\$ 473,851
Accrued Salaries and Vacation	1,030,219	989,405
Deferred Revenue	40,500	29,893
Lease Liability - Short-Term	91,939	-
Debt - Short-Term	-	183,973
Other Liabilities	235,066	298,829
Total Current Liabilities	1,841,569	1,975,951
<b>NONCURRENT LIABILITIES</b>		
Deferred Compensation	243,751	270,503
Lease Liability	262,484	-
Total Noncurrent Liabilities	506,235	270,503
Total Liabilities	2,347,804	2,246,454
<b>NET ASSETS</b>		
Without Donor Restrictions	13,940,217	16,280,972
With Donor Restrictions	2,894,431	3,509,145
Total Net Assets	16,834,648	19,790,117
Total Liabilities and Net Assets	\$ 19,182,452	\$ 22,036,571

See accompanying Notes to Financial Statements.

**ST. DAVID'S CENTER  
STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31, 2022 AND 2021**

	Year Ended December 31, 2022			Year Ended December 31, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Governmental Contracts	\$ 12,698,435	\$ -	\$ 12,698,435	\$ 10,772,911	\$ -	\$ 10,772,911
Tuition/Private Fees	2,252,861	-	2,252,861	1,675,215	-	1,675,215
Insurance Income	4,349,647	-	4,349,647	5,748,713	-	5,748,713
Paycheck Protection Program	-	-	-	3,270,548	-	3,270,548
Contributions	730,278	142,660	872,938	641,122	708,500	1,349,622
Special Events (Less Expenses of \$111,395 and \$47,652, Respectively)	546,469	-	546,469	377,919	-	377,919
United Way	9,790	-	9,790	43,472	50,000	93,472
Investment Income	(147,322)	(7,302)	(154,624)	106,633	194,500	301,133
Other Income	412,241	-	412,241	25,995	-	25,995
Gain (Loss) on Disposal of Property and Equipment	(18,017)	-	(18,017)	(499)	-	(499)
Net Assets Released from Restrictions	750,072	(750,072)	-	801,757	(801,757)	-
Total Support and Revenue	<u>21,584,454</u>	<u>(614,714)</u>	<u>20,969,740</u>	<u>23,463,786</u>	<u>151,243</u>	<u>23,615,029</u>
<b>EXPENSE</b>						
Program Services	21,049,773	-	21,049,773	17,389,871	-	17,389,871
Support Services:						
Management and General	2,447,367	-	2,447,367	2,663,436	-	2,663,436
Fundraising	428,069	-	428,069	376,759	-	376,759
Total Support Services	<u>2,875,436</u>	<u>-</u>	<u>2,875,436</u>	<u>3,040,195</u>	<u>-</u>	<u>3,040,195</u>
Total Expense	<u>23,925,209</u>	<u>-</u>	<u>23,925,209</u>	<u>20,430,066</u>	<u>-</u>	<u>20,430,066</u>
<b>CHANGE IN NET ASSETS</b>	(2,340,755)	(614,714)	(2,955,469)	3,033,720	151,243	3,184,963
Net Assets - Beginning of Year	<u>16,280,972</u>	<u>3,509,145</u>	<u>19,790,117</u>	<u>13,247,252</u>	<u>3,357,902</u>	<u>16,605,154</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 13,940,217</u>	<u>\$ 2,894,431</u>	<u>\$ 16,834,648</u>	<u>\$ 16,280,972</u>	<u>\$ 3,509,145</u>	<u>\$ 19,790,117</u>

See accompanying Notes to Financial Statements.

**ST. DAVID'S CENTER  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2022**

	Support Services			Total Support Services	Total All Services
	Program Services	Management and General	Fundraising		
Salaries	\$ 14,607,851	\$ 1,275,653	\$ 294,679	\$ 1,570,332	\$ 16,178,183
Payroll Taxes	1,219,950	91,691	20,926	112,617	1,332,567
Employee Benefits	1,393,542	138,247	61,459	199,706	1,593,248
Total Personnel Costs	<u>17,221,343</u>	<u>1,505,591</u>	<u>377,064</u>	<u>1,882,655</u>	<u>19,103,998</u>
Professional, Training, Activity, and Other Fees	753,316	729,725	41,283	771,008	1,524,324
Occupancy	819,675	110,346	-	110,346	930,021
Communications	596,278	248	-	248	596,526
Depreciation	890,388	21,812	-	21,812	912,200
Supplies	274,844	17,851	150	18,001	292,845
Bad Debt	-	75,880	-	75,880	75,880
Foster Provider Reimbursements	116,218	(14,500)	-	(14,500)	101,718
MinnesotaCare Tax	31,044	-	-	-	31,044
Marketing/Advertising	343,492	414	9,572	9,986	353,478
Interest Expense	3,175	-	-	-	3,175
Total Expense	<u>\$ 21,049,773</u>	<u>\$ 2,447,367</u>	<u>\$ 428,069</u>	<u>\$ 2,875,436</u>	<u>\$ 23,925,209</u>

See accompanying Notes to Financial Statements.

