



GREEN LAKE ASSOCIATION, INC.

**AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**



Accounting | Analysis | Strategy | Planning

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Green Lake Association, Inc.
Green Lake, Wisconsin

Opinion

We have audited the accompanying financial statements of Green Lake Association, Inc. (a nonprofit organization), 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 Green Lake Association, Inc. as of December 31, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Green Lake Association, 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 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 Green Lake Association, 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Green Lake Association, 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 Green Lake Association, 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.

Huberty & Associates, S.C.

Fond du Lac, Wisconsin
March 20, 2023

**GREEN LAKE ASSOCIATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 1,084,574	\$ 570,330
Restricted cash	98,756	112,574
Contribution receivable	91,275	-
Grants receivable	24,000	97,668
Prepaid expenses	9,231	2,999
Pledges receivable, net of discount of \$212,084 and \$49,451 for the years ended 2022 and 2021, respectively	1,962,041	1,311,549
Property and equipment, net	66,803	51,616
Total Assets	\$ 3,336,680	\$ 2,146,736
<u>LIABILITIES AND NET ASSETS</u>		
Accrued expenses	\$ 31,241	\$ 4,157
Accounts payable	23,532	3,088
Total Liabilities	54,773	7,245
Net Assets:		
Without donor restrictions	1,563,526	944,917
With donor restrictions	1,718,381	1,194,574
	3,281,907	2,139,491
Total Liabilities and Net Assets	\$ 3,336,680	\$ 2,146,736

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

GREEN LAKE ASSOCIATION, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support:						
Membership dues	\$ 77,370	\$ -	\$ 77,370	\$ 63,895	\$ -	\$ 63,895
Leadership contributions	150,968	-	150,968	117,260	-	117,260
Contributed nonfinancial assets	95,775	-	95,775	-	-	-
Grants	24,000	-	24,000	47,049	-	47,049
Program income	10,175	-	10,175	3,135	-	3,135
Fundraiser/contributions	808,937	831,209	1,640,146	728,880	1,103,327	1,832,207
Interest income	6,923	-	6,923	2,090	-	2,090
Merchandise income	180	-	180	2,032	-	2,032
Miscellaneous	9,708	-	9,708	915	-	915
Net assets released from restriction	307,402	(307,402)	-	67,429	(67,429)	-
Total Revenues, Gains and Other Support	1,491,438	523,807	2,015,245	1,032,685	1,035,898	2,068,583
Expenses:						
Program services	764,247	-	764,247	434,499	-	434,499
Management and general	14,709	-	14,709	6,378	-	6,378
Fundraising	93,873	-	93,873	63,588	-	63,588
Total Expenses	872,829	-	872,829	504,465	-	504,465
Change in Net Assets	618,609	523,807	1,142,416	528,220	1,035,898	1,564,118
Net Assets:						
Beginning of year	944,917	1,194,574	2,139,491	416,697	158,676	575,373
End of year	<u>\$ 1,563,526</u>	<u>\$ 1,718,381</u>	<u>\$ 3,281,907</u>	<u>\$ 944,917</u>	<u>\$ 1,194,574</u>	<u>\$ 2,139,491</u>

