

Audited Financial Statements
and Other Supplementary Information

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

*Years Ended June 30, 2022 and 2021
with Report of Independent Auditors*

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Audited Financial Statements
and Other Supplementary Information

Years Ended June 30, 2022 and 2021

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Report of Independent Auditors

Board of Directors
Home Repair Services of Kent County, Inc.
Grand Rapids, Michigan

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Home Repair Services of Kent County, Inc. (a not-for-profit organization), which comprise the statements of financial position as of June 30, 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 Home Repair Services of Kent County, Inc. as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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.

Responsibilities of Management for the Financial Statements

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 Home Repair Services of Kent County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Home Repair Services of Kent County, Inc.'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 Home Repair Services of Kent County, Inc.'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2023 on our consideration of Home Repair Services of Kent County, Inc's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Home Repair Services of Kent County, Inc's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Home Repair Services of Kent County, Inc's internal control over financial reporting and compliance.

Andrews Hooper Paulik PLC

Grand Rapids, Michigan
February 24, 2023

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Statements of Financial Position

	June 30	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 208,826	\$ 404,463
Cash and cash equivalents held in investments	57,909	19,247
Receivables:		
Trade	160,951	95,502
Grants	344,157	335,536
Spendable balance – agency endowment	68,774	59,389
Inventory:		
Work-in-process	187,063	107,825
Material	8,992	10,179
Remodeling Together material	5,532	5,532
Prepaid expenses	7,756	9,511
Total current assets	1,049,960	1,047,184
Long-term investments, at market value	595,462	625,380
Property and equipment	2,943,746	2,938,746
Accumulated depreciation	(2,074,916)	(1,966,942)
Net property and equipment	868,830	971,804
Other assets:		
Beneficial interest in assets held by Community Foundation	166,192	204,910
Total assets	\$ 2,680,444	\$ 2,849,278
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 162,019	\$ 164,657
Unearned agency income	12,852	17,054
Other accrued expenses	97,041	102,859
Total current liabilities	271,912	284,570
Net assets:		
Without donor restrictions	1,861,662	2,015,475
With donor restrictions	546,870	549,233
Total net assets	2,408,532	2,564,708
Total liabilities and net assets	\$ 2,680,444	\$ 2,849,278

See accompanying notes.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Statement of Activities

Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and other revenue			
HUD Community Development Block Grant	\$ 1,159,497	\$ -	\$ 1,159,497
State, local, and other contracts	781,400	-	781,400
Contributions	508,016	16,800	524,816
Utility rebates	390,762	-	390,762
Donated goods and services	97,743	-	97,743
Remodeling Together sales	104,165	-	104,165
Client copays, net of \$57,219 returned to local municipalities	113,138	-	113,138
Other grants	42,405	340,000	382,405
Investment return, net	(11,618)	-	(11,618)
Other income	206	-	206
Transfers from agency endowment	9,385	-	9,385
Lease revenue	59,050	-	59,050
Change in beneficial interest	-	(38,718)	(38,718)
Net assets released from restrictions	320,445	(320,445)	-
Total support and other revenue	<u>3,574,594</u>	<u>(2,363)</u>	<u>3,572,231</u>
Expenses			
Program services	2,943,012	-	2,943,012
Support services:			
Management and general	514,152	-	514,152
Fundraising	271,243	-	271,243
Total support services	<u>785,395</u>	<u>-</u>	<u>785,395</u>
Total expenses	<u>3,728,407</u>	<u>-</u>	<u>3,728,407</u>
Change in net assets	(153,813)	(2,363)	(156,176)
Net assets – beginning of year	2,015,475	549,233	2,564,708
Net assets – end of year	<u>\$ 1,861,662</u>	<u>\$ 546,870</u>	<u>\$ 2,408,532</u>

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Statement of Activities

Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Support and other revenue			
HUD Community Development Block Grant	\$ 801,668	\$ -	\$ 801,668
State, local, and other contracts	951,101	-	951,101
Contributions	436,799	113,682	550,481
Utility rebates	193,345	-	193,345
Paycheck Protection Program grant	84,626	-	84,626
Donated goods and services	121,280	-	121,280
Remodeling Together sales	111,408	-	111,408
Client copays, net of \$39,305 returned to local municipalities	137,449	-	137,449
Other grants	52,995	310,833	363,828
Investment return, net	65,794	-	65,794
Other income	6,615	-	6,615
Transfers from agency endowment	8,760	-	8,760
Lease revenue	47,050	-	47,050
Change in beneficial interest	-	49,465	49,465
Net assets released from restrictions	363,050	(363,050)	-
Total support and other revenue	3,381,940	110,930	3,492,870
Expenses			
Program services	2,528,758	-	2,528,758
Support services:			
Management and general	493,126	-	493,126
Fundraising	218,546	-	218,546
Total support services	711,672	-	711,672
Total expenses	3,240,430	-	3,240,430
Change in net assets	141,510	110,930	252,440
Net assets – beginning of year	1,873,965	438,303	2,312,268
Net assets – end of year	\$ 2,015,475	\$ 549,233	\$ 2,564,708

See accompanying notes.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Statement of Functional Expenses

