



MIAMI RESCUE MISSION, INC.  
AND SUBSIDIARY

Consolidated Financial Statements  
With Independent Auditors' Report

June 30, 2022 and 2021

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Miami Rescue Mission, Inc. and Subsidiary  
Miami, Florida

### ***Opinion***

We have audited the accompanying consolidated financial statements of Miami Rescue Mission, Inc. and Subsidiary (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Miami Rescue Mission, Inc. and Subsidiary 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.

### ***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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of Miami Rescue Mission, Inc. and Subsidiary 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.

### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Miami Rescue Mission, Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Board of Directors  
Miami Rescue Mission, Inc. and Subsidiary  
Miami, Florida

***Auditors' Responsibility for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 consolidated 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 consolidated 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 consolidated 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 Miami Rescue Mission, Inc. and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Miami Rescue Mission, Inc. and Subsidiary'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.

*Capin Crouse LLP*

Lawrenceville, Georgia  
October 28, 2022

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Consolidated Statements of Financial Position

	June 30,	
	2022	2021
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 1,322,511	\$ 3,176,614
Inventory	1,133,695	728,613
Grants receivable	786,237	444,811
Other assets	434,932	457,182
Investments	8,345,455	8,848,084
Property held for sale	3,572,138	-
Property and equipment—net	12,830,780	16,484,923
<b>Total Assets</b>	<b>\$ 28,425,748</b>	<b>\$ 30,140,227</b>
<b>LIABILITIES AND NET ASSETS:</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 439,971	\$ 345,574
Agency funds	51,260	71,837
Refundable advance	1,000,000	1,000,000
<b>Total liabilities</b>	<b>1,491,231</b>	<b>1,417,411</b>
Net assets:		
Without donor restrictions:		
Undesignated	13,335,488	11,549,685
Net investment in property and equipment	12,830,780	16,484,923
	26,166,268	28,034,608
With donor restrictions:		
Restricted for purpose or time	743,249	663,208
Restricted in perpetuity	25,000	25,000
<b>Total net assets</b>	<b>26,934,517</b>	<b>28,722,816</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 28,425,748</b>	<b>\$ 30,140,227</b>

See notes to consolidated financial statements

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Consolidated Statement of Activities

Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions		Total
		Restricted for Purpose or Time	Restricted in Perpetuity	
<b>SUPPORT AND REVENUE:</b>				
Support:				
Contributions	\$ 6,002,729	\$ 119,212	\$ -	\$ 6,121,941
Gifts-in-kind	7,373,987	-	-	7,373,987
	<u>13,376,716</u>	<u>119,212</u>	<u>-</u>	<u>13,495,928</u>
Revenue:				
Rent gifted to other entities	2,326,320	-	-	2,326,320
Sales of donated items	970,342	-	-	970,342
Program services	313,977	-	-	313,977
Government grants	2,707,564	-	-	2,707,564
Investment loss	(488,544)	-	-	(488,544)
Other	357,439	-	-	357,439
	<u>6,187,098</u>	<u>-</u>	<u>-</u>	<u>6,187,098</u>
Total Support and Revenue	<u>19,563,814</u>	<u>119,212</u>	<u>-</u>	<u>19,683,026</u>
<b>RECLASSIFICATIONS:</b>				
Net assets released for satisfaction of purpose restrictions	<u>39,171</u>	<u>(39,171)</u>	<u>-</u>	<u>-</u>
<b>EXPENSES:</b>				
Program services:				
Miami-Dade	8,076,669	-	-	8,076,669
Broward	6,260,417	-	-	6,260,417
Industrial, warehouse, and stores	2,271,873	-	-	2,271,873
	<u>16,608,959</u>	<u>-</u>	<u>-</u>	<u>16,608,959</u>

(continued)

See notes to consolidated financial statements

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Consolidated Statement of Activities

(continued)

Year Ended June 30, 2022

		With Donor Restrictions		
	Without Donor Restrictions	Restricted for Purpose or Time	Restricted in Perpetuity	Total
EXPENSES, continued:				
Supporting activities:				
Management and general	1,946,390	-	-	1,946,390
Fundraising	2,915,976	-	-	2,915,976
	<u>4,862,366</u>	<u>-</u>	<u>-</u>	<u>4,862,366</u>
Total Expenses	<u>21,471,325</u>	<u>-</u>	<u>-</u>	<u>21,471,325</u>
Change in Net Assets	(1,868,340)	80,041	-	(1,788,299)
Net Assets, Beginning of Year	<u>28,034,608</u>	<u>663,208</u>	<u>25,000</u>	<u>28,722,816</u>
Net Assets, End of Year	<u>\$ 26,166,268</u>	<u>\$ 743,249</u>	<u>\$ 25,000</u>	<u>\$ 26,934,517</u>

See notes to consolidated financial statements

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Consolidated Statement of Activities