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

GREEN LAKE ASSOCIATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	2022			
	Program Services	Management	Fundraising	Total
Postage	\$ 1,693	\$ 55	\$ 73	\$ 1,821
Telephone and internet	1,272	13	26	1,311
Lease expense	11,688	121	241	12,050
Insurance	15,715	524	1,222	17,461
Salaries	280,003	3,111	28,000	311,114
Payroll taxes	23,635	263	2,363	26,261
Employee benefits	10,474	116	1,047	11,637
Meetings and mileage	6,515	206	137	6,858
Office supplies, printing, and payroll service	17,826	581	969	19,376
Admin expense - Capital Expenditures	5,099	53	105	5,257
Professional development	923	-	-	923
Professional Services - Accounting	10,139	338	788	11,265
Professional Services - Graphic Design	12,508	-	-	12,508
Professional Services - Professional Fees	2,744	92	214	3,050
Professional Services - Resources & Reference Materials	18	2	2	22
Professional Services - HR Consultant	-	3,000	-	3,000
Professional Services - Videography	2,875	-	2,875	5,750
Professional Services - Resource/Staff Appreciation	-	5,112	-	5,112
Administrative Expense:Professional Fees:Legal	2,706	-	-	2,706
Administrative Expense:Professional Fees:Campaign & Research	5,426	678	678	6,782
Administrative Expense:Professional Fees:Event Planner	-	-	8,750	8,750
Dues and fees	16,668	172	344	17,184
Communication - Annual Meeting	16,677	-	-	16,677
Communication - Annual Report	1,702	-	-	1,702
Miscellaneous	-	-	-	-
Program - Aqweed	1,000	-	-	1,000
Program - fish rearing	1,000	-	-	1,000
Program - Green Team	32	-	-	32
Program - Community Discretionary	15,358	-	-	15,358
Clean streams	1,862	-	-	1,862
Green acres	69,976	-	-	69,976
Invader defense	177,032	-	-	177,032
Gala	28,993	-	43,489	72,482
Development engagements	986	-	1,479	2,465
Leadership Campaign	291	-	436	727
Membership Dues	13,242	-	-	13,242
Depreciation	8,169	272	635	9,076
	<u>\$ 764,247</u>	<u>\$ 14,709</u>	<u>\$ 93,873</u>	<u>\$ 872,829</u>

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

GREEN LAKE ASSOCIATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	2021			
	Program Services	Management	Fundraising	Total
Postage	\$ 1,276	\$ 41	\$ 55	\$ 1,372
Lease expense	9,778	101	202	10,081
Insurance	4,970	166	387	5,523
Website hosting	1,128	-	-	1,128
Salaries	215,565	2,395	21,557	239,517
Payroll taxes	18,291	203	1,829	20,323
Employee benefits	21,130	235	2,113	23,478
Meetings and mileage	4,858	153	103	5,114
payroll service	13,089	427	711	14,227
Admin expense - Capital Expenditures	4,976	51	103	5,130
Professional development	738	-	-	738
Professional Services - Accounting	7,763	259	603	8,625
Professional Services - Graphic Design	5,686	-	-	5,686
Professional Services - IT	288	6	6	300
Professional Services - Philanthropic Giving	3,330	-	4,995	8,325
Professional Services - Resources & Reference Materials	84	11	10	105
Professional Services - Editing	1,343	-	-	1,343
Professional Services - HR Consultant	-	1,236	-	1,236
Professional Services - Videography	6,849	-	6,849	13,698
Professional Services - Resource/Staff Appreciation	-	514	-	514
Dues and fees	18,168	187	375	18,730
Communication - Time & Tides	2,816	-	-	2,816
Communication - Annual Meeting	9,582	-	-	9,582
Communication - Annual Report	96	-	-	96
Miscellaneous	2,114	70	164	2,348
Noncollectible grants	6,130	204	477	6,811
Program - Aqweed	1,000	-	-	1,000
Program - fish rearing	500	-	-	500
Program - Green Team	64	-	-	64
Program - Community Discretionary	4,425	-	-	4,425
Clean streams	3,871	-	-	3,871
Green acres	1,602	-	-	1,602
Invader defense	35,505	-	-	35,505
Gala	13,423	-	20,135	33,558
Leadership Campaign	1,758	-	2,637	4,395
Membership Dues	8,742	-	-	8,742
Depreciation	3,561	119	277	3,957
	<u>\$ 434,499</u>	<u>\$ 6,378</u>	<u>\$ 63,588</u>	<u>\$ 504,465</u>