Year Ended June 30, 2022

	Program Services						Subtotal Program Services	Support Services		Total
	Repairs	Access Modifications	Self-Help Programs	Volunteer Coordination	Housing Counseling & Education	City Bin Distribution		Management and General	Fund- raising	
Personnel expenses	\$ 479,104	\$ 120,028	\$ 129,999	\$ 1,506	\$ 110,515	\$ 22,959	\$ 864,111	\$ 429,790	\$ 214,313	\$ 1,508,214
Materials, subcontractors, and supplies	1,477,829	89,392	93,305	1,194	10,623	80	1,672,423	-	-	1,672,423
Donated materials, subcontractors, and supplies	46,165	1,088	49,803	-	687	-	97,743	-	-	97,743
Vehicle, insurance, and other program expenses	59,016	13,770	4,912	3,815	4,876	157	86,546	-	-	86,546
Depreciation	29,108	8,270	25,534	-	8,421	968	72,301	35,673	-	107,974
Utilities	11,381	3,302	8,893	-	3,320	389	27,285	5,627	-	32,912
Administrative expenses	36,393	9,567	12,804	-	15,348	1,454	75,566	18,859	23,371	117,796
Repairs and maintenance	24,784	6,583	6,944	-	7,737	989	47,037	8,693	-	55,730
Special events	-	-	-	-	-	-	-	-	21,824	21,824
Capital / strategic	-	-	-	-	-	-	-	2,343	-	2,343
Other support services	-	-	-	-	-	-	-	13,167	11,735	24,902
Total expenses	\$ 2,163,780	\$ 252,000	\$ 332,194	\$ 6,515	\$ 161,527	\$ 26,996	\$ 2,943,012	\$ 514,152	\$ 271,243	\$ 3,728,407

See accompanying notes.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Statement of Functional Expenses

Year Ended June 30, 2021

	Program Services						Subtotal Program Services	Support Services		Total
	Repairs	Access Modifications	Self-Help Programs	Volunteer Coordination	Housing Counseling & Education	City Bin Distribution		Management and General	Fund- raising	
Personnel expenses	\$ 417,964	\$ 135,244	\$ 97,428	\$ 2,730	\$ 91,617	\$ 24,050	\$ 769,033	\$ 391,637	\$ 178,633	\$ 1,339,303
Materials, subcontractors, and supplies	1,189,936	92,196	96,314	811	257	68	1,379,582	-	-	1,379,582
Donated materials, subcontractors, and supplies	68,513	280	52,487	-	-	-	121,280	-	-	121,280
Vehicle, insurance, and other program expenses	42,402	12,850	6,963	564	14,801	426	78,006	-	-	78,006
Depreciation	24,825	8,152	27,521	481	6,286	1,371	68,636	28,915	-	97,551
Utilities	12,079	4,335	5,956	89	1,892	456	24,807	3,056	216	28,079
Administrative expenses	24,665	8,093	6,069	-	5,615	1,478	45,920	16,651	27,108	89,679
Repairs and maintenance	22,008	7,395	5,517	-	5,202	1,372	41,494	11,323	-	52,817
Special events	-	-	-	-	-	-	-	-	11,271	11,271
Capital / strategic	-	-	-	-	-	-	-	36,583	-	36,583
Other support services	-	-	-	-	-	-	-	4,961	1,318	6,279
Total expenses	\$ 1,802,392	\$ 268,545	\$ 298,255	\$ 4,675	\$ 125,670	\$ 29,221	\$ 2,528,758	\$ 493,126	\$ 218,546	\$ 3,240,430

See accompanying notes.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Statements of Cash Flows

	Year Ended June 30	
	2022	2021
Operating activities		
Change in net assets	\$ (156,176)	\$ 252,440
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	107,974	97,551
Change in beneficial interest in assets held by Community Foundation	38,718	(49,465)
Gain on sale of long-term investments	(41,078)	(3,600)
Unrealized loss (gain) on long-term investments	67,633	(49,255)
Non-cash donations of securities	(21,149)	-
Change in assets and liabilities:		
Receivables	(83,455)	(182,392)
Inventory	(78,051)	11,116
Prepaid expenses	1,755	31,680
Accounts payable	(2,638)	28,875
Unearned agency income	(4,202)	(20,159)
Other accrued expenses	(5,818)	(35,266)
Refundable advance	-	(84,626)
Net cash from operating activities	(176,487)	(3,101)
Investing activities		
Purchases of property and equipment, net	(5,000)	(95,644)
Purchases of long-term investments	(94,211)	(148,867)
Proceeds from sale of long-term investments	118,723	77,850
Net cash from investing activities	19,512	(166,661)
Net change in cash and cash equivalents	(156,975)	(169,762)
Cash and cash equivalents – beginning of year	423,710	593,472
Cash and cash equivalents – end of year	\$ 266,735	\$ 423,710
Cash balances per Statement of Financial Position		
Cash and cash equivalents	\$ 208,826	\$ 404,463
Cash and cash equivalents held in investments	57,909	19,247
Cash and cash equivalents – end of year	\$ 266,735	\$ 423,710
Non-cash transactions:		
Donated goods and services	\$ 97,743	\$ 121,280

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

1. Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization and Programs

Home Repair Services of Kent County, Inc. (Home Repair Services or Organization) was incorporated as a not-for-profit organization on June 28, 1979. The Organization defines its purpose in its mission statement: “Home Repair Services strengthens homeowners because strong homeowners build strong communities.”

Current programming is categorized into four major areas, including: Repairs, Access Modifications, Self-Help Programs, and Financial Coaching.

The largest source of ongoing funding is the Community Development Block Grant (CDBG), which is administered locally by the City of Grand Rapids, Michigan; the City of Wyoming, Michigan; and Kent County, Michigan. In addition, the Organization utilizes funds from a variety of sources including utility companies, service recipients, the State of Michigan Department of Health and Human Services, Kent County Senior Millage, other contracts, and contributions from organizations and individuals.