Year Ended June 30, 2021

		With Donor Restrictions		
	Without Donor Restrictions	Restricted for Purpose or Time	Restricted in Perpetuity	Total
<b>SUPPORT AND REVENUE:</b>				
Support:				
Contributions	\$ 6,645,931	\$ 320,441	\$ -	\$ 6,966,372
Gifts-in-kind	6,325,791	-	-	6,325,791
	<u>12,971,722</u>	<u>320,441</u>	<u>-</u>	<u>13,292,163</u>
Revenue:				
Rent gifted to other entities	2,326,320	-	-	2,326,320
Sales of donated items	857,175	-	-	857,175
Program services	348,889	-	-	348,889
Government grants	2,342,488	-	-	2,342,488
Investment income	503,047	-	-	503,047
Other	384,288	-	-	384,288
	<u>6,762,207</u>	<u>-</u>	<u>-</u>	<u>6,762,207</u>
Total Support and Revenue	<u>19,733,929</u>	<u>320,441</u>	<u>-</u>	<u>20,054,370</u>
<b>RECLASSIFICATIONS:</b>				
Net assets released for satisfaction of purpose restrictions	98,946	(98,946)	-	-
<b>EXPENSES:</b>				
Program services:				
Miami-Dade	7,656,302	-	-	7,656,302
Broward	6,182,240	-	-	6,182,240
Industrial, warehouse, and stores	1,874,912	-	-	1,874,912
	<u>15,713,454</u>	<u>-</u>	<u>-</u>	<u>15,713,454</u>

(continued)

See notes to consolidated financial statements



# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Consolidated Statement of Activities

(continued)

Year Ended June 30, 2021

	Without Donor	With Donor Restrictions		
	Restrictions	Purpose or Time	Restricted in Perpetuity	Total
EXPENSES, continued:				
Supporting activities:				
Management and general	1,782,604	-	-	1,782,604
Fundraising	2,549,010	-	-	2,549,010
	<u>4,331,614</u>	<u>-</u>	<u>-</u>	<u>4,331,614</u>
Total Expenses	<u>20,045,068</u>	<u>-</u>	<u>-</u>	<u>20,045,068</u>
Change in Net Assets	(212,193)	221,495	-	9,302
Net Assets, Beginning of Year	<u>28,246,801</u>	<u>441,713</u>	<u>25,000</u>	<u>28,713,514</u>
Net Assets, End of Year	<u>\$ 28,034,608</u>	<u>\$ 663,208</u>	<u>\$ 25,000</u>	<u>\$ 28,722,816</u>

See notes to consolidated financial statements

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Consolidated Statement of Functional Expenses

Year Ended June 30, 2022

	Program Services			Supporting Activities				
			Industrial, Warehouse, and Stores	Total Program Services	Management and General	Fundraising	Total Supporting Activities	Total
	Miami-Dade	Broward						
Specific aid to individuals, contract payment, grants to other agencies	\$ 4,371,988	\$ 2,001,107	\$ 1,031,393	\$ 7,404,488	\$ -	\$ 200,721	\$ 200,721	\$ 7,605,209
Salaries and benefits	1,691,886	1,309,305	790,304	3,791,495	1,436,044	604,484	2,040,528	5,832,023
Facilities	1,086,059	2,372,507	113,697	3,572,263	156,449	-	156,449	3,728,712
Utilities	390,880	158,426	59,805	609,111	35,651	5,219	40,870	649,981
Equipment	169,939	87,378	27,647	284,964	36,019	37,392	73,411	358,375
Transportation	145,157	65,676	174,960	385,793	24,679	7,121	31,800	417,593
Postage and delivery	155	1,375	176	1,706	914	1,274,617	1,275,531	1,277,237
Advertising and promotion	346	1,506	38	1,890	2,611	487,320	489,931	491,821
Professional services	99,813	212,419	17,496	329,728	180,071	196,120	376,191	705,919
All other expenses	120,446	50,718	56,357	227,521	73,952	102,982	176,934	404,455
Total Expenses	<u>\$ 8,076,669</u>	<u>\$ 6,260,417</u>	<u>\$ 2,271,873</u>	<u>\$ 16,608,959</u>	<u>\$ 1,946,390</u>	<u>\$ 2,915,976</u>	<u>\$ 4,862,366</u>	<u>\$ 21,471,325</u>

See notes to consolidated financial statements

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Consolidated Statement of Functional Expenses

Year Ended June 30, 2021

	Program Services			Supporting Activities				Total
	Miami-Dade	Broward	Industrial, Warehouse, and Stores	Total Program Services	Management and General	Fundraising	Total Supporting Activities	
Specific aid to individuals, contract payment, grants to other agencies	\$ 4,060,825	\$ 2,011,762	\$ 895,386	\$ 6,967,973	\$ 983	\$ 178,229	\$ 179,212	\$ 7,147,185
Salaries and benefits	1,725,607	1,410,950	589,372	3,725,929	1,306,182	484,846	1,791,028	5,516,957
Facilities	1,022,699	2,343,665	98,456	3,464,820	188,694	-	188,694	3,653,514
Utilities	344,593	157,254	56,403	558,250	25,999	3,885	29,884	588,134
Equipment	196,627	83,584	26,306	306,517	38,687	27,313	66,000	372,517
Transportation	116,915	53,167	153,595	323,677	-	4,090	4,090	327,767
Postage and delivery	226	1,447	9	1,682	981	1,189,091	1,190,072	1,191,754
Advertising and promotion	574	504	445	1,523	-	434,058	434,058	435,581
Professional services	101,125	52,357	8,335	161,817	169,261	154,987	324,248	486,065
All other expenses	87,111	67,550	46,605	201,266	51,817	72,511	124,328	325,594
Total Expenses	<u>\$ 7,656,302</u>	<u>\$ 6,182,240</u>	<u>\$ 1,874,912</u>	<u>\$15,713,454</u>	<u>\$ 1,782,604</u>	<u>\$ 2,549,010</u>	<u>\$ 4,331,614</u>	<u>\$20,045,068</u>