GREEN LAKE ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 1,142,416	\$ 1,564,118
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	9,076	3,957
Present value adjustment on pledges receivable	162,633	49,451
Contributed property and equipment	(4,500)	
Effects of changes in operating assets and liabilities:		
Contribution receivable	(91,275)	-
Pledges receivable, net of discount on pledges receivable	(813,125)	(1,358,158)
Grants receivable	73,668	69,223
Prepaid expenses	(6,232)	-
Accrued expenses	27,084	850
Accounts payable	20,444	(99)
Net Cash Flows from Operating Activities	<u>520,189</u>	<u>329,342</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	(19,763)	(45,475)
Net Cash Flows from Investing Activities	<u>(19,763)</u>	<u>(45,475)</u>
Net Change in Cash, Cash Equivalents and Restricted Cash	500,426	283,867
Cash, Cash Equivalents and Restricted Cash:		
Beginning of year	682,904	399,037
End of year	<u>\$ 1,183,330</u>	<u>\$ 682,904</u>
Reconciliation of cash, cash equivalents and restricted cash reported in the statement of financial position that sum to the total of the same such amounts in the statement of cash flows:		
Cash and cash equivalents	\$ 1,084,574	\$ 570,330
Restricted cash	98,756	112,574
	<u>\$ 1,183,330</u>	<u>\$ 682,904</u>

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

**GREEN LAKE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Green Lake Association, Inc. is a nonprofit Association and its purpose is to promote the conservation of Big Green Lake and its watershed.

The Green Lake Association, Inc. is on the accrual basis of accounting under which revenues are recognized when earned and expenses are recorded when they are incurred. Support derived from annual membership dues is recognized by the Association over the period, which the dues relate. Other contributions from members are recognized when received.

Cash and Cash Equivalents

The Association considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Accounts receivable

Accounts receivable are stated as unpaid balances, less an allowance for doubtful accounts. The Association provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances which may affect the ability of grantors or purchasers of services to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Association’s policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Management has determined that the allowance for doubtful accounts is zero at December 31, 2022 and 2021, respectively.

Property and Equipment

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation.

Depreciation for financial statement purposes has been computed using a straight-line method over estimated service lives as listed below.

Computer	3 years
Office Equipment	5 years
Furniture	7 years
Vehicles	5 years

Leasehold improvements useful life is estimated based on the shorter of the life of the leasehold improvement or the remaining term of the lease.

Leases

By definition, a short-term lease has a maximum term of 12 months or less and does not include a purchase option that the lessee is reasonably certain to exercise. The Association has elected not to apply ASC 842 to short-term leases. Lease payments are recognized as operating expense straight-line over the lease term.

Net Assets

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

**GREEN LAKE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Net Assets - Continued

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor- (or certain grantor-) restrictions.

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

Public Support and Revenue

All contributions are available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Revenue received in the form of grants is considered a contribution if the resource provider does not receive commensurate value in exchange for the asset transferred, if the value received is incidental to the potential public benefit to be provided by using the assets, if the Association will plan and carry out the activity specified by the grant, and if it has the right to the benefits of carrying out that activity. A grant is considered an exchange transaction if the potential public benefit to be derived from the activity is secondary to the potential benefit received by the resource provider.

Donated services are not reflected as contributions because the criteria for recognition of volunteer service under ASC 958 have not been satisfied.

Estimates

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

Liquidity and Availability of Resources

The Association is responsible for the development and management of the Association's liquidity policy. This includes but is not limited to: monitoring available funding to pay all expenses in a timely manner (operational funding as well as funding for capital expenditures, emergency situations, opportunities for growth and expansion, and developing and monitoring a balanced budget). The Association is responsible for developing and maintaining board-designated reserve accounts which can all be used to meet operational needs through a simple board resolution, if desired.

GREEN LAKE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Association receives significant contributions each year from its members and from grant funding. These contributions allow the Association to meet annual cash needs for general expenditures. The Association strives to maintain liquid financial assets sufficient to cover at least 180 days of general expenditures and to maintain a checking account with a balance generally sufficient to pay 30 days of general expenditures.

