



**COALITION FOR THE UPPER  
SOUTH PLATTE**

**Financial Statements**

**For the Year Ended December 31, 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Coalition for the Upper South Platte  
Lake George, Colorado

**Opinion**

We have audited the accompanying financial statements of Coalition for the Upper South Platte (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 Coalition for the Upper South Platte as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

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

**Management's Responsibility for the Financial Statements**

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

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 Coalition for the

Upper South Platte'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 Responsibility**

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

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

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

#### **Report on Summarized Comparative Information**

We have previously audited Coalition for the Upper South Platte's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Waugh & Goodwin, LLP*

Colorado Springs, Colorado  
August 10, 2023

COALITION FOR THE UPPER SOUTH PLATTE  
Statement of Financial Position  
December 31, 2022  
(With Comparative Amounts for 2021)

	<u>ASSETS</u>	
	<u>2022</u>	<u>2021</u>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 593,970	\$ 14,189
Accounts receivable	31,579	682
Due from related parties (Note F)	1,105	3,467
Grants receivable	<u>178,526</u>	<u>345,157</u>
Total current assets	805,180	363,495
<b>PROPERTY AND EQUIPMENT:</b>		
Land	12,150	12,150
Building	122,850	122,850
Program vehicles	147,120	147,420
Equipment	18,515	18,515
Trailers and heavy equipment	129,366	129,366
Less accumulated depreciation	<u>(374,276)</u>	<u>(369,451)</u>
Property and equipment - net	55,725	60,850
<b>MINING RIGHTS</b>	<u>73,228</u>	<u>73,228</u>
<b>TOTAL ASSETS</b>	<u>\$ 934,133</u>	<u>\$ 497,573</u>
<u>LIABILITIES AND NET ASSETS</u>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 182,804	\$ 108,508
Due to related parties (Note F)	122,839	152,167
Line of credit payable	90,000	96,021
Current portion of note payable	<u>9,992</u>	<u>9,364</u>
Total current liabilities	405,635	366,060
<b>NOTE PAYABLE</b>	<u>5,992</u>	<u>15,983</u>
Total liabilities	411,627	382,043
<b>NET ASSETS:</b>		
Without donor restrictions	10,674	110,020
With donor restrictions	<u>511,832</u>	<u>5,510</u>
Total net assets	<u>522,506</u>	<u>115,530</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 934,133</u>	<u>\$ 497,573</u>

See Notes to Financial Statements

COALITION FOR THE UPPER SOUTH PLATTE  
Statement of Activities and Changes in Net Assets  
For the Year Ended December 31, 2022  
(With Comparative Amounts for 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Totals	2021 Totals
<b>REVENUE:</b>				
Government grants and contracts	\$ 878,115	\$ 524,680	\$ 1,402,795	\$ 660,492
Program fees	337,910		337,910	133,150
Foundation and corporate grants	119,125		119,125	61,682
Donated goods and professional services	24,587		24,587	46,923
Contributions	14,277		14,277	100,123
Other revenue	4,068		4,068	12,795
Gain on sale of assets				
Special events income				
Satisfied program restrictions	<u>18,358</u>	<u>(18,358)</u>		
Total revenue	1,396,440	506,322	1,902,762	1,015,165
<b>EXPENSES:</b>				
Program services:				
Forest health, fuels mitigation, and emergency management	705,820		705,820	456,328
Habitat, including river restoration	253,966		253,966	131,796
Recreation, including trails	213,033		213,033	55,279
Program operations	131,310		131,310	125,515
Conservation and sustainability	33,853		33,853	34,059
Monitoring, assessment, and planning	4,307		4,307	16,376
Program outreach and environmental education	<u>5,083</u>		<u>5,083</u>	<u>6,675</u>
Total program services	1,347,372		1,347,372	826,028
Supporting services:				
General and administrative	125,831		125,831	204,957
Financial development	<u>22,583</u>		<u>22,583</u>	<u>40,037</u>
Total supporting services	<u>148,414</u>		<u>148,414</u>	<u>244,994</u>
Total expenses	<u>1,495,786</u>		<u>1,495,786</u>	<u>1,071,022</u>
CHANGE IN NET ASSETS	(99,346)	506,322	406,976	(55,857)
NET ASSETS, beginning of year	<u>110,020</u>	<u>5,510</u>	<u>115,530</u>	<u>171,387</u>
NET ASSETS, end of year	<u>\$ 10,674</u>	<u>\$ 511,832</u>	<u>\$ 522,506</u>	<u>\$ 115,530</u>

See Notes to Financial Statements

COALITION FOR THE UPPER SOUTH PLATTE  
 Statement of Functional Expenses  
 For the Year Ended December 31, 2022  
 (With Comparative Amounts for 2021)