See notes to consolidated financial statements

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (1,788,299)	\$ 9,302
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	660,215	728,439
Realized and unrealized loss (gain) on investments	861,753	(270,688)
Loss (gain) on sale of property and equipment	12,416	(57,529)
Changes in operating assets and liabilities:		
Inventory	(405,082)	245,645
Grants receivable	(341,426)	(368,036)
Other assets	22,250	(257,096)
Accounts payable and accrued expenses	94,397	(104,332)
Agency funds	(20,577)	(6,070)
Net Cash Used by Operating Activities	<u>(904,353)</u>	<u>(80,365)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(590,626)	(31,472)
Proceeds from sales of property and equipment	-	190,000
Purchases of investments	<u>(359,124)</u>	<u>(213,175)</u>
Net Cash Used by Investing Activities	<u>(949,750)</u>	<u>(54,647)</u>
Net Change in Cash and Cash Equivalents	(1,854,103)	(135,012)
Cash and Cash Equivalents, Beginning of Year	<u>3,176,614</u>	<u>3,311,626</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,322,511</u>	<u>\$ 3,176,614</u>
<b>SUPPLEMENTAL DISCLOSURES:</b>		
Reclassification of property held for sale	<u>\$ 3,572,138</u>	<u>\$ -</u>

See notes to consolidated financial statements

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 1. NATURE OF ORGANIZATION:

Miami Rescue Mission, Inc. (MRM) was organized in 1976, as a Florida nonprofit corporation which is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (Code) and comparable state law. Contributions to MRM are deductible from income taxes within the limitations prescribed by the Code. MRM is not a private foundation under Section 509(a)(2) of the Code. MRM is a charitable, interdenominational, evangelical, Christian agency providing spiritual, physical, and social services to the poor and needy, including homeless men, women, and children. Its purposes are fulfilled through several centers in Miami-Dade and Broward counties.

The COVID-19 pandemic has affected the world and impacted for-profit and non-profit organizations. MRM is very thankful that operations have continued throughout the pandemic. MRM has worked with the Centers for Disease Control (CDC), local health departments, clinics, testing sites, and the homeless continuum of care to provide services to people experiencing homelessness. Outcomes and services have been severely reduced in the last fiscal year due to following best practices of social distancing, testing, quarantines, isolation, and general community engagement. Although outcomes have been reduced due to the virus, MRM is working with our communities to increase our capacity to pre-covid levels and resume full volunteer support.

MRM is one of the oldest and largest providers of vital services to the homeless and needy in the south Florida community. MRM started in 1922 by a couple from Ohio that wanted to share the love of God with people in need in Miami. Until 1993, the primary geographical focus for its services and ministry was Miami-Dade County. Broward County was looking for solutions to their homeless problem and looked to MRM for assistance. This was the beginning of the Broward Outreach Center (BOC). BOC was launched, providing basic temporal relief to homeless individuals in the south Broward community through leased and owned property. A permanent Hollywood facility (Hollywood Center) was completed in 1997, providing the first emergency shelter and comprehensive recovery program for the homeless in the southern portion of the county. This Center is owned by MRM.

BOC has 110 program beds for men, women, and children. BOC also has 30 emergency overnight shelter beds that are filled by the police and other referring agencies. The overnight bed program has been on hold due to COVID-19 health restrictions, but plans are being made to safely open these beds again during fiscal year ending June 30, 2023.

BOC expanded to better serve single women, women with children, and families. The Hollywood Center for Women and Children (the Center) was opened in August of 2004. The Center is located adjacent to the initial Hollywood Center. It is owned by MRM and is designed to provide services for 45 women (either single or with children). Programs include parenting, skills development, computer literacy, education, job placement, budgeting and assistance with housing.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

1. NATURE OF ORGANIZATION. continued:

In Miami-Dade County, there are two residential centers (the Center for Men and the Center for Women and Children), the nonresidential Miami Community Activity Center (CAC), the Tew Education Center and the Miami Rescue Mission Clinic, Inc. (MRMC).

The Center for Men provides 313 beds for programs, which include emergency services, long-term care and transitional housing. Before the COVID-19 pandemic, approximately 190 men per day were involved in an 8 to 14 month intensive program of education, counseling, discipleship training, career preparedness and job entry called the Regeneration Program. There is also a program for Hispanics that are challenged by the English language called Vidas Cambiadas (Changed Lives). On average, an additional 200 to 350 people (those not in our residential or emergency programs) per day are provided with a shower, change of clothes and dinner. These men and women are either homeless, very economically challenged or food insecure.