**ST. DAVID'S CENTER**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2021**

	Support Services			Total Support Services	Total All Services
	Program Services	Management and General	Fundraising		
Salaries	\$ 12,618,504	\$ 1,361,789	\$ 238,754	\$ 1,600,543	\$ 14,219,047
Payroll Taxes	1,115,410	163,265	20,441	183,706	1,299,116
Employee Benefits	1,080,193	188,368	52,518	240,886	1,321,079
Total Personnel Costs	14,814,107	1,713,422	311,713	2,025,135	16,839,242
Professional, Training, Activity, and Other Fees	397,722	874,363	28,184	902,547	1,300,269
Occupancy	706,547	3,000	5,391	8,391	714,938
Communications	70,724	9,921	1,508	11,429	82,153
Depreciation	941,128	32,984	6,286	39,270	980,398
Supplies	166,784	29,622	-	29,622	196,406
Bad Debt	-	-	14,209	14,209	14,209
Foster Provider Reimbursements	3,504	-	-	-	3,504
MinnesotaCare Tax	52,525	-	-	-	52,525
Marketing/Advertising	228,061	124	9,468	9,592	237,653
Interest Expense	8,769	-	-	-	8,769
Total Expense	\$ 17,389,871	\$ 2,663,436	\$ 376,759	\$ 3,040,195	\$ 20,430,066

See accompanying Notes to Financial Statements.

**ST. DAVID'S CENTER  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (2,955,469)	\$ 3,184,963
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	912,200	980,398
Unrealized and Realized (Gain) Loss on Investments	121,130	(151,568)
(Gain) Loss on Disposal of Property and Equipment	18,017	499
(Increase) Decrease in Current Assets:		
Accounts Receivable	(146,372)	(364,654)
Pledges Receivable	280,001	(179,246)
Grants Receivable	-	105,118
Prepaid Expenses	(307,086)	(97,664)
Increase (Decrease) in Liabilities:		
Accounts Payable	(30,006)	214,201
Accrued Salaries and Vacation	40,814	(143,909)
Deferred Revenue	10,607	23,893
Other Liabilities	(63,763)	(276,868)
Deferred Compensation	(26,752)	42,284
Net Cash Provided (Used) by Operating Activities	<u>(2,146,679)</u>	<u>3,337,447</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(764,924)	(259,767)
Purchase of Investments	(123,302)	(130,852)
Proceeds from Sale of Investments	117,617	136,384
Net Cash Used by Investing Activities	<u>(770,609)</u>	<u>(254,235)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal Payments on Long-Term Debt and Line of Credit	(183,973)	(120,752)
Net Cash Used by Financing Activities	<u>(183,973)</u>	<u>(120,752)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(3,101,261)	2,962,460
Cash and Cash Equivalents - Beginning of Year	<u>4,308,991</u>	<u>1,346,531</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,207,730</u>	<u>\$ 4,308,991</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest Paid During the Year	<u>\$ 3,177</u>	<u>\$ 8,769</u>

See accompanying Notes to Financial Statements.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organizational Purpose**

St. David's Center (St. David's) provides educational, therapeutic, and social services for children and their families. St. David's operates the following services:

I. **Inclusive Early Childhood Education:** A developmentally appropriate early childhood education and childcare program serving children ages 16 months to five years paired with in-center respite care services provided to families with children under age six that have special needs. The program provides children the unique opportunity to learn side-by-side with children of varying abilities.

**II. Early Intervention and Treatment**

- ◆ **Pediatric Therapy:** Provides speech, occupational, and feeding therapy services to assist children with developmental delays and disabilities offered at both the Minneapolis and Minnetonka clinic locations. The therapist designs interventions using a team approach to meet each child's individual developmental needs. Through partnerships with families and other providers, specific treatment approaches are incorporated into functional environments.
- ◆ **Autism Day Treatment (ADT):** A classroom environment specifically designed for young children ages 18 months to five years who have a medical diagnosis of Autism Spectrum Disorder (ASD). A multidisciplinary team develops individualized treatment plans and interventions for each child. The team is committed to working across disciplines and with families and school district services so that skills are generalized across settings. ADT is offered in Minnetonka and Minneapolis, where services are culturally responsive to the East African community.
- ◆ **School Age Autism Day Treatment and Community-Based Autism Treatment:** Offers individual, family, and group therapy, primarily at clinic locations for individuals on the Autism Spectrum. Through an individualized treatment plan, the program provides care management for children on the autism spectrum and their families. A service plan can include care management, therapeutic behavior support, therapeutic interventions, and consultations with parents.
- ◆ **Family Place Day Treatment:** Offered at the Minneapolis and Minnetonka sites alike, Family Place provides an early childhood program for families facing multiple challenges in successfully parenting their children. The goal is to offer support, share child development information, and encourage alternative approaches to parenting, while also promoting the social and emotional development of young children.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Organizational Purpose (Continued)**