Functional Expense Allocations

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. The financial statements report certain categories of expenses that are attributed to program services, management, or fundraising. General ledger accounts that can be directly attributed to either category is assigned to either category. Payroll related accounts are allocated based on where employees spend their time. All other general accounts that cannot be directly allocated to either category is allocated based on the discretion of management and the Board of Directors.

Revenue Recognition

The Association recognizes revenue in accordance with Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. Accordingly, revenue is recognized when services are rendered in an amount that reflects the consideration to which the Association expects to be entitled in exchange for the goods or services.

The Association satisfies a performance obligation by transferring services to the customers which is satisfied over the performance period on a straight-line basis. See Note F of the Notes to Financial Statements for information regarding the Association's revenue recognition practices.

Contributed Nonfinancial Assets

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization.

Contributions of tangible assets are recognized at fair market value when received. The amounts reflected in the accompanying financial statements as contributed support are offset by a like amount included in expenses.

Income Taxes

The Association is a not-for-profit Association that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. The Association has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b) (1) (A) (vi). The Association is subject to a tax on income from unrelated business.

The Association has evaluated tax positions taken for filing with the Internal Revenue Service and all state tax jurisdictions where it operates. The Association believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Association's financial condition, results of operations or cash flows. Accordingly, the Association has not recorded any reserves, or related accruals for interest and penalties for uncertain tax positions at December 31, 2022 and 2021, respectively.

**GREEN LAKE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Accounting Standards Update

During the year ended December 31, 2022, the Association implemented the following standards issued by the Financial Accounting Standards Board:

Update 2020-07, *Not-for-profit Entities (Topic 952): Presentation and Disclosures by Not-for-profit Entities for Contributed Nonfinancial Assets*. This Update increases the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosures. There is no effect on net assets in connection with this implementation.

Update 2016-02, *Leases (Topic 842)*, This Update results in significant changes to financial reporting and disclosures related to both operating and capital (finance) leases. The new leases standard is intended to increase the transparency and comparability among companies that lease buildings, equipment and other assets by recognizing the assets and liabilities that arise from these lease transactions on the statement of financial position. In conjunction with implementing 2016-02, the Association also implemented the following Updates related to leases: 2018-01, *Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842*, 2018-10 *Codification Improvements to Topic 842, Leases* and 2018-11 *Leases (Topic 842): Targeted Improvements*, 2018-20 *Leases (Topic 842): Narrow-Scope Improvements for Lessors* and 2019-01 *Leases (Topic 842): Codification Improvements*. There is no effect on net assets in connection with this implementation.

NOTE B – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor-imposed 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>
Financial assets, at year end	\$ 3,169,371	\$ 2,092,121
Less those unavailable for general expenditure within one year, due to:		
Contractual or donor-imposed restrictions:		
Subject to appropriation and satisfaction of donor restrictions	98,756	112,574
Subject to time restrictions	1,619,625	1,082,000
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,450,990</u>	<u>\$ 897,547</u>

GREEN LAKE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE C – PLEDGES RECEIVABLE

Pledges receivable consisted of the following at December 31:

	<u>2022</u>	<u>2021</u>
General Pledge Receivable	\$ -	\$ -
Capital Campaign	1,962,041	1,311,549
	<u>\$ 1,962,041</u>	<u>\$ 1,311,549</u>
Receivable in less than on year	\$ 554,500	\$ 279,000
Receivable in one to five years	1,619,625	1,082,000
	<u>2,174,125</u>	<u>1,361,000</u>
Less discount to present value	212,084	49,451
	<u>\$ 1,962,041</u>	<u>\$ 1,311,549</u>

Pledges receivable more than one year are discounted at 4.27%.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 88,183	\$ 63,918
Less accumulated depreciation	21,380	12,302
	<u>\$ 66,803</u>	<u>\$ 51,616</u>