The Center for Women and Children serves homeless women and single mothers with small children. A comprehensive program is designed to equip the women to become successful, contributing members of society through classes computer education, work skills training and biblical principles. Those with children are instructed toward becoming loving, supportive mothers to their children through coping and parenting skills. Volunteers provide special classes in financial management and other practical personal skills including social skills and dressing for the work place. The Center for Women and Children is currently in transition and a larger facility is being prepared for occupancy.

The CAC was opened in November 2001 to provide preventative programs for children and youth in the Overtown area. The goal is to prepare children to become successful in life and to prevent the next generation of homeless. Use of this center is donated to a separate private non-profit school, CARE Elementary School (see Note 2), which uses the facility to provide education for grades K-6, after-school programs and summer camp, with the combined programs serving 100-150 children each year. Due to the COVID-19 pandemic, space was rearranged to better help students and staff practice social distancing. All established COVID-19 measures are in place. There were no out-of-school summer or winter programs during the year ended June 30, 2022, but we expect these programs to return during the year ending June 30, 2023.

The Miami Jeffrey A. Tew Education Center houses the Innovative Computer Learning and Career Development departments which are utilized by all Miami residents. The Center opened in 1997 with the goal of improving students' education by improving their skills in reading, writing and math, and obtaining a High School Diploma / GED. Students are also taught basic computer skills, including common office applications.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

1. NATURE OF ORGANIZATION. continued:

In 2009, the MRMC was opened to serve our residents and underserved populations. The MRMC is our partner, but is a separate non-profit organization that rents an MRM-owned facility at rates substantially below market. Presently, each Center has a health clinic and during the year ended June 30, 2022 the clinic had over 7,000 patient visits (down from 8,000 during the year ended June 30, 2021). The MRMC has been instrumental in assisting clients, staff, and volunteers with COVID-19 testing and education. The MRMC utilizes tele-medicine in order to help the residents and remain as safe as possible. The clinic also helps with medicine management and provides referrals to clients that help them navigate the medical landscape.

MRM operates a thrift store named the Bargain Barn. The store provides merchandise for sale such as clothing, appliances, furniture, bric-a-brac, etc. Donated items are picked up by MRM's fleet of trucks. Many donated items are put into direct use by the Centers (furniture, paint, clothing, appliances); the remaining items are sold to help fund homeless programs. The Bargain Barn is a place to help train residents for future employment. MRM hires many of the men and women who complete the residential programs with thirty-five percent of staff being formerly homeless. Effective May 2022, the MRM board of directors approved the sale of the Bargain Barn (see Note 2). MRM is not closing the Bargain Barn, but rather relocating it in Miami-Dade. MRM is looking at Broward to begin a Bargain Barn and have two smaller stores possibly during the year ending June 30, 2023.

The Centers in Miami and Hollywood hold special events throughout the year to care for the homeless and needy as well as a tool to engage the homeless to enroll in the residential programs. These include the Great Thanksgiving Banquet, Thanksgiving in April, Bombastic Birthday Party, Back to School, the Great Christmas Outreach and many other activities for men, women and children. Volunteers provide many wonderful and valuable services from serving meals, doing special drives, becoming mentors or tutors, dress for success, personal makeovers, special work days to improve the facilities and so much more. Due to the COVID-19 pandemic, many of the public outdoor events we would normally do have become drive-thru events during the year ended June 30, 2022. Instead of having outdoor sit-down meals, food boxes, toys, hygiene products, and more were safely distributed to families as well as homeless men, women, and children. Approximately 15,000 men, women, and children were helped during these events.

During 2009, MRM began its external transitional housing program. This program is designed to provide graduates the next step in integrating fully into society. MRM now owns 9 properties (four in Broward, five in Miami-Dade). MRM has concentrated on purchasing distressed properties and utilizing their staff and clients to renovate them. Transitional housing residents are MRM homeless program graduates and are selected based on merit and need. Residents pay program fees. Case management is available to residents to help them secure long-term affordable housing and work through personal issues. MRM desires to increase the number of transitional housing units and seeks additional funding from present donors or other resources to accomplish this goal.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

1. NATURE OF ORGANIZATION. continued:

MRM has three radio programs, “Mission Possible: The Good News Program,” “LifeStyle Changers” and “Life-Changers.” Mission Possible airs from 8AM to 9AM on 610AM WIOD, a large talk-radio station that reaches from Palm Beach to Monroe County. The program highlights what is good in the community and includes interviews with other non-profit agencies, businesses, individuals or organizations which are doing good things in the community. Life-Changers, which started in September 2009, is a half-hour program that airs on LifeFM (Christian station) at 9:30AM on Sundays with a format similar to Mission Possible but is geared to the faith community.

More than 2,200 volunteers provided over 17,000 hours of volunteering this past year. Volunteers included individuals, schools, organizations and places of worship. Combined, the Centers served nearly 650 men, women and children each day. Last year, MRM/BOC provided 300,000 meals, 100,000 nights of safe-shelter, over 80 clients successfully completed our long-term educational program, over 16,000 hours of counseling, and helped nearly 250 men and women find jobs and obtain housing.

During 2020 and through 2021, our ministries have changed to better serve men, women, and children during the COVID-19 pandemic. All CDC and Health Department guidelines are being followed. We continue to work with all agencies in Miami and Broward in order to prevent infections as well as treat those that do become infected and need isolation or quarantine. This has affected our staff, donors, and volunteers. The virus severely affected our programs in that we were not able to have as many people in our Centers at one time due to separation and social distancing. We are still watchful, but we expect to be at a much higher occupancy rate during the year ending June 30, 2023.