**II. Early Intervention and Treatment (Continued)**

- ◆ Outpatient Children's Mental Health Services: Outpatient mental health services are provided in both the Minnetonka and Minneapolis clinic locations to children birth through adolescence and their caregivers. Services are aimed at improving functioning in relationships, at home, in school, and in the community, and appointments are typically weekly or biweekly for one hour, reflecting less severity in symptoms than in-home, classroom-based, or in some other way more intensive services. Staff offers expertise in serving children and families with special needs, including but not limited to trauma developmental delays/disabilities, physical challenges, medical complications, attention deficit disorders, and emotional/behavioral disturbances.
- ◆ School-Linked Mental Health Services: Partners with school districts to co-locate children's mental health services to improve school readiness of individual children, improve classroom dynamics, provide a supportive learning environment, and repair system issues that may be barriers to their effectiveness.
- ◆ Intensive Family Mental Health Services: Offers individual, family, and group therapy, primarily in client's homes, aimed at improving functioning at home, at school, and in the community. The target population for these services are families in higher distress, families with parents with mental illness, under-resourced, isolated families, and children with emerging mental health concerns due to trauma and adversity.
- ◆ Children's Mental Health Case Management: Provides in-home support and advocacy for families who have a child with a mental health diagnosis. The case manager and family develop a care plan that includes various types of therapy, special education services, mental health and behavior guidance, and other resources.
- ◆ Zero to Five Home Visiting: Home visitors provide relationship-based support services for vulnerable young parents of children ages 0 to 5. We partner with parents to enrich family relationships and improve school readiness through advocacy and case management, referrals to resources, and providing developmental and parenting information. Some services are designed for parents expecting their first child or with a first child under the age of three months who are impacted by multiple "risk-factors" including: low income, histories of domestic violence, sexual or physical abuse, mental health concerns, chemical abuse, developmental disabilities, or other stressors. This service is a program of the Metro Alliance for Family Success and is free of charge to families for up to four years.

Parent-Child Therapy Program: Services target parents and their young children, typically birth to five years of age, and include evidence-based clinical interventions aimed at strengthening attachment in the parent/caregiver-child relationship.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Organizational Purpose (Continued)**

**III. Community-Based Disability Services**

- ◆ Therapeutic Recreation: Offers community-based programming focused on recreation, community activities, and socialization for youth ages 6 to 18 with developmental disabilities.
- ◆ In-Home Disability Support / Waivered Services: Programming is offered to children and adults with developmental disabilities who have a DD, CADI, CAC, or TBI waiver. It focuses on development of life skills in the home and community of every client. Services may include in-home support, hourly respite, overnight respite, person-centered goals, and flexible case management.

**IV. Coalition-Based Community Initiatives or Advancement**

- ◆ Minnesota Targeted Home Visiting Coalition: In 2020, St. David's Center became the fiscal agent for the Minnesota Targeted Home Visiting Coalition. The Coalition works with member agencies, of which St. David's Center is one, to advocate for adequate funding and other resources for organizations providing home visiting services across the state.
- ◆ Quality Parenting Initiative – Minnesota: St. David's Center provides leadership and coordination to a statewide child welfare system transformation initiative that puts children at the center of decision-making and values and supports all caregivers in their lives. The project aims to improve outcomes for children in out-of-home placement and improve the experience of children, youth, and caregivers while in the system.
- ◆ Early Childhood Nutrition Program: St. David's Center coordinates healthy, affordable meal packs to low-income families with young children across many communities in Hennepin County, in partnership with three nonprofit agencies providing home visiting services. This program's aim is to improve parental decision-making with respect to healthy meal choices for children, to improve developmental outcomes and set children on an optimal course in their health and education.
- ◆ Healthy Families Clinical Supervision: St. David's Center provides reflective, clinical supervision to other nonprofit organizations providing Healthy Families services described above. A senior staff meets with teams of home visitors working in agencies in Minneapolis and surrounding communities.
- ◆ Advancing The Field: This program supports professional development focusing on early childhood development.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial Statement Presentation**

In order to observe the limitation and restrictions placed on resources available to St. David's, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure whereby resources are classified for accounting and reporting purposes into net asset groupings established according to their nature and restrictions. A description of the groupings is as follows:

*Without Donor Restrictions* – Those resources not subject to donor-imposed restrictions. These net assets include both board-designated and undesignated amounts.

*With Donor Restrictions* – Resources subject to donor-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.

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, St. David's considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

**Accounts Receivable**

St. David's provides an allowance for uncollectible accounts on program receivables based on management's judgment. Program participants and their guardians are not required to provide collateral for services rendered. Payments for services are due upon the patient receiving the bill. At December 31, 2022 and 2021, the allowance for uncollectible accounts, which includes the contractual allowance, was \$1,300,077 and \$787,767, respectively.

**Pledges Receivable**

Pledges that are expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of the amount expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the pledge is received. Conditional pledges are not included as support until such time as the conditions are substantially met. An allowance for bad debt is provided on the reserve method based on historical experience and management's evaluation of outstanding receivable balances at the end of the year. No allowance for bad debts was recorded as of December 31, 2022 and 2021.

**Investments**

St. David's carries its investments at market value. At times, the portfolio contains cash equivalents. Privately held stock is recorded at fair value when contributed and is not subsequently measured at fair value. The original value received is retained as cost in future years.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Life Insurance Policy**

During the year ended May 31, 2011, St. David's received a contribution from a donor of \$1,000,000 to fund a life insurance policy and fund an endowment. The policy is recorded at cash surrender value with the change in value being recorded as income.