Method of Accounting

The records of the Organization are maintained on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Financial Statement Presentation and Net Asset Classification

The financial statements of Home Repair Services have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of Home Repair Services’ management and the Board of Directors. The use of portions of the assets has been designated by the Board of Directors for specific purposes as shown in Note 8.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

1. Nature of Organization and Summary of Significant Accounting Policies (continued)

Financial Statement Presentation and Net Asset Classification (continued)

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Home Repair Services or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity but permit the use of part or all of the income derived from the donated assets.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The first \$250,000 of deposits at each institution is insured by the Federal Deposit Insurance Corporation (FDIC). Cash balances, at times, may exceed the FDIC insured limit; however, it is the opinion of management that the Organization is subject to minimal risk. There were no uninsured funds as of June 30, 2022 and approximately \$73,600 of uninsured funds as of June 30, 2021.

Cash and Cash Equivalents Held in Investments

The Organization holds cash and bank deposit sweep amounts in its long-term investment account. The bank deposit sweep consists of money market mutual funds.

Receivables

Receivables consist primarily of trade receivables associated with program services performed and grant receivables associated with expenses incurred but not yet reimbursed by the grantor. Receivables are stated at the outstanding principal balance, which management believes approximates net realizable value. No allowance for uncollectible receivables was considered necessary as of June 30, 2022 and 2021.

Inventories

Inventories are valued at the lower of cost (first-in, first-out) or fair value. Maintenance, operating, and office supplies are not recorded as inventory. Work-in-process inventory related to the Repairs and Access Modifications programs includes materials, labor, and subcontractor costs.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

1. Nature of Organization and Summary of Significant Accounting Policies (continued)

Investments

Investments with amounts maturing within one year are classified as short-term investments. Long-term investments consist of corporate bond funds and equity securities. Such investments are carried at fair value, which is determined using published exchange market quotations where available.

Home Repair Services maintains its investments at one financial institution. The account at this institution is protected by the Securities Investor Protection Corporation (SIPC) up to \$500,000. Investments, at times, may exceed the SIPC insured limits.

Property and Equipment

All acquisitions of property and equipment in excess of \$5,000 are capitalized. Property and equipment are carried at cost or estimated fair value on the date received. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the related assets, which generally range from 3 to 33 years.

Title to assets purchased using CDBG funds in excess of \$5,000 would revert back to the government provider should the Organization change its business entity, purpose, or become insolvent. As of June 30, 2022 and 2021, there were no individual assets in excess of \$5,000 purchased with grant funds.

Unearned Agency Income

The Organization records amounts received related to projects in-process as of year-end as unearned agency income.

Revenue Recognition

Contributions

Contributions, bequests, and grants are received from individuals, foundations, corporations or trusts. Revenue is recognized in the period when an unconditional contribution, pledge, or promise to give is received.

Donor restricted contributions are reported as increases in net assets without donor restrictions if the entire restriction expires in the reporting period in which the contribution is recognized. All other

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

1. Nature of Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Contributions (continued)

donor restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Government Grants

The Organization receives funding from various departments of the federal, state, and local government. All grants are nonreciprocal transactions and include conditions stipulated by the granting agencies and are, therefore, accounted for as conditional contributions. Revenue is recognized as conditions are satisfied, primarily as expenses are incurred.

Donated Goods and Services

The Organization receives donated services from a variety of unpaid volunteers assisting in program services. U.S. GAAP requires the fair value of donated services to be recognized in the financial statements if the services either (a) create or enhance a non-financial asset, or (b) require specialized skills, are provided by entities or persons possessing those skills, and would need to be purchased if they were not donated. Donated services meeting these criteria that were received by Home Repair Services are outlined below. Donated materials consist of building supplies and are valued at the estimated cost to the Repairs program, which approximates fair value. Amounts were as follows for the year ended June 30:

	<u>2022</u>	<u>2021</u>
Donated services expensed	\$ 55,607	\$ 53,631
Donated goods expensed	42,136	67,649
Total donated goods and services	<u>\$ 97,743</u>	<u>\$ 121,280</u>

Revenue from Contracts with Customers

During the year ended June 30, 2022, Home Repair Services recognized revenue from contracts with customers of \$665,284 in the form of Remodeling Together sales, utility rebates, and client copays related to repair, access modifications, and financial coaching transactions as noted in the

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

1. Nature of Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue from Contracts with Customers (continued)

statements of activities (\$481,507 for 2021). Performance obligations related to Remodeling Together sales (Home Repair Services' self-help program) are satisfied at a point in time when the cabinets are built. Performance obligations related to utility rebates and client copays from repairs and access modifications are satisfied over time as the project is completed, which is generally short-term in nature. Performance obligations related to client copays from financial coaching transactions are also satisfied over time as coaching services are provided to clients, which generally occurs over a short period of time. The Organization's management exercises judgment in determining when performance obligations for services have been satisfied. In making such judgments, management typically relies on input methods to measure progress toward service obligations. The Organization evaluates effort and costs expended relative to the total effort and costs expected to be expended in satisfying each performance obligation.

For the year ended June 30, 2022, the beginning balances of the Organization's receivables from contracts with customers totaled \$19,207. The closing balance totaled \$41,503.

For the year ended June 30, 2021, the beginning balance of the Organization's receivables from contracts with customers totaled \$14,892. The closing balance totaled \$19,207.

Payment terms vary and client copays may have a payment arrangement element. In most cases, consideration is paid for services that the customer purchases and is non-refundable. Home Repair Services recognized write-offs of bad debts for client copays of \$12,871 during the year ended June 30, 2022 (\$6,179 during 2021). A portion of the copays collected by Home Repair Services are required to be remitted to the municipality where the related project was completed. These remittances totaled \$57,219 for the year ended June 30, 2022, and are reported net of client copay revenue in the statements of activities (\$39,305 during 2021).