MRM will be celebrating its Centennial Achievements in October 2022. MRM, which started in 1922 with a horse and covered wagon, will be rebranding to be collectively known as “The Caring Place.” MRM has continued to change through the decades to meet the needs of homeless people, but has kept its spiritual foundation to serve God and man based upon Judeo-Christian values for one hundred years. A capital campaign to raise awareness and funding for a new family center is being planned for the year ending June 30, 2023.

Miami Mission Association, Inc. (MMA) is a Florida nonprofit corporation. MRM assumed the operation of MMA’s women’s and children’s center beginning on July 1, 1993. MMA is exempt from income taxes under Section 501(c)(3) of the Code and comparable state laws. MMA is also classified as a publicly supported organization, which is not a private foundation under section 509(a)(2) of the Code. Contributions to MMA are deductible for income tax purposes.

MRM receives the majority of support from Florida individuals, corporations, churches, foundations and civic organizations, thrift store sales of donated items and governmental grants. MRM is not affiliated with any church denomination but seeks to represent the church in its mandated service to share the gospel of Jesus Christ and to share God’s love to those who are often the least, the last, and the lost.



# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States (GAAP). The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

#### USE OF ESTIMATES

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the balances and financial activities of MRM and MMA (collectively referred to as the Organization). All significant intercompany transactions and balances have been eliminated from the consolidated financial statements.

#### CASH AND CASH EQUIVALENTS

The Organization considers cash on hand, bank checking accounts, money markets, and certificates of deposit with original maturities of three months or less to be cash and cash equivalents. The Organization maintains its cash and cash equivalents in bank deposit accounts, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on cash and cash equivalents. At June 30, 2022 and 2021, the Organization's cash balances exceeded federally insured limits by \$1,078,520 and \$2,778,040, respectively.

#### INVENTORY

Inventory is stated at the lower of cost (based on the average cost basis) or net realizable value and consists of thrift store donated goods, donated food, and donated vehicles. At June 30, 2022 and 2021, no reserve for obsolescence has been recorded, as management believes all inventory is sellable.

Thrift store donated goods consists of goods and donated merchandise such as clothing and miscellaneous items used in the operation of the Organization's programs and for sale in the thrift stores or as part of the auto auctions. Donated goods inventory is based on cost when sold which approximates fair value of the goods. The ending inventory amount is calculated using a formula based on that used by other rescue ministries and is based on a percentage of total thrift store sales for each location.

#### GRANTS RECEIVABLE

Grants receivable consist primarily of BOC project costs incurred but not yet reimbursed.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### INVESTMENTS

Investments in equity securities with readily determinable fair values and all debt securities are recorded at fair value. Other investments are reported at the lower of cost or fair value. Interest and dividend income and the realized and unrealized gain or loss on investments is reported as investment income (loss) without donor restrictions in the accompanying consolidated statements of activities unless a donor or law restricts its use. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments. Donated investments are recorded at fair value at the date of donation and are thereafter carried in conformity with the stated policy.

#### PROPERTY HELD FOR SALE

During the year ended June 30, 2022, the board of the Organization committed to a plan to sell a certain piece of property located in Miami, Florida that was expected to be sold within one year. The property was available immediately for sale and was actively marketed at a price that was reasonable in relation to its current fair market value. Fair market value was determined to be approximately \$8,000,000 based on an executed purchase/sale agreement signed in June 2022. The property is presented as held for sale in the accompanying consolidated statements of financial position.

#### PROPERTY AND EQUIPMENT—NET

Items capitalized as property and equipment are stated at cost, or if donated, at estimated fair value on the date of receipt. Items purchased with governmental funds greater than \$5,000 are capitalized and depreciated over their estimated useful lives. All other nongovernmental purchases of property and equipment greater than \$1,000 are capitalized and depreciated over their estimated useful lives. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of assets are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 4 to 32 years.

#### CLASSES OF NET ASSETS

The consolidated financial statements report amounts separately by class of net assets:

*Net assets without donor restrictions* are currently available for operations under the direction of the board, designated by the board for a specific use, or invested in property and equipment, net of accumulated depreciation.

*Net assets with donor restrictions for purpose or time* are contributed with donor stipulations for specific operating purposes or programs, with time restrictions, for the acquisition of property and equipment, or not currently available for use until commitments regarding their use have been fulfilled.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### CLASSES OF NET ASSETS, continued

*Net assets with donor restrictions in perpetuity* are those which are contributed with donor restrictions requiring that they be held in perpetuity with the investment income (loss) earned to be used to fund scholarships. Assets funding these agreements are included as part of cash and cash equivalents. The disclosures required by the *Reporting Endowment Funds* topic of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) have not been included in the consolidated financial statements due to immateriality.

#### SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES

A portion of the Organization's revenue is derived from cost-reimbursable county contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. Program, investment, and other revenue are recognized when earned.

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give, that is those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as reclassifications.

The Organization reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. 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 assets are placed in service.