**Property and Equipment**

All major expenditures for land, buildings, building improvements, and equipment are capitalized at cost. St. David's capitalizes property and equipment purchases when the cost per item is in excess of \$1,000 and like items may be capitalized if the total purchase is at least \$2,500 and the average price per item is at least \$250. Contributed items are recorded at fair market value at date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulation, contributions of property and equipment are recorded as unrestricted. Depreciation is provided through the use of the straight-line method as follows:

Buildings and Improvements (Using the Shorter of Asset Life or Lease Term for Leasehold Improvements)	5 to 39 Years
Furniture and Equipment	3 to 10 Years
Vehicles	3 to 5 Years

**Deferred Compensation**

St. David's provides a deferred compensation plan to executives approved by the board of directors. The liability on the statement of financial position reflects what is owed to participants in accordance with the terms of the plan.

**Contributions**

Contributions are recorded when received and recognized as support in the period received. If donor-imposed restrictions accompany the contribution, the amount is recorded as contributions with donor restrictions until the donor-imposed restrictions expire or are fulfilled. Net assets with donor restrictions are reclassified to net assets without donor restrictions in the period donor-imposed restrictions expire or are fulfilled and are reported in the statements of activities under the support and revenue category – Net Assets Released from Restrictions except when the receipt and expiration occur in the same period, in which case the contribution is shown as without donor restrictions.

**Government Grants and Contracts**

Government grants and contract funds are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined in each grant or contract, are made. Funds received but not yet earned are shown as refundable advances. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, St. David's will record such disallowance at the time the final assessment is made.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Program Service Revenue**

St. David's has agreements with third-party payors that provide for payments to St. David's at amounts different from its established rates. Payment arrangements include prospectively determined rates, reimbursed costs, discounted charges, and per diem payments. Net program service revenue is reported at the estimated net realizable amounts from program participants, third-party payors, and others for services rendered.

**Advertising and Marketing**

Advertising and marketing costs are expensed when incurred.

**Charity Care**

St. David's provides charity care to patients meeting certain established criteria which is provided without charge or at amounts less than established rates. St. David's does not pursue collection of amounts determined to qualify as charity care.

**Functional Allocation of Expense**

Expenses incurred in providing programs and supporting services have been summarized on a functional basis in the statements of functional expenses. Salaries, payroll taxes, and other expenses are allocated on a direct basis based on the program or supporting function. Some expenses require allocation. Occupancy expenses are allocated to program or supporting function based on square footage used, along with related costs such as utilities, property maintenance, property insurance, depreciation and interest. Other expenses are allocated based on the program or supporting function's expense as a percentage of all program expenses.

**Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions can affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

**Income Tax**

St. David's has a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code (IRC) and Minnesota Statute 290.05. It has been classified as an organization that is not a private foundation under the IRC and charitable contributions by donors are tax deductible.

St. David's follows the provisions of Accounting for Uncertainty in Income Taxes. This standard clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribes a recognition threshold for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. St. David's is not aware of any activities that would jeopardize its tax-exempt status.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Concentrations**

St. David's provides services within the Twin Cities area. The amounts due for services provided are from individuals, or their third-party payors, substantially all of which are local residents. In addition, accounts receivable are from local residents, governments, or institutions. As of December 31, 2022, there were no donors who contributed more than 10% of total contributions. As 2021, approximately 26% of contributions were from one donor. As of December 31, 2022 and 2021, approximately 32% and 63% of pledges receivable were from two donors and three donors, respectively.

At December 31, 2022, St. David's held funds at a local financial institution in excess of federally insured limits.

**Fair Value Measurements**

St. David's accounts for certain financial assets under various accounting literature. St. David's also accounts for certain assets at fair value under applicable industry guidance.

St. David's has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets recorded on the statement of financial position are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Financial assets whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that St. David's has the ability to access.

*Level 2* – Financial assets whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- quoted prices for similar assets in active markets;
- quoted prices for identical or similar assets in nonactive markets;
- pricing models whose inputs are observable for substantially the full term of the asset; and
- pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset.

*Level 3* – Financial assets whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

St. David's determines if an arrangement is a lease at inception. Leases are reported on the statements of financial position as a right-of-use (ROU) asset and lease liability.

ROU assets represent St. David's right to use an underlying asset for a lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at 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 St. David's will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. St. David's has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, St. David's 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 liability.

St. David's has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

**Adoption of New Accounting Standards**

In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update 2016-02, *Leases (ASC 842)*. The new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statements of financial position. Most prominent of the changes in 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. St. David's adopted the requirements of the guidance effective January 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption. St. David's has elected to adopt the package of practical expedients available in the year of adoption. St. David's has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the ROU assets.

**Subsequent Events**

St. David's has evaluated the effect that subsequent events would have on the financial statements through August 29, 2023, which is the date the financial statements were available to be issued.