The following factors affect the nature, timing, and uncertainty of the Organization's revenue and cash flows as indicated:

- Overall health of the economy: Declines in the overall health of the economy will typically decrease disposable income. In addition, a decline in the overall health of the economy may affect the ability of clients to pay necessary copays. Inflation affects the price of materials and, therefore, the number of clients Home Repair Services can serve when grant funds do not keep pace with inflation.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

1. Nature of Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue from Contracts with Customers (continued)

- Rising costs: Increases in the costs of goods and services will impact the Organization's net income able to be generated from hosting special events.

Donations of Long-Lived Assets

The Organization reports donations of land, buildings, and equipment as support without donor restrictions at their estimated fair value on the date received unless explicit donor stipulations specify how the donated assets must be used. Donations of long-lived assets with explicit restrictions that specify how the assets are to be used and donations of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions at estimated fair value. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Functional Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Personnel expenses	Time and effort
Depreciation	Square footage
Utilities	Square footage
Administrative expenses	Time and effort
Repairs and maintenance	Square footage

Home Repair Services of Kent County, Inc.
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Notes to Financial Statements

June 30, 2022

1. Nature of Organization and Summary of Significant Accounting Policies (continued)

Fair Value Measurements

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

There are three levels of inputs that may be used to measure fair values:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The application of valuation techniques applied to similar assets and liabilities was consistent throughout the years ended June 30, 2022 and 2021.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose may be subject to taxation as unrelated business income. Since the Organization is exempt from federal income taxes, no provision for income taxes is included in the accompanying financial statements.

Generally, tax years from 2018 through the current year remain open to examination. The Organization does not believe that the results from any examination of these open years would have a material adverse effect on the Organization.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

1. Nature of Organization and Summary of Significant Accounting Policies (continued)

Subsequent Events

Management has evaluated subsequent events for potential recognition or disclosure in the financial statements through February 24, 2023, which is the date the financial statements were available to be issued.

Reclassifications

Certain reclassifications have been made to the prior year financial information in order to conform to the current year presentation.

2. Liquidity and Availability

Home Repair Services has a goal to maintain current financial assets on hand to meet 60 days of normal operating expenses (excluding certain expenses determined to be fully funded by grant income), \$367,000 as of June 30, 2022 and \$407,000 as of June 30, 2021. The Organization has a policy to structure its current financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization has a line of credit available in the amount of \$25,000. See details related to the line of credit in Note 6.

Financial assets available for general expenditure within one year of the date of the statement of financial position, that are without restrictions limiting their use, were as follows as of June 30:

	<u>2022</u>	<u>2021</u>
Financial assets as of year-end:		
Cash and cash equivalents	\$ 208,826	\$ 404,463
Cash and cash equivalents held in investments	57,909	19,247
Trade receivables	160,951	95,502
Grants receivable	344,157	335,536
Spendable balance – agency endowment	68,774	59,389
Financial assets available to meet general expenditures within one year	<u>\$ 840,617</u>	<u>\$ 914,137</u>

The receivables are subject to implied time restrictions but are expected to be collected within one year.

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

3. Investments

Long-term investments at fair value consisted of the following as of June 30:

	2022	2021
Equity securities	\$ 421,375	\$ 409,686
Corporate bonds	172,262	213,319
Accrued interest	1,825	2,375
Total long-term investments	\$ 595,462	\$ 625,380

Long-term investments and cash and cash equivalents held in investments are held at the same financial institution and comprise total assets available for investment purposes. These amounts consisted of the following as of June 30:

	2022	2021
Total long-term investments	\$ 595,462	\$ 625,380
Cash and cash equivalents held in investments	57,909	19,247
Assets available for investment purposes	\$ 653,371	\$ 644,627

4. Net Property and Equipment

Home Repair Services' property and equipment consisted of the following as of June 30:

	2022	2021
Building	\$ 344,524	\$ 344,524
Building furnishings/improvements	2,112,196	2,107,196
Land	88,165	88,165
Office equipment	110,901	110,901
Vehicles	248,061	248,061
Operating equipment	39,899	39,899
Total property and equipment	2,943,746	2,938,746
Accumulated depreciation	(2,074,916)	(1,966,942)
Net property and equipment	\$ 868,830	\$ 971,804

Home Repair Services of Kent County, Inc.
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Notes to Financial Statements

June 30, 2022

5. Paycheck Protection Program

The Organization received Paycheck Protection Program (PPP) loan proceeds from Fifth Third Bank in the amount of \$207,200 on May 4, 2020. The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), provides for Small Business Administration (SBA) loans to qualifying businesses for amounts up to 2.5 times of their average monthly payroll expenses. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its payroll levels.

The unforgiven portion of the PPP loan is payable over five years at an interest rate of 1%, with a deferral of payments until either the date the SBA remits the borrower's loan forgiveness amount to the lender or ten months after the end of the borrower's loan forgiveness covered period. Home Repair Services used the PPP funds to assist with maintaining staffing levels and funds were spent solely on payroll and related expenses. The loan funds were fully expended by August 8, 2020. Home Repair Services believes that its use of the loan proceeds will meet the conditions of forgiveness and were spent for eligible program purposes and, therefore, expects that these loan funds will be forgiven.

As of and for the year ended June 30, 2020, the Organization recorded \$122,574 of the proceeds as grant revenue in the statement of activities and the remaining balance of \$84,626 as a refundable advance in the statement of financial position. Home Repair Services received notification on April 16, 2021 that the full PPP loan of \$207,200 had been forgiven and, accordingly, recorded the remaining \$84,626 of PPP funds as grant income in the statement of activities during the year ended June 30, 2021.

6. Line of Credit

The Organization has a \$25,000 line of credit available with interest calculated at 6% as of June 30, 2022 and 2021. Substantially all assets are pledged as security. There was no balance on the line as of June 30, 2022 and 2021.