Gifts-in-kind consists primarily of donated food, clothing, and general merchandise used in the Organization's operations or for sale in the thrift store. Sales of donated items consist primarily of vehicle and thrift store sales.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES, continued

Expenses, including advertising costs of \$241,147 and \$244,447 for the years ended June 30, 2022 and 2021, respectively, are recorded when incurred in accordance with the accrual basis of accounting. Gifts-in-kind expenses are reported in the accompanying consolidated statements of functional expenses under program services, primarily as supplies and other services, as well as specific assistance to individuals. The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. These expenses include salaries and benefits, depreciation, facilities operations, and other expenses. Salaries and benefits are allocated based on the programmatic purpose of the employees incurring the expenses. All other costs are allocated based on a square footage analysis of the Organization's facilities. The Organization incurred no joint costs. All costs associated with publications are charged directly to fundraising.

#### GIFTS-IN-KIND

The programs of the Organization could not be fully achieved without the dedicated efforts of many volunteers. Churches, synagogues, businesses, clubs, youth groups, students, and individuals give of their time and talents to help the homeless. They serve meals, conduct chapel services, tutor children, teach classes, and help maintain the facilities. None of these donated services are reported as support and revenue and expenses on the IRS Form 990.

Donated services are reported as contributions if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. During the years ended June 30, 2022 and 2021, donated services meeting the criteria for recognition in the accompanying consolidated statements of activities totaled \$49,628 and \$18,459, respectively, and include legal, pastoral, counseling, education, and master chef services.

#### RENT GIFTED TO OTHER ENTITIES

The Organization allows the use of its Hollywood Center to an independent third party (see Note 1) recognized at the fair value of the gifted rent. The third party is under no control or obligation to the Organization. For both years ended June 30, 2022 and 2021, the fair value of the gifted rent totaled \$1,920,000.

The Organization allows the use of its facilities to CARE Elementary School (see Note 13) recognized at the fair value of the gifted rent. CARE Elementary School is under no control or obligation to the Organization. For both years ended June 30, 2022 and 2021, the fair value of the gifted rent was \$315,000.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### RENT GIFTED TO OTHER ENTITIES, continued

The Organization allows the use of its facilities to Miami Rescue Mission Clinic, Inc. (MRMC) (see Note 13) recognized at the fair value of the gifted rent. MRMC is under no control or obligation to the Organization. For both the years ended June 30, 2022 and 2021, the fair value of the gifted rent was \$91,320.

#### RECENTLY ADOPTED ACCOUNTING STANDARD

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The Organization adopted the provisions of the new standard during the year ended June 30, 2022. The standard requires nonprofits to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other nonfinancial assets. The standard also increases the disclosure requirements around contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. Adoption of the this standard did not have a significant impact on the consolidated financial statements, with the exception of increased disclosure.

### 3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Organization's financial assets as of June 30, 2022 and 2021, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Organization considers general expenditures to be all expenditures related to its ongoing activities to achieve its mission and vision as well as the conduct of services undertaken to support those activities to be general expenditures.

	June 30,	
	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 1,322,511	\$ 3,176,614
Grants receivable	786,237	444,811
Investments	8,345,455	8,848,084
Financial assets, at year-end	10,454,203	12,469,509
Less those not available for general expenditure within one year:		
Net assets restricted in perpetuity	(25,000)	(25,000)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 10,429,203</u>	<u>\$ 12,444,509</u>

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

3. LIQUIDITY AND FUNDS AVAILABLE, continued:

As part of the Organization'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. At June 30, 2022, the Organization has \$743,249 in net assets with donor restrictions for various purposes including project support. These funds are considered available to meet needs for general expenditures as funds are used for their donor restricted purposes.

4. INVESTMENTS:

Investments consist of the following:

	June 30,	
	2022	2021
Held at cost:		
Cash and cash equivalents	\$ 1,563,041	\$ 1,415,240
Held at fair value:		
Corporate and government bonds	3,288,456	3,941,827
Index linked funds	1,330,811	1,274,539
Equities	1,654,171	1,650,169
Mutual funds	318,985	363,626
International developed bonds	189,991	202,683
	<u>6,782,414</u>	<u>7,432,844</u>
	<u>\$ 8,345,455</u>	<u>\$ 8,848,084</u>

5. INVENTORY:

Inventory consists of the following:

	June 30,	
	2022	2021
Donated food	\$ 1,048,350	\$ 650,974
Thrift store donated goods	85,045	76,866
Donated vehicles	300	773
	<u>\$ 1,133,695</u>	<u>\$ 728,613</u>

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

6. OTHER ASSETS:

Other assets consist of the following:

	June 30,	
	2022	2021
Prepaid insurance	\$ 350,923	\$ 191,554
Refundable deposits	57,060	51,133
Other	26,949	214,495
	<u>\$ 434,932</u>	<u>\$ 457,182</u>

7. PROPERTY AND EQUIPMENT—NET:

Property and equipment—net consists of the following:

	June 30,	
	2022	2021
Land	\$ 2,765,970	\$ 4,856,739
Buildings and improvements	18,409,701	19,688,907
Vehicles and equipment	3,036,406	3,056,887
	<u>24,212,077</u>	<u>27,602,533</u>
Less accumulated depreciation	(11,437,449)	(11,117,610)
Construction in progress	56,152	-
Net investment in property and equipment	<u>\$ 12,830,780</u>	<u>\$ 16,484,923</u>