**ST. DAVID'S CENTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 2 LIQUIDITY AND AVAILABILITY**

St. David's, along with oversight from the finance committee and the board of directors, regularly monitors its cash on hand, to review cash flow projections to meet operational needs and organizational priorities. St. David's manages its liquidity by operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund operating needs, and maintaining appropriate cash flow to provide reasonable assurance that long-term debt obligations will be met. St. David's strives to maximize available funds by transferring cash not needed for immediate working capital into the investment portfolio.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following as of December 31:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 1,207,730	\$ 4,308,991
Accounts Receivable, Net	2,865,055	2,718,683
Pledges Receivable	134,260	302,900
Investments	652,782	796,288
Less: Assets with Donor Restrictions	<u>(924,242)</u>	<u>(1,394,787)</u>
Liquid Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 3,935,585</u>	<u>\$ 6,732,075</u>

St. David's also has a committed line of credit in the amount of \$2,000,000, which it could draw upon in the event of an unanticipated liquidity need.

**NOTE 3 PLEDGES RECEIVABLE**

Unconditional promises are recognized at the estimated present value of the future cash flows, net of allowances, in the following time frame as of December 31:

	<u>2022</u>	<u>2021</u>
In One Year or Less	\$ 134,260	\$ 302,900
Between One and Five Years	<u>20,100</u>	<u>136,500</u>
Subtotal	154,360	439,400
Less: Present Value Discount of 4.5%	<u>1,491</u>	<u>6,530</u>
Pledges Receivable, Net	<u>\$ 152,869</u>	<u>\$ 432,870</u>

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 4 INVESTMENTS**

St. David's held the following investments as of December 31:

	2022	
	Cost	Fair Value
Cash and Cash Equivalents	\$ 15,755	\$ 19,370
Privately Held Stock	567,000	567,000
Domestic Equities	392,871	403,490
Fixed Income	136,993	121,290
Mutual Funds - Bonds	134,588	122,416
Mutual Funds - Stock	186,458	248,359
Total Investments	\$ 1,433,665	\$ 1,481,925

  

	2021	
	Cost	Fair Value
Cash and Cash Equivalents	\$ 13,208	\$ 13,208
Privately Held Stock	567,000	567,000
Domestic Equities	374,626	491,750
Fixed Income	147,090	145,719
Mutual Funds - Bonds	132,772	129,521
Mutual Funds - Stock	182,990	304,985
Total Investments	\$ 1,417,686	\$ 1,652,183

It is the intent of St. David's to hold the above investments on a long-term basis.

**NOTE 5 FAIR VALUE MEASUREMENTS**

The following tables present St. David's fair value for those investments measured at fair value on a recurring basis as of December 31:

	2022			
	Level 1	Level 2	Level 3	Total
Domestic Equities	\$ 403,490	\$ -	\$ -	\$ 403,490
Fixed Income	121,290	-	-	121,290
Mutual Funds - Bond	122,416	-	-	122,416
Mutual Funds - Stock	248,359	-	-	248,359
Total Investments	\$ 895,555	\$ -	\$ -	\$ 895,555

  

	2021			
	Level 1	Level 2	Level 3	Total
Domestic Equities	\$ 491,750	\$ -	\$ -	\$ 491,750
Fixed Income	145,719	-	-	145,719
Mutual Funds - Bond	129,521	-	-	129,521
Mutual Funds - Stock	304,985	-	-	304,985
Total Investments	\$ 1,071,975	\$ -	\$ -	\$ 1,071,975

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 6 PROPERTY AND EQUIPMENT**

St. David's owned the following assets as of December 31:

	2022	2021
Land	\$ 132,136	\$ 132,136
Building and Improvements	18,182,309	17,683,988
Furniture and Equipment	3,819,427	3,572,943
Vehicles	22,191	22,191
Subtotal	22,156,063	21,411,258
Less: Accumulated Depreciation	(10,736,083)	(9,825,985)
Total	\$ 11,419,980	\$ 11,585,273

Depreciation expense of \$912,200 and \$980,399 was recorded for the years ended December 31, 2022 and 2021, respectively.

**Renovation**

In May 2014, St. David's was awarded \$3,750,000 in grant funding from the state of Minnesota bonding bill, through Hennepin County. In June 2015, St. David's started construction on renovation of its campus. The renovation cost \$6,975,918 and was financed through a combination of private contributions and the \$3,750,000 grant from the state of Minnesota. The renovation was completed in July 2016.

On March 31, 2015, St. David's entered into a 50-year ground lease with Hennepin County. At the same time, Hennepin County entered into a 20-year lease agreement to lease it back to St. David's. At the end of the 20-year term of the lease-back, St. David's has the option to renew the lease-back for two successive periods, the first of which shall be for 20 years, and the second shall be an additional 10 years. Management considers the possibility that the lease-back would not be renewed with Hennepin County as remote and, therefore, has retained the overall campus on its financial statements as a capital asset and will depreciate the campus over its useful life.

**NOTE 7 NOTES PAYABLE**

St. David's holds a \$2,000,000 line of credit with Old National Bank which expires on July 15, 2023. The obligation is secured by all assets of St. David's. The interest rate is 3.25% (or prime) at December 31, 2022. There was no outstanding amount on the line of credit as of December 31, 2022 and 2021. Subsequent to year-end, St. David's renewed the line of credit through November 15, 2023.