	Forest Health, Fuels Mitigation, & Emergency Management	Habitat Including River Restoration	Recreation Including Trails	Program Operations	Conservation & Sustainability	Monitoring, Assessment, & Planning
Banking & credit card fees	\$	\$	\$	\$	\$	\$
Books, reference & software						
Communications				2,057		
Conference & meetings				20	56	41
Contract & professional services including in-kind	517,634	194,190	157,651		16,670	439
Depreciation						
Donation						
Equipment operations & rental	20,534	636	6,905	97	78	518
Fundraising event						
In-kind goods		154				
Insurance				2,049		
Materials & supplies	1,484	1,737	18,312		105	132
Miscellaneous expenses	2,595			10		
Occupancy				585	1,292	
Office expenses	2,129	181	7,872	9,472	1,672	
Other administrative expenses	23,880	9,505				
Program management salaries, benefits & contracted services	129,608	47,120	21,811	116,147	13,738	3,137
Training & development						
Travel	7,956	443	482	873	242	40
	<u>\$ 705,820</u>	<u>\$ 253,966</u>	<u>\$ 213,033</u>	<u>\$ 131,310</u>	<u>\$ 33,853</u>	<u>\$ 4,307</u>



	Program Outreach & Environmental Education	Total Program Services	General & Administrative	Financial Development	2022 Totals	2021 Totals
Banking & credit card fees	\$	\$	\$ 3,470	\$	\$ 3,470	\$ 1,507
Books, reference & software		2,057	5,280		7,337	8,970
Communications		117	232		349	67
Conference & meetings						
Contract & professional services including in-kind	1,759	888,343	8,246		896,589	379,007
Depreciation			4,825		4,825	18,141
Donation						
Equipment operations & rental	300	29,068	8,300		37,368	40,000
Fundraising event						
In-kind goods	39	193	290		483	
Insurance		2,049	11,939		13,988	10,366
Materials & supplies		21,770			21,770	13,055
Miscellaneous expenses	165	2,770	570		3,340	3,094
Occupancy		1,877	5,855		7,732	9,556
Office expenses	207	21,533	6,223	357	28,113	10,227
Other administrative expenses		33,385			33,385	14,774
Program management salaries, benefits & contracted services	1,951	333,512	70,172	22,179	425,863	553,820
Training & development						
Travel	662	10,698	429	47	11,174	8,438
	<u>\$ 5,083</u>	<u>\$ 1,347,372</u>	<u>\$ 125,831</u>	<u>\$ 22,583</u>	<u>\$ 1,495,786</u>	<u>\$ 1,071,022</u>

See Notes to Financial Statements

See Notes to Financial Statements

COALITION FOR THE UPPER SOUTH PLATTE  
Statement of Cash Flows  
For the Year Ended December 31, 2022  
(With Comparative Amounts for 2021)

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 406,976	\$ (55,857)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	4,825	18,141
Non-cash donation of mineral rights		(73,228)
Change in assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	(30,897)	90
Due from related parties	2,362	6,350
Grants receivable	166,631	(83,376)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	74,596	(67,483)
Due to related parties	<u>(29,328)</u>	<u>124,967</u>
Total adjustments	<u>188,189</u>	<u>(74,539)</u>
Net cash provided (used) by operating activities	595,165	(130,396)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from line of credit		96,021
Principal payments on notes payable	<u>(15,384)</u>	<u>(8,777)</u>
Net cash provided (used) by financing activities	<u>(15,384)</u>	<u>87,244</u>
NET DECREASE IN CASH	579,781	(43,152)
CASH AND CASH EQUIVALENTS, beginning of year	<u>14,189</u>	<u>57,341</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 593,970</u>	<u>\$ 14,189</u>

See Notes to Financial Statements

COALITION FOR THE UPPER SOUTH PLATTE  
Notes to Financial Statements  
For the Year Ended December 31, 2022

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Coalition for the Upper South Platte (the Corporation) was incorporated in the state of Colorado in July 1998. The Corporation was originally established to protect the watershed's ecological health and sustainability by balancing activities in the region and coordinating amongst stakeholders, including regulatory agencies, to identify and recommend water quality management strategies.

After the Hayman fire in 2002, the Corporation was called on to play an active role in coordinating and facilitating recovery efforts. The Corporation has played an integral part in the recovery efforts due to the Waldo Canyon Fire. The mission has been expanded to include the on-site management of a long-term, large-scale erosion stabilization and ecological restoration program which is being carried out primarily by volunteers. The mission also now includes expanding the public's awareness of issues surrounding the water quality and ecological health of the watershed. The Corporation has also implemented an energy efficiency program as part of its strategic plan.