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 8. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consist of the following:

	June 30,	
	2022	2021
Restricted for purpose or time:		
Girlfriend for girlfriends	\$ 235,352	\$ 190,652
Rise	176,405	170,843
Centennial celebration	139,633	125,000
Roger Brummitt project	74,507	74,507
Broward assessment center	68,096	68,096
Broward child activity center	18,259	18,259
Gala	15,146	-
Fund for ReadingRoom	7,569	7,569
Batchelor Foundation grant	7,023	7,023
Veterans funding from Veterans	1,259	1,259
	<u>\$ 743,249</u>	<u>\$ 663,208</u>
Restricted in perpetuity:		
Learning Center scholarship fund	<u>\$ 25,000</u>	<u>\$ 25,000</u>

### 9. SALES OF DONATED ITEMS:

Sales of donated items consist of the following:

	Year Ended June 30,	
	2022	2021
General merchandise	\$ 936,772	\$ 835,075
Vehicles	33,570	22,100
	<u>\$ 970,342</u>	<u>\$ 857,175</u>



# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 10. COMMITMENTS AND CONTINGENCIES:

#### OPERATING LEASES

The Organization leases certain office equipment under non-cancelable operating lease agreements, with various expiration dates through April 2023. Rental and lease expenses totaled \$117,380 and \$162,715 for the years ended June 30, 2022 and 2021, respectively. Future minimum lease payments under the non-cancelable operating lease agreements to be incurred during the year ending June 30, 2023, amount to \$5,400.

#### CONTINGENT LIABILITIES

The City of Miami, Florida authorized a loan in the amount of \$298,299 to the Organization for the acquisition of land and construction of new buildings. The loan is noninterest bearing and secured by a mortgage. So long as the Organization continues to provide a last resort facility, payments on this loan will be waived.

Approximately \$900,000 of the buildings reported in Note 7 were funded with Community Development Block Grant (CDBG) federal awards, to assist with the construction costs of the BOC. Buildings acquired with CDBG funds and no longer needed for the originally authorized purpose are subject to certain federal restrictions and requirements should these buildings ever be disposed of by the Organization.

Refundable advance relates to a grant received from the Federal Home Loan Bank Affordable Housing Program of Atlanta (FHLB) in the amount of \$1,000,000 during the fiscal year ended June 30, 2014, to assist with the purchase and/or rehabilitation of 78 multifamily rental units in the Miami, Florida area. Construction was completed during the fiscal year ended June 30, 2014. Per the agreement between the Organization and the FHLB, if the Organization were to sell the property within 15 years of receiving the grant money, the Organization would be required to return the grant to the FHLB. Therefore, the Organization has deferred recognizing the grant as revenue until the 15 year period has lapsed.

#### CONSULTING, COMMUNICATIONS, AND DEVELOPMENT SERVICES

Effective May 1, 2017, the Organization entered into a consulting, communications, and development services agreement (the Agreement). Per the Agreement, a third party will provide consulting, marketing, and direct-mail services on behalf of the Organization. For the services provided under this Agreement, the Organization agrees to pay the third party a retainer fee of \$15,000 per month. Either party may terminate the Agreement by giving the other party written notice thereof at least 60 days prior to the effective date of termination.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 11. RETIREMENT PLANS:

MRM has established a 403(b) retirement plan (the Plan). MRM contributes to the Plan on behalf of all full-time employees participating through elective salary deductions. MRM matches employee contributions equal to 3% of elective deferrals, up to 100% of eligible pay. Employees are eligible for the Plan if they are at least 18 years old and have completed 90 days of service. Participants become fully vested after five years of services. For the years ended June 30, 2022 and 2021, employer contributions to the Plan totaled \$51,709 and \$53,785, respectively.

MRM has established a qualified 457(b) deferred compensation plan (the 457 Plan) for the benefit of the president and those employees listed as a director. The 457 Plan allows eligible employees to contribute to the 457 Plan and to direct the investment of their funds into professionally managed investment funds. MRM matches one dollar for every dollar contributed by the employee based on length of service, matching up to 4% of wages for one to three years of service; matching up to 6% of wages between three and five years of service; and matching up to 8% of wages for more than five years of service. For the years ended June 30, 2022 and 2021, employer contributions to the 457 Plan totaled \$56,216 and \$60,935, respectively. The funds for the 457 Plan are held in trust in separate accounts and are invested by the president and those employees listed as directors. The assets related to the 457 Plan are not included in the accompanying consolidated statements of financial position as MRM has no ongoing control over these assets.