During 2019, St. David's entered into a loan agreement with Old National Bank, which expired on July 15, 2022. This loan agreement extended the line of credit loan with Old National Bank, which expired on July 15, 2019. The obligation was secured by all assets of St. David's. The loan was paid in full as of December 31, 2022. The outstanding balance on the loan as of December 31, 2021 was \$183,973.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 8 ENDOWMENT FUNDS**

St. David's endowments consist of funds established by donors for permanently restricted purposes. St. David's net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The board of directors has interpreted the Minnesota Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift, as of the gift date, of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, St. David's classifies net assets with donor restrictions as:

- (a) The original value of gifts donated to the donor-restricted endowment
- (b) The original value of subsequent gifts to the donor-restricted endowment
- (c) Accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, St. David's considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1. The duration and preservation of the fund
- 2. The purpose of the organization and the donor-restricted endowment fund
- 3. General economic conditions
- 4. The possible effect of inflation and deflation
- 5. The expected total return from income and the appreciation of investments
- 6. Other resources of the organization
- 7. The investment policies of the organization

St. David's will review the above noted factors annually as a part of the yearly budget process and will make an annual determination of whether or not to appropriate or accumulate funds. At the time of review, should the fair value of assets associated with individual donor-restricted endowment funds be below the level that the donor requires St. David's to retain as a fund of perpetual duration, no funds will be appropriated.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 8 ENDOWMENT FUNDS (CONTINUED)**

The following were the changes in the endowment net assets for the years ended December 31:

	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets - December 31, 2021	\$ -	\$ 1,858,392	\$ 1,858,392
Net Investment Income	-	(7,302)	(7,302)
Appropriations	-	(81,391)	(81,391)
Net Assets - December 31, 2022	<u>\$ -</u>	<u>\$ 1,769,699</u>	<u>\$ 1,769,699</u>
	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets - December 31, 2020	\$ -	\$ 1,740,227	\$ 1,740,227
Net Investment Income	-	194,500	194,500
Appropriations	-	(76,335)	(76,335)
Net Assets - December 31, 2021	<u>\$ -</u>	<u>\$ 1,858,392</u>	<u>\$ 1,858,392</u>

All endowment net assets were donor-restricted endowment funds.

**Fund with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires St. David's to retain as a fund of perpetual duration. In accordance with GAAP, there were no deficiencies of this nature that are reported in net assets with donor restrictions as of December 31, 2022 and 2021.

**Investment Objectives and Strategies**

St. David's has adopted an investment policy to provide guidelines for investing endowment assets. Under this policy, as approved by the finance committee of the board of directors, the endowment assets are invested in a manner that is intended to manage for consistent total returns with a long-term growth objective, manage with a moderate level of risk, and maintain sufficient diversification of assets. To achieve these objectives, St. David's follows an asset diversification plan, sets performance benchmarks for investments managers, and has established various asset quality and limitations thresholds. An investment advisory committee regularly reviews investment diversification and performance.

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of amounts for the following:

	<u>2022</u>	<u>2021</u>
Subject to Expenditure for Specified Purpose:		
Harman Center for Child & Family Wellbeing	\$ 912,572	\$ 1,156,254
Other	62,600	141,499
Early Childhood Education and Nutrition	69,500	314,500
Banyan Early Childhood Education	10,000	-
Time Restricted	70,060	38,500
Unspent Endowment Earnings	<u>137,982</u>	<u>226,675</u>
Total	1,262,714	1,877,428
Endowments:		
Frank Bennett Endowment	1,000,000	1,000,000
Program Endowment	166,153	166,153
Ayse Tanberk Scholarship Endowment	112,072	112,072
Martha Bennett Curriculum Endowment	80,821	80,821
Parenting Symposium Endowment	46,880	46,880
Arts Endowment	45,000	45,000
Playground Upkeep Endowment	40,000	40,000
Family Services Endowment	39,617	39,617
Cynthia Burns Memorial Endowment	25,000	25,000
Lindahl Curriculum Endowment	25,000	25,000
Brooks Curriculum Endowment	25,000	25,000
Music Therapy Endowment	10,500	10,500
Mary Griffin Scholarship Endowment	<u>15,674</u>	<u>15,674</u>
Total	<u>1,631,717</u>	<u>1,631,717</u>
Total Net Assets with Donor Restrictions	<u>\$ 2,894,431</u>	<u>\$ 3,509,145</u>

St. David's leased office space under an agreement that expires February 28, 2028, which requires monthly payments of \$5,042. St. David's also leases additional space under an agreement that expires June 30, 2024, which requires monthly payments of \$3,000.

**ST. DAVID'S CENTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

The following table provides quantitative information concerning St. David's ROU assets and lease liability for the year ended December 31, 2022.

Right-of-Use Assets:	
Operating Leases, Net	\$ 354,423
Lease Liabilities:	
Current:	
Operating Leases	91,939
Noncurrent:	
Operating Leases	262,484
Total	<u>\$ 354,423</u>
Operating Lease Costs	\$ 96,504
Other Information:	
Operating Cash Flows from Operating Leases	96,504
Right-of-Use Assets Obtained in Exchange for New	
Operating Lease Liabilities	444,994
Weighted Average Remaining Lease Term:	
Operating Leases	4.5 years
Weighted Average Discount Rate:	
Operating Leases	1.50%

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

<u>Year Ending December 31,</u>	<u>Operating Leases</u>
2023	\$ 96,504
2024	78,504
2025	60,504
2026	60,504
2027	60,504
Thereafter	10,084
Total Lease Payments	<u>366,604</u>
Less: Interest	<u>(12,181)</u>
Present Value of Lease Liabilities	<u>\$ 354,423</u>

**ST. DAVID'S CENTER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021**

**NOTE 10 PENSION PLAN**

St. David's maintains a 403(b) Retirement Savings Plan that covers those employees who meet eligibility requirements. Employer contributions of \$208,781 and \$130,717 were made in the years ended December 31, 2022 and 2021, respectively.