Cash and Cash Equivalents

Cash and cash equivalents consist of the Corporation's checking, money market, and petty cash accounts.

Accounts and Grants Receivable

Accounts and grants receivable are recorded at the amount the Corporation expects to collect on balances outstanding at year end. Based on management's assessment of its history with agencies having outstanding balances and current relationships with them, it has concluded that no allowance for doubtful accounts was necessary at December 31, 2022 and 2021.

Accounts receivable represents receivables from contracts with customers. Receivables from contracts with customers at the beginning and end of 2022 were \$682 and \$31,579, respectively.

## Notes to Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Accounts and Grants Receivable - continued

Unrecorded conditional grants receivable were \$1,199,175 as of December 31, 2022.

#### Inventory

Inventory is stated at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method.

#### Property and Equipment

Property and equipment are recorded at cost, or at fair market value if donated, and depreciation is recorded using the straight-line method over the estimated useful lives of the assets, which is five years. The Corporation's building is being depreciated over an estimated useful life of 27.5 years. Depreciation expense for the years ended December 31, 2022 and 2021, amounted to \$4,825 and \$18,141, respectively.

#### In-kind Contributions

During the year ended December 31, 2022, the Corporation adopted Accounting Standards Update (ASU) 2020-07, Not-For-Profit Entities (Topic 958): *Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets*.

Donated marketable securities, property and equipment, and other noncash donations are recorded as contributions at their fair values at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Corporation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Corporation reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

The Corporation's policy related to donated assets is to utilize the assets given to carry out the mission of the Corporation. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

## Notes to Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### In-kind Contributions - continued

The Corporation did not sell any donated assets received during the years ending December 31, 2022 and 2021.

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 Corporation.

#### Contributions

Contributions are recorded when received as without donor restrictions, with donor restrictions - temporary in nature, or with donor restrictions - perpetual in nature, depending on the existence or nature of any donor restrictions. When a donor restriction is met, net assets with donor restrictions - temporary in nature are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfied program restrictions. Contributions with donor-imposed restrictions that are met in the same reporting period are reported as unrestricted support.

#### Grants and Contracts

Grants and contract revenue result from agreements, typically with government agencies, corporations, or foundations, that fund specific activities of the Corporation.

The grants and contracts are of two primary types: conditional contributions and contracts with customers. An agreement is a conditional contribution if its primary purpose is to enable the Corporation to provide a service to, or conduct research for, the water quality and ecological health of the watershed or the general public rather than to serve the direct needs of the granting or contracting party. In other words, the agreement is a conditional contribution if any benefit to the granting or contracting party is indirect and insubstantial as compared to the public benefit. In contrast, if the grant or contract provides a benefit directly to the granting or contracting party, the agreement is a contract with a customer. All of the Corporation's grants and contracts at December 31, 2022, were considered conditional contributions.

## Notes to Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Revenue from Contracts with Customers

*Program fees* - The Corporation receives revenue from program fees. Revenue is recognized when the performance obligation is met, which is at the time of the event.

#### Income Taxes

The Corporation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income tax. Accordingly, no income tax provision has been recorded.

The Corporation's form 990, Return of Organization Exempt from Income Tax, is subject to examination by various taxing authorities, generally for three years after the date it was filed. Management of the Corporation believes that it does not have any uncertain tax positions that are material to the financial statements.

#### Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### New Accounting Standards Update - Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which supersedes existing guidance for accounting for leases under *Topic 840, Leases*. The FASB also subsequently issued additional ASUs which amend and clarify Topic 842. The most significant change in the new lease guidance is the requirement to recognize right-of-use (ROU) assets and lease liabilities for operating leases on the statement of financial position.

The Corporation elected to adopt these ASUs using the modified retrospective as of January 1, 2022. The Corporation elected the package of practical expedients permitted under the transition guidance within the new standard.

The Corporation has only short-term leases therefore the adoption of the new standard had no impact on the statement of financial position or statement of activities.

## Notes to Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

#### Economic Dependency

The Corporation is economically dependent on grants and contracts from several government agencies and organizations in order to sustain its operations at current levels.

#### Supplemental Cash Flow Disclosures

Cash flows from operating activities reflect interest paid of \$1,374 and \$1,960 for the years ended December 31, 2022 and 2021, respectively. No income taxes were paid either year.

#### Prior-Year Comparisons

The financial statements include certain prior year summarized comparative information in total but not by net asset class or functional expense classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

#### Date of Management's Review

In preparing the financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through August 10, 2023, the date that the financial statements were available to be issued.