### 12. GOVERNMENT GRANTS:

Government grants consist of:

Title of Grant	Year Ended June 30,	
	2022	2021
Nonfederal funds:		
City of Miami Beach	\$ 132,407	\$ 129,380
Homeless trust emergency shelter	459,750	315,325
Broward County HIP–Homeless Assistance Center–3 year grant–South HAC	1,994,782	1,859,565
Federal funds:		
United States Department of Homeland Security:		
FEMA Phase 35 & 36		
Pass thru United Way of Miami Dade County	120,625	38,218
Total government grants	\$ 2,707,564	\$ 2,342,488

Broward County, Florida Grants Management–Research and Development Division entered into two grants with the BOC. The grant agreements require that all monies received from the county shall be included in the consolidated financial statements by explicit disclosure, as presented above.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 13. RELATED PARTY TRANSACTIONS:

The Organization contracts with MRMC to provide health services for clients of the Organization. Certain board members of MRMC are on the board of the Organization. During the years ended June 30, 2022 and 2021, the Organization expended \$300,000 and \$325,000 to MRMC, respectively.

The Organization allows the use of its facilities to CARE Elementary School (CARE). Certain board members of CARE are on the board of the Organization. During both years ended June 30, 2022 and 2021, the Organization donated \$315,000, in gifted rent to CARE.

The Organization allows the use of its facilities to Miami Rescue Mission Clinic, Inc. (MRMC) (see Note 2) recognized at the fair value of the gifted rent. MRMC is under no control or obligation to the Organization. For both the years ended June 30, 2022 and 2021, the fair value of the gifted rent was \$91,320.

### 14. FAIR VALUE MEASUREMENTS:

The *Fair Value* topic of the FASB ASC establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 and Level 2 inputs were not available.

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying consolidated statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy at June 30, 2022 and 2021:

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 14. FAIR VALUE MEASUREMENTS, continued:

		June 30, 2022		
	Total	(Level 1)	(Level 2)	(Level 3)
Investments, at fair value:				
Bonds:				
Corporate/government	\$ 3,288,456	\$ -	\$ 3,288,456	\$ -
International	189,991	-	189,991	-
	<u>3,478,447</u>	<u>-</u>	<u>3,478,447</u>	<u>-</u>
Equities:				
International developed	346,917	346,917	-	-
US equities	632,457	632,457	-	-
Large cap	550,940	550,940	-	-
Mid-small cap	123,857	123,857	-	-
	<u>1,654,171</u>	<u>1,654,171</u>	<u>-</u>	<u>-</u>
Index linked funds:				
Insurance annuity	<u>1,330,811</u>	<u>-</u>	<u>1,330,811</u>	<u>-</u>
Mutual funds:				
Income/growth	<u>318,985</u>	<u>318,985</u>	<u>-</u>	<u>-</u>
	<u>\$ 6,782,414</u>	<u>\$ 1,973,156</u>	<u>\$ 4,809,258</u>	<u>\$ -</u>

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

### 14. FAIR VALUE MEASUREMENTS, continued:

		June 30, 2021		
	Total	(Level 1)	(Level 2)	(Level 3)
Investments, at fair value:				
Bonds:				
Corporate/government	\$ 3,941,827	\$ -	\$ 3,941,827	\$ -
International	202,683	-	202,683	-
	<u>4,144,510</u>	<u>-</u>	<u>4,144,510</u>	<u>-</u>
Equities:				
International developed	417,815	417,815	-	-
US equities	450,858	450,858	-	-
Large cap	625,233	625,233	-	-
Mid-small cap	156,263	156,263	-	-
	<u>1,650,169</u>	<u>1,650,169</u>	<u>-</u>	<u>-</u>
Index linked funds:				
Insurance annuity	<u>1,274,539</u>	<u>-</u>	<u>1,274,539</u>	<u>-</u>
Mutual funds:				
Income/growth	<u>363,626</u>	<u>363,626</u>	<u>-</u>	<u>-</u>
	<u>\$ 7,432,844</u>	<u>\$ 2,013,795</u>	<u>\$ 5,419,049</u>	<u>\$ -</u>

Valuation techniques used by the Organization in estimating fair value are as follows:

*Bonds*—The fair values are based on quoted prices for similar assets in active markets; quoted prices for identical or similar markets that are not active; and inputs other than quoted prices e.g., interest rates and yield curves.

*Mutual funds*—The fair value of these financial instruments is based upon quoted market prices or dealer quotes in an active market.

*Equities*—The fair value of these financial instruments is based upon quoted market prices or dealer quotes in an active market.

# MIAMI RESCUE MISSION, INC. AND SUBSIDIARY

## Notes to Consolidated Financial Statements

June 30, 2022 and 2021

14. FAIR VALUE MEASUREMENTS, continued:

*Index linked funds*—The fair values are based on quoted prices for similar assets in active markets; quoted prices for identical or similar markets that are not active; and inputs other than quoted prices e.g., interest rates and yield curves.

*Changes in valuation techniques*—None.

15. GIFTS-IN-KIND:

Gifts-in-kind for the years ended June 30, 2022 and 2021, included in the consolidated financial statements were as follows:

	June 30,	
	2022	2021
Food services	\$ 3,267,420	\$ 3,348,300
Case management	2,420,002	1,675,044
Donated items sold in thrift store	1,020,542	879,706
Other	666,023	422,741
	<u>\$ 7,373,987</u>	<u>\$ 6,325,791</u>

16. SUBSEQUENT EVENTS:

Effective August 17, 2022, the Organization closed on the sale of the property held for sale presented in the accompanying consolidated statements of financial position. The sale was for substantially the same as fair market value.

Subsequent events have been evaluated through October 28, 2022, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.