7. Concentrations

As of June 30, 2022 and 2021, all of the Organization's grants receivable were due from two grantors. Approximately 33% of the Organization's total support and other revenue related to CDBG funding for the year ended June 30, 2022 (23% for the year ended June 30, 2021).

Home Repair Services of Kent County, Inc.
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Notes to Financial Statements

June 30, 2022

8. Net Assets

Net assets consisted of the following as of June 30:

	2022	2021
Net assets without donor restrictions:		
Equity in property and equipment	\$ 868,830	\$ 971,804
Other unrestricted	36,669	-
Board-designated funds:		
Program operations	25,885	23,466
Operating reserves	930,278	997,205
Capital/strategic projects	-	23,000
Total net assets without donor restrictions	\$ 1,861,662	\$ 2,015,475
Net assets with donor restrictions:		
Purpose restricted:		
Repair grants	\$ 348,178	\$ 235,641
Self-help programs	11,000	6,700
Housing Counseling and Education	21,500	92,833
Campaign donations	-	9,149
Perpetual:		
Beneficial interest in assets held by Community Foundation	166,192	204,910
Total net assets with donor restrictions	\$ 546,870	\$ 549,233

9. Related Party Transactions

For part of the year ended June 30, 2021, there was a related party relationship as a result of Home Repair Services' Executive Director serving as a member of a separate agency's oversight board. On December 31, 2020, the Executive Director retired from the agency's oversight board. Other income of approximately \$5,600 and lease revenue of \$15,600 were received from the agency and recorded in the statement of activities during the portion of fiscal year 2021 when the related party relationship existed.

Contributions for the year ended June 30, 2022 includes approximately \$10,500 from Home Repair Services' staff and members of the Board of Directors (approximately \$15,900 for the year ended June 30, 2021).

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(A Not-For-Profit Organization)

Notes to Financial Statements

June 30, 2022

10. Retirement Plan

The Organization has established a qualified retirement plan under the provisions of Section 403(b) of the Internal Revenue Code. The plan provides for voluntary employee contributions of up to the maximum allowed by the Internal Revenue Code and a mandatory employer matching contribution of 50% of the employee contribution, up to 6% of compensation for eligible employees.

Eligible employees are part-time or full-time employees who have completed at least one year of service, working at least 1,000 hours per year.

The Organization's employer match is calculated on the calendar year and must be paid no later than January 31 for the prior calendar year. The Organization expensed approximately \$21,200 for the year ended June 30, 2022 and \$21,300 for the year ended June 30, 2021 to the retirement plan.

11. Beneficial Interest in Assets Held by Community Foundation

The Organization is the beneficiary of an agency endowment fund held by the Grand Rapids Community Foundation (Foundation). Under the fund agreement, the endowment fund is under control of the Foundation and the Organization is entitled to the fund's spendable income, as determined in accordance with the terms of the fund agreement, upon written request. The spendable income is to be used for the support of the charitable or educational purposes of the Organization.

An asset for the agency endowment fund has been established for the fair value of the underlying investment totaling \$234,966 as of June 30, 2022 and \$264,299 as of June 30, 2021 and is recorded in the Organization's statements of financial position, including a spendable balance of \$68,774 as of June 30, 2022 (\$59,389 as of June 30, 2021). On an annual basis, the asset is revalued based on changes in fair value. This revaluation, less the spendable portion to which the Organization is entitled, is recorded as a change in beneficial interest in the statement of activities. Annually, the Organization can request a distribution of the spendable income of the agency endowment fund. Also, the Organization has a donor endowment fund held by the Foundation and in accordance with U.S. GAAP, the Organization does not record the donor endowment fund, which is valued at \$127,439 as of June 30, 2022 and \$143,349 as of June 30, 2021, in its financial statements.

Home Repair Services of Kent County, Inc.
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Notes to Financial Statements

June 30, 2022

12. Fair Value Measurements

Fair values of assets measured on a recurring basis were as follows as of June 30:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2022				
Long-term investments	\$ 595,462	\$ 595,462	\$ -	\$ -
Beneficial interest in assets held by Community Foundation	\$ 234,966	\$ -	\$ -	\$ 234,966
2021				
Long-term investments	\$ 625,380	\$ 625,380	\$ -	\$ -
Beneficial interest in assets held by Community Foundation	\$ 264,299	\$ -	\$ -	\$ 264,299

Changes in Level 3 assets and liabilities measured at fair value on a recurring basis:

Balance, July 1, 2020	\$ 206,074
Total realized and unrealized gains	58,225
Balance, June 30, 2021	<u>264,299</u>
Total realized and unrealized losses	<u>(29,333)</u>
Balance, June 30, 2022	<u><u>\$ 234,966</u></u>

The beneficial interest in assets held by the Grand Rapids Community Foundation represents the Organization's share of an investment pool held and managed by the Foundation. This pool is comprised of various investments that are valued by the Foundation using Level 1, 2, and 3 inputs.

13. Leases

The Organization leases portions of its building to unrelated entities. Future minimum lease payments anticipated to be received under these lease agreements are as follows for fiscal years ending June 30:

2023	\$ 45,950
2024	36,000

Home Repair Services of Kent County, Inc.
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Notes to Financial Statements

June 30, 2022

14. Risks and Uncertainties

The Organization invests in various investment securities. These investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near-term and long-term and that such changes could materially affect the amounts reported in the statements of financial position.

The Organization is subject to various risks and uncertainties related to operations and financial performance. Home Repair Services utilizes a number of suppliers and vendors to fulfill business needs, and this exposes them to risks and uncertainties, including supply chain risks. These supply chain risks include availability of sources of supply for materials, labor, and services, in addition to increases in prices. Due to the level of risk associated with the supply chain and other potential risks and uncertainties, it is at least reasonably possible these risks could have an impact in the near term and could materially affect the operations of the Organization and the amounts reported in the financial statements.