**NOTE 11 MAJOR SOURCES OF SUPPORT AND REVENUE**

Major sources of support and revenue were as follows:

	<u>2022</u>	<u>2021</u>
State of Minnesota	\$ 14,815,955	\$ 13,559,265
Hennepin County	2,149,608	2,605,938

**NOTE 12 PAYCHECK PROTECTION PROGRAM**

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. On February 13, 2021, St. David's was granted a loan from Old National Bank in the amount of \$3,270,548 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The PPP Loan bears interest at a fixed rate of 1.0% per annum, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration (SBA). Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses. St. David's used the entire loan amount for qualifying expenses in 2021. St. David's applied for full forgiveness and received full forgiveness from the SBA on October 29, 2021. This amount is recorded in the statement of activities as Paycheck Protection Program revenue.

The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on St. David's financial position.

**ST. DAVID'S CENTER**  
**SCHEDULE OF EXPENSE BY PROGRAM**  
**YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2021)**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	December 31, 2022					
	Program Services					
	Intensive Family Mental Health Services	School Linked Mental Health Services	Community Based Disability Services	Healthy Families Home Visiting	Healthy Families Clinical	Assessment SIS OPHM
Salaries	\$ 407,482	\$ 592,908	\$ 2,988,009	\$ 492,294	\$ 68,607	\$ 333,504
Payroll Taxes	34,464	47,988	261,750	40,789	4,501	27,229
Employee Benefits	34,447	80,248	103,486	59,026	9,433	40,139
Total Personnel Costs	<u>476,393</u>	<u>721,144</u>	<u>3,353,245</u>	<u>592,109</u>	<u>82,541</u>	<u>400,872</u>
Professional, Training, Activity, and Other Fees	14,742	9,117	85,137	23,246	16,188	2,849
Occupancy	9,929	1,168	50,843	9,000	-	34,655
Communications	16,943	24,481	114,521	20,980	3,113	14,065
Depreciation	10,195	1,199	12,186	4,874	-	19,201
Supplies	2,424	1,704	2,878	5,290	-	3,840
Bad Debt	-	-	-	-	-	-
Foster Provider Reimbursements	-	-	-	-	-	-
Financial Assistance	-	-	-	-	-	181
Marketing/Advertising	31,157	18,328	33,907	-	-	19,244
Provider Taxes	4,325	4,199	-	-	-	13,789
Interest Expense	89	129	602	110	17	77
Total Expense	<u>\$ 566,197</u>	<u>\$ 781,469</u>	<u>\$ 3,653,319</u>	<u>\$ 655,609</u>	<u>\$ 101,859</u>	<u>\$ 508,773</u>

**ST. DAVID'S CENTER**  
**SCHEDULE OF EXPENSE BY PROGRAM (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2021)**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	December 31, 2022					
	Program Services					
	County Reflective Consultation	Home Visiting Coalition	Early Childhood Education	Family Place Day Treatment	Harman Center Family Place	Parent-Child Therapy Program
Salaries	\$ 1,372	\$ -	\$ 1,587,800	\$ 763,615	\$ 425,498	\$ 47,547
Payroll Taxes	103	-	131,701	63,163	35,342	4,169
Employee Benefits	-	-	182,874	97,645	54,649	11,254
Total Personnel Costs	<u>1,475</u>	<u>-</u>	<u>1,902,375</u>	<u>924,423</u>	<u>515,489</u>	<u>62,970</u>
Professional, Training, Activity, and Other Fees	11,115	57,724	8,305	4,796	1,810	292
Occupancy	-	9,734	183,230	49,019	52,866	2,872
Communications	439	3,241	68,636	32,424	20,414	2,513
Depreciation	-	-	188,142	50,334	90,005	4,889
Supplies	-	-	36,561	3,801	8,965	12
Bad Debt	-	-	-	-	-	-
Foster Provider Reimbursements	-	-	-	-	-	-
Financial Assistance	-	-	28,047	-	-	-
Marketing/Advertising	-	8,247	25,659	13,746	12,371	19,244
Provider Taxes	-	-	-	6,236	751	824
Interest Expense	2	10	374	171	111	12
Total Expense	<u>\$ 13,031</u>	<u>\$ 78,956</u>	<u>\$ 2,441,329</u>	<u>\$ 1,084,950</u>	<u>\$ 702,782</u>	<u>\$ 93,628</u>