## Notes to Financial Statements

### B. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Corporation's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Financial assets at year-end:

Cash and cash equivalents	\$ 593,970
Grants receivable	178,526
Accounts receivable	31,579
Due from related parties	1,105
Less amounts with donor restrictions	<u>(511,832)</u>

Total financial assets available within one year	<u>\$ 293,348</u>
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As described in Note D to the financial statements, the Corporation has a \$100,000 line of credit available to be used for general expenditures. As part of the Corporation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The primary investment objectives of the Corporation are to preserve and protect the Corporation's assets and to provide liquidity for operations.

### C. NOTES PAYABLE

On February 24, 2005, the Corporation purchased a facility in Lake George, Colorado to house its offices and provide space for equipment storage and maintenance. A note payable was obtained in the original amount of \$120,000 to finance a portion of the building.

At December 31, 2022, note payable consists of the following:

Note payable to CHFA. This note is secured by a building and requires monthly payments of \$895, including interest at 6.5%, through July 2024.

Current balance	\$ 15,984
Less current portion	<u>(9,992)</u>
Long-term portion	<u>\$ 5,992</u>

Notes to Financial Statements

C. NOTES PAYABLE - Continued

Future minimum payments for the years ended December 31 are as follows:

2023	9,992
2024	5,992

D. LINE OF CREDIT

During the year ended December 31, 2021, the Corporation obtained a line of credit from a local bank. The line of credit is \$100,000, has an interest rate of 3.49% over Wall Street Journal prime and matures March 6, 2023. The line of credit has an annual maturity and was renewed in March 2023. The line of credit is collateralized by certain assets of the Corporation. At December 31, 2022 and 2021, the balance outstanding on the line of credit was \$90,000 and \$96,021, respectively.

E. NET ASSETS WITH DONOR RESTRICTIONS - TEMPORARY IN NATURE

Net assets with donor restrictions are available for the following purposes:

11 Mile Dam Removal	\$ 487,150
North Fork SED	20,962
Fungal Project	<u>3,720</u>
	<u>\$ 511,832</u>

E. NET ASSETS WITH DONOR RESTRICTIONS - TEMPORARY IN NATURE - Continued

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose. During the year ended December 31, 2022, net assets were released for the following purposes:

11 Mile Dam Removal	\$ 12,850
North Fork SED	4,228
Mushroom Project	<u>1,280</u>
	<u>\$ 18,358</u>

## Notes to Financial Statements

### F. RELATED PARTIES

During the years ended December 31, 2022 and 2021, the Corporation had trade receivables due from Coalitions & Collaboratives, Inc. (COCO) in the amount of \$536 and \$2,829, respectively, and trade payables due to COCO in the amount of \$122,839 and \$152,167, respectively.

The Corporation and COCO share employees and Board Members.

The Corporation pays a monthly management fee to COCO for employee time utilized, as well as the respective payroll taxes and related benefits. COCO invoices the Corporation for their share of general liability and director and officer insurance. COCO leased office space from the Corporation for a portion of the year.

During the years ended December 31, 2022 and 2021, the Corporation was invoiced \$474,679 and \$576,662, respectively, for management fees and insurance.

During the years ended December 31, 2022 and 2021, the Corporation had trade receivables due from Arkansas River Watershed Collaborative (ARWC) in the amount of \$569 and \$638, respectively, and no trade payables for either year.

### G. IN-KIND DONATIONS

In-kind contribution revenue recognized consists of:

	<u>2022</u>	<u>2021</u>
Professional services	\$ 22,456	\$ 44,736
Equipment use	1,648	1,654
Materials and supplies	<u>483</u>	<u>533</u>
Total	<u>\$ 24,587</u>	<u>\$ 46,923</u>

Professional services are used in all program service categories. Equipment is used in the Habitat, including river restoration and Recreation, including trails programs.

### H. LESSOR ACTIVITIES

The Corporation leases a portion the building it owns and occupies. The lease is an operating lease between related parties. The lease is a gross lease with the lessor responsible for all expenses related to the premises.

## Notes to Financial Statements

### H. LESSOR ACTIVITIES - Continued

Lease income included in the statements of activities was \$4,050 and \$5,400 during the years ending December 31, 2022 and 2021. No further payments are due under this lease.

### I. LEASES

The Corporation has only short-term leases. During the years ending December 31, 2022 and 2021, leases expenses for these short-term leases were \$3,180 and \$5,310, respectively.

### J. CONTINGENCIES

The outbreak of coronavirus (COVID-19) has been recognized as a pandemic by the World Health Organization, and has become increasingly widespread in the United States. The COVID-19 outbreak has had a notable impact on general economic conditions, including but not limited to the temporary closures of many businesses, "shelter in place" and other governmental regulations, and job losses. The extent to which the COVID-19 outbreak will affect the operations, collections, or financial results of the Corporation is uncertain.

With the rising cost of inflation and potential risk of recession, it is uncertain what effect these factors may have on operations of the Corporation in the coming year.