Report of Independent Auditors on Other Supplementary Information

Board of Directors
Home Repair Services of Kent County, Inc.
Grand Rapids, Michigan

We have audited the financial statements of Home Repair Services of Kent County, Inc. (a not-for-profit organization) as of and for the years ended June 30, 2022 and 2021, and our report thereon dated February 24, 2023, which expressed an unmodified opinion on those financial statements, appears on pages 1 through 3. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The following schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Andrews Hooper Pavlik PLC

Grand Rapids, Michigan
February 24, 2023

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Schedule of Functional Revenues and Expenses (Without Donor Restrictions)

Year Ended June 30, 2022

	Repairs						Access Modifications			
	Minor Repair			Major Repairs	Repair Consultation	Grand Rapids	Kent County	Wyoming	Extra	
	Grand Rapids	Kent Co	Wyoming							Extra
Support and other revenue:										
HUD Community Development										
Block Grant – City of Grand Rapids	\$ 738,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,533	\$ -	\$ -	
HUD Community Development										
Block Grant – Kent County	-	175,789	-	-	-	-	64,611	-	-	
HUD Community Development										
Block Grant – City of Wyoming	-	-	49,609	-	-	-	-	32,044	-	
Utility rebates	165,081	41,565	25,858	72,750	78,958	6,550	-	-	-	
State, local, and other contracts	-	143	-	128,598	279,942	144,571	6,861	200	979	
Contributions	-	-	-	38,508	-	-	-	-	-	
Donated goods and services	-	-	-	-	-	-	-	-	-	
Remodeling Together sales	-	-	-	-	-	-	-	-	-	
Client copays	53,660	11,760	3,920	15,605	38,527	27,465	570	3,100	2,230	
Program income returned to local municipalities	(49,174)	-	(4,030)	-	-	-	(1,545)	-	(2,470)	
Other grants	-	-	-	-	-	-	-	-	-	
Lease revenue	-	-	-	-	-	-	-	-	-	
Investment income	-	-	-	-	-	-	-	-	-	
Gain on investment sales	-	-	-	-	-	-	-	-	-	
Unrealized gain/(loss) on investments	-	-	-	-	-	-	-	-	-	
Paycheck Protection Program grant	-	-	-	-	-	-	-	-	-	
Other income	-	-	-	-	-	-	-	-	-	
Transfers from agency endowment	-	-	-	-	-	-	-	-	-	
Net assets released from restrictions	-	-	-	-	207,460	-	-	-	-	
Total support and other revenue	908,111	229,257	75,357	255,461	604,887	178,586	62,419	67,911	32,783	168,832
Expenses:										
Program services:										
Personnel expenses	221,477	37,843	13,691	48,020	99,986	58,087	20,020	26,554	13,540	59,914
Materials, subcontractors, and supplies	541,914	154,724	67,385	204,515	403,202	106,089	10,049	20,141	13,465	45,737
Donated goods and services	-	-	-	-	-	-	-	-	-	-
Vehicle	8,294	2,406	556	2,982	4,142	1,573	1,749	1,101	393	2,054
Insurance	9,177	1,762	632	2,958	4,932	2,351	938	970	398	3,596
Utilities	4,622	1,116	381	1,631	2,523	1,108	926	563	254	1,559
Administrative expenses	15,594	2,699	835	4,839	8,331	4,095	1,057	1,550	519	6,441
Repairs and maintenance	10,599	1,834	611	3,290	5,663	2,787	773	1,054	379	4,377
Other program services	3,255	961	400	695	9,521	2,419	467	357	188	1,559
Depreciation	11,751	2,996	919	4,237	6,441	2,764	2,375	1,482	615	3,798
Total program services	826,683	206,341	85,410	273,167	544,741	181,273	38,354	53,772	29,751	129,035
Support services:										
Personnel expenses	112,115	18,608	6,423	18,694	27,657	23,988	19,527	13,487	6,610	15,673
Utilities	-	-	-	-	-	-	-	-	-	-
Administrative expenses	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-
Capital / strategic	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Special events	-	-	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-	-	-
Total support services	112,115	18,608	6,423	18,694	27,657	23,988	19,527	13,487	6,610	15,673
Total expenses	938,798	224,949	91,833	291,861	572,398	205,261	57,881	67,259	36,361	144,708
Revenue over (under) expenses	\$ (30,687)	\$ 4,308	\$ (16,476)	\$ (36,400)	\$ 32,489	\$ (26,675)	\$ 4,538	\$ 652	\$ (3,578)	\$ 24,124

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Schedule of Functional Revenues and Expenses (Without Donor Restrictions)