NOTE E – NET ASSET RESTRICTIONS

The Association's net asset with donor restrictions are subject to the following restrictions for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Subject to purpose restriction:		
Clean stream	\$ 82,002	\$ 84,535
Invader defense	-	20,832
Hamming trails	16,754	7,207
Total subject to purpose restriction	<u>98,756</u>	<u>112,574</u>
Subject to time restriction:		
Pledge receivable	1,619,625	1,082,000
Total subject to time restriction	<u>1,619,625</u>	<u>1,082,000</u>
Total net assets with donor restrictions	<u>\$ 1,718,381</u>	<u>\$ 1,194,574</u>

**GREEN LAKE ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021**

NOTE F – REVENUE FROM CONTRACTS WITH CUSTOMERS

In accordance with Topic 606, the Association accounts for a customer contract when both parties have approved the contract and are committed to perform their respective obligations, each party's rights can be identified, payment terms can be identified, the contract has commercial substance, and it is probable that the Association will collect substantially all of the consideration to which it is entitled. Revenue is recognized when, or as, performance obligations are satisfied by transferring control of a promised product or service to a customer.

The Association generates revenue from the following primary activity:

- Memberships - promote the conservation of Big Green Lake and its watershed

Membership dues performance obligations are stand-ready and satisfied over time. Dues are renewed annually and include multiple distinct performance obligations, including access to the Association's annual meeting, attendance to the annual gala, a subscription to Green Lake Association's annual newsletter (Times and Tides), and opportunity to take part in programmatic and volunteer opportunities throughout the year during the membership period.

Disaggregation of Revenue

The table below presents net sales disaggregated by timing of revenue recognition and segment:

<u>Segments</u>	2022 Memberships	2021 Memberships
<u>Timing of revenue recognition</u>		
Services transferred over time	\$ 77,370	\$ 63,895

Opening and Closing Balance of Accounts Receivable

The following table provides information about accounts receivable balance:

	At December 31, 2022	At December 31, 2021
Accounts receivable	\$ -	\$ -

Practical Expedients

The Association has elected to apply the following practical expedients when determining revenue from contracts with customers and capitalization of related costs:

- The Association has elected to not adjust revenue for the effects of a significant finance component when the timing difference between receipt of payment and recognition of revenue is less than one year.
- The Association has elected to expense incremental costs to obtain a contract when the amortization period of the related asset is expected to be less than one year.

**GREEN LAKE ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2022 AND 2021**

NOTE G – CONTRIBUTED NONFINANCIAL ASSETS

For the year ended December 31, 2022, contributed nonfinancial assets recognized within the statements of activities include:

	Program Services
Equipment	\$ 4,500
Vehicle	91,275
	<u>\$ 95,775</u>

The Association used the following valuation techniques and inputs to recognize contributed nonfinancial assets:

Equipment and vehicle – valued at the estimated fair value based on market rates for similar equipment and vehicle.

For the year ended December 31, 2022, there was no donor restrictions on any of the contributed nonfinancial assets received.

During the year ended December 31, 2022, the Association was awarded a vehicle with an estimated value of \$91,275. The vehicle was not received by December 31, 2022.

NOTE H – SHORT-TERM LEASES

The Association rented office space for the years ended December 31, 2022 and 2021 in the amount of \$12,050 and \$10,081, respectively. The landlord is responsible for such costs as utilities, maintenance, and property tax. The lease is on a month-to-month basis.

The Association rented a storage shed for the year ended December 31, 2022 in the amount of \$1,130 which included the security deposit and prorated initial month rent beginning October 20, 2022 for a twelve month period. The terms of the lease after the first 12 months are agreed upon for month-to-month tenancy.

NOTE I – EMPLOYEE BENEFIT PLANS

The Association provides a SIMPLE Retirement Plan for employees who received at least \$5,000 in compensation. The Association matches employee’s contributions up to 3% of compensation. The Association contributed \$7,897 and \$5,280 for the years ended December 31, 2022 and 2021.

The Association provides a medical reimbursement plan for full time employees. The Association contributed \$14,981 and \$15,202 to the plan for the years ended December 31, 2022 and 2021.

NOTE J – SUBSEQUENT EVENTS

The Association has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through March 20, 2023, the date on which the financial statements were available for issuance.