**ST. DAVID'S CENTER**  
**SCHEDULE OF EXPENSE BY PROGRAM (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2021)**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	December 31, 2022					
	Program Services					
	Quality Parenting Initiative	Early Childhood Nutrition Program	Preschool & School Age Autism Day Treatment	Advancing the Field	Pediatric Therapy	Harman Center Pediatric Therapy
Salaries	\$ 8,979	\$ 70,855	\$ 2,048,591	\$ 103,244	\$ 2,019,612	\$ 594,132
Payroll Taxes	1,179	6,072	172,325	8,035	167,561	48,523
Employee Benefits	500	2,573	215,679	11,227	210,765	56,495
Total Personnel Costs	<u>10,658</u>	<u>79,500</u>	<u>2,436,595</u>	<u>122,506</u>	<u>2,397,938</u>	<u>699,150</u>
Professional, Training, Activity, and Other Fees	34,970	2,941	11,247	17,781	8,777	14,999
Occupancy	-	-	131,724	-	165,681	30,913
Communications	2,479	7,428	84,134	4,515	85,439	24,832
Depreciation	-	-	135,254	-	170,124	52,630
Supplies	438	174,931	7,435	417	15,127	2,382
Bad Debt	-	-	-	-	-	-
Foster Provider Reimbursements	-	-	-	-	-	-
Financial Assistance	-	-	-	-	1,744	1,072
Marketing/Advertising	-	-	50,401	101	64,146	19,244
Provider Taxes	-	-	35,114	-	44,972	3,017
Interest Expense	8	45	455	24	459	136
Total Expense	<u>\$ 48,553</u>	<u>\$ 264,845</u>	<u>\$ 2,892,359</u>	<u>\$ 145,344</u>	<u>\$ 2,954,407</u>	<u>\$ 848,375</u>

**ST. DAVID'S CENTER**  
**SCHEDULE OF EXPENSE BY PROGRAM (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2021)**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	December 31, 2022					
	Program Services					
	Harman Center Autism Day Treatment	Children's Mental Health Case Management	Hennepin County PAT	Scott County PASS	Scott County Parents as Teachers	Clinical Operations
Salaries	\$ 599,877	\$ 495,392	\$ 312,666	\$ 45,139	\$ 18,611	\$ 582,117
Payroll Taxes	51,664	40,119	25,547	3,234	1,247	43,245
Employee Benefits	39,693	71,822	44,892	2,633	(1,522)	65,584
Total Personnel Costs	<u>691,234</u>	<u>607,333</u>	<u>383,105</u>	<u>51,006</u>	<u>18,336</u>	<u>690,946</u>
Professional, Training, Activity, and Other Fees	2,611	11,012	9,713	556	1,225	402,163
Occupancy	57,260	8,956	15,456	-	-	6,369
Communications	27,865	21,602	14,149	1,422	643	-
Depreciation	115,845	9,195	26,315	-	-	-
Supplies	2,190	95	2,791	1,423	-	2,140
Bad Debt	-	-	-	-	-	-
Foster Provider Reimbursements	-	-	-	-	-	-
Financial Assistance	-	-	-	-	-	-
Marketing/Advertising	10,997	17,869	7,331	-	-	(8,500)
Provider Taxes	2,991	-	-	-	-	-
Interest Expense	148	110	74	9	3	-
Total Expense	<u>\$ 911,141</u>	<u>\$ 676,172</u>	<u>\$ 458,934</u>	<u>\$ 54,416</u>	<u>\$ 20,207</u>	<u>\$ 1,093,118</u>

**ST. DAVID'S CENTER**  
**SCHEDULE OF EXPENSE BY PROGRAM (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2021)**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	December 31, 2022			2021		
	Support Services					
	Total Program Services	Management and General	Development	Total Support Services	Total All Services	Total All Services
Salaries	\$ 14,607,851	\$ 1,275,653	\$ 294,679	\$ 1,570,332	\$ 16,178,183	\$ 14,219,047
Payroll Taxes	1,219,950	(301,161)	20,926	(280,235)	939,715	1,299,116
Employee Benefits	1,393,542	138,247	61,459	199,706	1,593,248	1,321,079
Total Personnel Costs	<u>17,221,343</u>	<u>1,112,739</u>	<u>377,064</u>	<u>1,489,803</u>	<u>18,711,146</u>	<u>16,839,242</u>
Professional, Training, Activity, and Other Fees	753,316	729,725	41,283	771,008	1,524,324	1,300,269
Occupancy	819,675	110,346	-	110,346	930,021	714,938
Communications	596,278	248	-	248	596,526	82,153
Depreciation	890,388	21,812	-	21,812	912,200	980,398
Supplies	274,844	17,851	150	18,001	292,845	196,406
Bad Debt	-	75,880	-	75,880	75,880	14,209
Foster Provider Reimbursements	-	-	-	-	-	3,504
Financial Assistance	31,044	-	-	-	31,044	52,525
Marketing/Advertising	343,492	414	9,572	9,986	353,478	237,653
Provider Taxes	116,218	(14,500)	-	(14,500)	101,718	-
Interest Expense	3,175	-	-	-	3,175	8,769
Total Expense	<u>\$ 21,049,773</u>	<u>\$ 2,054,515</u>	<u>\$ 428,069</u>	<u>\$ 2,482,584</u>	<u>\$ 23,532,357</u>	<u>\$ 20,430,066</u>



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