Year Ended June 30, 2022

	Self-Help Programs	Volunteer Coordination	Housing Counseling & Education	City Bin Distribution	Donated Goods and Services	Services to Food Club	Leased Space	Agency Funds	Fund- raising	Total
Support and other revenue:										
HUD Community Development										
Block Grant – City of Grand Rapids	\$ -	\$ -	\$ 42,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 837,444
HUD Community Development										
Block Grant – Kent County	-	-	-	-	-	-	-	-	-	240,400
HUD Community Development										
Block Grant – City of Wyoming	-	-	-	-	-	-	-	-	-	81,653
Utility rebates	-	-	-	-	-	-	-	-	-	390,762
State, local, and other contracts	225	-	22,400	39,669	-	-	-	-	-	781,400
Contributions	48,205	1,250	7,897	-	-	-	-	-	412,156	508,016
Donated goods and services	-	-	-	-	97,743	-	-	-	-	97,743
Remodeling Together sales	104,165	-	-	-	-	-	-	-	-	104,165
Client copays	800	-	1,700	-	-	-	-	-	-	170,357
Program income returned to										
local municipalities	-	-	-	-	-	-	-	-	-	(57,219)
Other grants	-	-	42,405	-	-	-	-	-	-	42,405
Lease revenue	-	-	-	-	-	33,600	25,450	-	-	59,050
Investment income	-	-	-	-	-	-	-	14,937	-	14,937
Gain on investment sales	-	-	-	-	-	-	-	41,078	-	41,078
Unrealized gain/(loss) on investments	-	-	-	-	-	-	-	(67,633)	-	(67,633)
Paycheck Protection Program grant	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	206	-	206
Transfers from agency endowment	-	-	-	-	-	-	-	9,385	-	9,385
Net assets released from restrictions	26,000	7,500	70,336	-	-	-	-	9,149	-	320,445
Total support and other revenue	179,395	8,750	187,105	39,669	97,743	33,600	25,450	7,122	412,156	3,574,594
Expenses:										
Program services:										
Personnel expenses	129,999	1,506	110,515	22,959	-	-	-	-	-	864,111
Materials, subcontractors, and supplies	93,305	1,194	10,623	80	-	-	-	-	-	1,672,423
Donated goods and services	-	-	-	-	97,743	-	-	-	-	97,743
Vehicle	607	-	42	2	-	-	-	-	-	25,901
Insurance	3,651	-	2,646	74	-	-	-	-	-	34,085
Utilities	8,893	-	3,320	389	-	-	-	-	-	27,285
Administrative expenses	12,804	-	15,348	1,454	-	-	-	-	-	75,566
Repairs and maintenance	6,944	-	7,737	989	-	-	-	-	-	47,037
Other program services	654	3,815	2,188	81	-	-	-	-	-	26,560
Depreciation	25,534	-	8,421	968	-	-	-	-	-	72,301
Total program services	282,391	6,515	160,840	26,996	97,743	-	-	-	-	2,943,012
Support services:										
Personnel expenses	68,146	-	62,778	12,241	-	30	-	23,813	214,313	644,103
Utilities	-	-	-	-	-	3,554	2,073	-	-	5,627
Administrative expenses	-	-	-	-	-	-	-	18,859	23,371	42,230
Repairs and maintenance	-	-	-	-	-	5,834	2,859	-	-	8,693
Capital / strategic	-	-	-	-	-	-	-	2,343	-	2,343
Depreciation	-	-	-	-	-	16,316	8,003	11,354	-	35,673
Special events	-	-	-	-	-	-	-	-	21,824	21,824
Other support services	-	-	-	-	-	-	-	13,167	11,735	24,902
Total support services	68,146	-	62,778	12,241	-	25,734	12,935	69,536	271,243	785,395
Total expenses	350,537	6,515	223,618	39,237	97,743	25,734	12,935	69,536	271,243	3,728,407
Revenue over (under) expenses	\$ (171,142)	\$ 2,235	\$ (36,513)	\$ 432	\$ -	\$ 7,866	\$ 12,515	\$ (62,414)	\$ 140,913	\$ (153,813)

Home Repair Services of Kent County, Inc.
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Schedule of Functional Revenues and Expenses (Without Donor Restrictions)

Year Ended June 30, 2021

	Repairs						Access Modifications			
	Minor Repair			Extra	Major Repairs	Repair Consultation	Grand Rapids	Kent County	Wyoming	Extra
	Grand Rapids	Kent Co	Wyoming				Grand Rapids	Kent County	Wyoming	Extra
Support and other revenue:										
HUD Community Development										
Block Grant – City of Grand Rapids	\$ 366,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,852	\$ -	\$ -	\$ -
HUD Community Development										
Block Grant – Kent County	-	182,242	-	-	-	-	-	70,523	-	-
HUD Community Development										
Block Grant – City of Wyoming	-	-	56,321	-	-	-	-	-	23,322	-
Utility rebates	45,325	23,700	21,100	-	93,370	9,850	-	-	-	-
State, local, and other contracts	-	2,040	-	135,813	437,285	147,622	-	-	-	172,645
Contributions	-	-	-	25,000	-	-	-	-	-	-
Donated goods and services	-	-	-	-	-	-	-	-	-	-
Remodeling Together sales	-	-	-	-	-	-	-	-	-	-
Client copays	31,441	15,685	4,830	15,198	69,534	24,774	3,045	2,450	800	7,517
Program income returned to local municipalities	(30,580)	-	(4,830)	-	-	-	(3,095)	-	(800)	-
Other grants	-	-	-	-	-	-	-	-	-	-
Lease revenue	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-	-
Loss on investment sales	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on investments	-	-	-	-	-	-	-	-	-	-
Paycheck Protection Program grant	24,022	5,422	1,517	-	-	-	2,198	5,398	893	-
Other income	-	-	-	-	-	-	-	-	-	-
Transfers from agency endowment	-	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	-	-	-	-	190,215	-	-	-	-	-
Total support and other revenue	436,983	229,089	78,938	176,011	790,404	182,246	71,000	78,371	24,215	180,162
Expenses:										
Program services:										
Personnel expenses	141,066	51,850	15,895	61,722	108,521	38,910	28,706	29,255	8,998	68,285
Materials, subcontractors, and supplies	196,784	136,486	45,097	67,826	623,142	120,601	23,165	19,445	5,850	43,736
Donated goods and services	-	-	-	-	-	-	-	-	-	-
Vehicle	5,478	1,275	742	1,955	3,839	1,908	750	793	319	2,932
Insurance	6,846	2,191	809	2,876	5,246	2,078	1,279	1,291	436	3,547
Utilities	2,661	1,344	640	2,021	3,738	1,675	462	827	334	2,712
Administrative expenses	8,336	3,018	894	3,653	6,470	2,294	1,714	1,699	538	4,142
Repairs and maintenance	7,609	2,801	876	3,263	5,363	2,096	1,631	1,557	516	3,691
Other program services	1,238	448	133	2,447	1,892	1,001	254	252	80	917
Depreciation	7,976	2,445	1,110	3,751	6,616	2,927	1,225	1,407	685	4,835
Total program services	377,994	201,858	66,196	149,514	764,827	173,490	59,186	56,526	17,756	134,797
Support services:										
Personnel expenses	75,719	31,066	12,438	27,998	19,172	20,947	20,211	15,927	6,607	31,192
Utilities	-	-	-	-	-	-	-	-	-	-
Administrative expenses	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-
Capital / strategic	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Special events	-	-	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-	-	-
Total support services	75,719	31,066	12,438	27,998	19,172	20,947	20,211	15,927	6,607	31,192
Total expenses	453,713	232,924	78,634	177,512	783,999	194,437	79,397	72,453	24,363	165,989
Revenue over (under) expenses	\$ (16,730)	\$ (3,835)	\$ 304	\$ (1,501)	\$ 6,405	\$ (12,191)	\$ (8,397)	\$ 5,918	\$ (148)	\$ 14,173

Home Repair Services of Kent County, Inc.
(A Not-For-Profit Organization)

Schedule of Functional Revenues and Expenses (Without Donor Restrictions)

Year Ended June 30, 2021

	Self-Help Programs	Volunteer Coordination	Housing Counseling & Education	City Bin Distribution	Donated Goods and Services	Services to Food Club	Leased Space	Agency Funds	Fund- raising	Total
Support and other revenue:										
HUD Community Development										
Block Grant – City of Grand Rapids	\$ -	\$ -	\$ 33,633	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 469,260
HUD Community Development										
Block Grant – Kent County	-	-	-	-	-	-	-	-	-	252,765
HUD Community Development										
Block Grant – City of Wyoming	-	-	-	-	-	-	-	-	-	79,643
Utility rebates	-	-	-	-	-	-	-	-	-	193,345
State, local, and other contracts	-	-	11,284	44,412	-	-	-	-	-	951,101
Contributions	36,923	15,300	136,828	-	-	-	-	-	222,748	436,799
Donated goods and services	-	-	-	-	121,280	-	-	-	-	121,280
Remodeling Together sales	111,408	-	-	-	-	-	-	-	-	111,408
Client copays	-	-	1,480	-	-	-	-	-	-	176,754
Program income returned to										
local municipalities	-	-	-	-	-	-	-	-	-	(39,305)
Other grants	-	-	52,995	-	-	-	-	-	-	52,995
Lease revenue	-	-	-	-	-	31,200	15,850	-	-	47,050
Investment income	-	-	-	-	-	-	-	12,939	-	12,939
Loss on investment sales	-	-	-	-	-	-	-	3,600	-	3,600
Unrealized gain/(loss) on investments	-	-	-	-	-	-	-	49,255	-	49,255
Paycheck Protection Program grant	-	-	-	-	-	-	-	45,176	-	84,626
Other income	-	-	-	-	-	5,627	-	988	-	6,615
Transfers from agency endowment	-	-	-	-	-	-	-	-	8,760	8,760
Net assets released from restrictions	5,000	-	20,500	-	-	-	-	147,335	-	363,050
Total support and other revenue	153,331	15,300	256,720	44,412	121,280	36,827	15,850	259,293	231,508	3,381,940
Expenses:										
Program services:										
Personnel expenses	97,428	2,730	91,617	24,050	-	-	-	-	-	769,033
Materials, subcontractors, and supplies	96,314	811	257	68	-	-	-	-	-	1,379,582
Donated goods and services	-	-	-	-	121,280	-	-	-	-	121,280
Vehicle	1,449	2	51	31	-	-	-	-	-	21,524
Insurance	3,181	1	2,040	22	-	-	-	-	-	31,843
Utilities	5,956	89	1,892	456	-	-	-	-	-	24,807
Administrative expenses	6,069	-	5,615	1,478	-	-	-	-	-	45,920
Repairs and maintenance	5,517	-	5,202	1,372	-	-	-	-	-	41,494
Other program services	2,333	561	12,710	373	-	-	-	-	-	24,639
Depreciation	27,521	481	6,286	1,371	-	-	-	-	-	68,636
Total program services	245,768	4,675	125,670	29,221	121,280	-	-	-	-	2,528,758
Support services:										
Personnel expenses	53,457	-	56,499	15,132	-	5,046	-	226	178,633	570,270
Utilities	-	-	-	-	-	1,960	1,096	-	216	3,272
Administrative expenses	-	-	-	-	-	-	-	16,651	27,108	43,759
Repairs and maintenance	-	-	-	-	-	5,403	5,920	-	-	11,323
Capital / strategic	-	-	-	-	-	-	-	36,583	-	36,583
Depreciation	-	-	-	-	-	18,042	10,873	-	-	28,915
Special events	-	-	-	-	-	-	-	-	11,271	11,271
Other support services	-	-	-	-	-	-	-	4,961	1,318	6,279
Total support services	53,457	-	56,499	15,132	-	30,451	17,889	58,421	218,546	711,672
Total expenses	299,225	4,675	182,169	44,353	121,280	30,451	17,889	58,421	218,546	3,240,430
Revenue over (under) expenses	\$ (145,894)	\$ 10,625	\$ 74,551	\$ 59	\$ -	\$ 6,376	\$ (2,039)	\$ 200,872	\$ 12,962	\$ 141,510