

**ENVIRONMENTAL ADVOCATES
OF NEW YORK, INC.**

Financial Statements

December 31, 2019 and 2018

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KNAPEK, GABRIELE & BOTTINI, LLP

Certified Public Accountants

"more than just the numbers..."

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Environmental Advocates of New York, Inc.
Albany, New York

We have audited the accompanying financial statements of Environmental Advocates of New York, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Environmental Advocates of New York, Inc. as of December 31, 2019 and 2018, 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.

Knappek, Gabriele & Bottini, LLP

Latham, New York
November 1, 2020

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Latham:
43 British American Blvd.
Latham, NY 12110

(518) 459-5222
Fax (518) 459-0208
www.kgbcpas.com

Saratoga (by appointment):
11 Court Street
Saratoga Springs NY 12866

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Statement of Financial Position

December 31,

ASSETS

| | 2019 | 2018 |
|---------------------------------------|---------------------|---------------------|
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 228,218 | \$ 395,165 |
| Cash – building reserve | 307,030 | 209,638 |
| Cash – Board designated | 193,841 | 318,701 |
| Investments – Board designated | 849,776 | 712,527 |
| Grants receivable | 25,000 | 10,000 |
| Unconditional promises to give | 16,295 | 29,077 |
| Due from related organization | 2,763 | 1,307 |
| Prepaid expenses | 13,108 | 3,616 |
| Security Deposits | 2,730 | — |
| Total Current Assets | <u>1,638,761</u> | <u>1,680,031</u> |
| PROPERTY, PLANT AND EQUIPMENT: | | |
| Land and building | 539,355 | 522,855 |
| Furniture, fixtures and equipment | <u>31,959</u> | <u>29,605</u> |
| Total | 571,314 | 552,460 |
| Less: accumulated depreciation | <u>369,588</u> | <u>348,923</u> |
| Net Property, Plant and Equipment | <u>201,726</u> | <u>203,537</u> |
| | <u>\$ 1,840,487</u> | <u>\$ 1,883,568</u> |

LIABILITIES AND NET ASSETS

| | | |
|----------------------------------|---------------------|---------------------|
| CURRENT LIABILITIES: | | |
| Accounts payable | \$ 35,178 | \$ 53,980 |
| Accrued expenses | 123,584 | 93,235 |
| Deferred revenue | <u>35,000</u> | <u>10,000</u> |
| Total Current Liabilities | <u>193,762</u> | <u>157,215</u> |
| NET ASSETS: | | |
| Without Donor Restrictions: | | |
| Operating | 35,956 | 229,948 |
| Board designated: | | |
| Investments and cash | 984,462 | 976,718 |
| Internship program | 59,155 | 54,510 |
| Building reserve | <u>307,030</u> | <u>209,638</u> |
| Total Without Donor Restrictions | 1,386,603 | 1,470,814 |
| With Donor Restrictions | <u>260,122</u> | <u>255,539</u> |
| Total Net Assets | <u>1,646,725</u> | <u>1,726,353</u> |
| | <u>\$ 1,840,487</u> | <u>\$ 1,883,568</u> |

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Statement of Activities

For the Year Ended December 31, 2019

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|-------------------------------|----------------------------|---------------------|
| REVENUES AND OTHER SUPPORT: | | | |
| Contributions | \$ 509,834 | \$ -- | \$ 509,834 |
| Special event | 387,300 | -- | 387,300 |
| Grants - foundations | 567,500 | 145,000 | 712,500 |
| Dividend and interest income | 37,075 | -- | 37,075 |
| Other revenue | 1,386 | -- | 1,386 |
| Net assets released from restrictions: | | | |
| Purpose restriction satisfied | 140,417 | (140,417) | -- |
| Total Revenues and Other Support | <u>1,643,512</u> | <u>4,583</u> | <u>1,648,095</u> |
| EXPENSES: | | | |
| Programs | | | |
| A Safe Climate for All | 710,506 | -- | 710,506 |
| Clean Water for All | 523,352 | -- | 523,352 |
| Clean and Healthy Communities for All | 173,764 | -- | 173,764 |
| Lobbying | 50,202 | -- | 50,202 |
| Total Program Expenses | <u>1,457,824</u> | <u>--</u> | <u>1,457,824</u> |
| Support Services | | | |
| Administration | 137,654 | -- | 137,654 |
| Special events | 133,167 | -- | 133,167 |
| Fundraising | 111,498 | -- | 111,498 |
| Total Support Service Expenses | <u>382,319</u> | <u>--</u> | <u>382,319</u> |
| Total Program and Support Expenses | <u>1,840,143</u> | <u>--</u> | <u>1,840,143</u> |
| Unrealized Investment Gain | <u>112,420</u> | <u>--</u> | <u>112,420</u> |
| CHANGE IN NET ASSETS | (84,211) | 4,583 | (79,628) |
| NET ASSETS, beginning of year | <u>1,470,814</u> | <u>255,539</u> | <u>1,726,353</u> |
| NET ASSETS, end of year | <u>\$ 1,386,603</u> | <u>\$ 260,122</u> | <u>\$ 1,646,725</u> |

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Statement of Activities

For the Year Ended December 31, 2018

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|-------------------------------|----------------------------|---------------------|
| REVENUES AND OTHER SUPPORT: | | | |
| Contributions | \$ 459,812 | \$ -- | \$ 459,812 |
| Special event | 366,186 | -- | 366,186 |
| Grants - foundations | 335,800 | 280,700 | 616,500 |
| Dividend and interest income | 41,906 | -- | 41,906 |
| Other revenue | 1,191 | -- | 1,191 |
| Building renovations | -- | 150,000 | 150,000 |
| Net assets released from restrictions: | | | |
| Purpose restriction satisfied | <u>279,757</u> | <u>(279,757)</u> | <u>--</u> |
| Total Revenues and Other Support | <u>1,484,652</u> | <u>150,943</u> | <u>1,635,595</u> |
| EXPENSES: | | | |
| Programs | | | |
| A Safe Climate for All | 531,683 | -- | 531,683 |
| Clean Water for All | 390,268 | -- | 390,268 |
| Clean and Healthy Communities for All | 108,063 | -- | 108,063 |
| Lobbying | <u>35,796</u> | <u>--</u> | <u>35,796</u> |
| Total Program Expenses | <u>1,065,810</u> | <u>--</u> | <u>1,065,810</u> |
| Support Services | | | |
| Administration | 157,133 | -- | 157,133 |
| Special events | 109,258 | -- | 109,258 |
| Fundraising | <u>38,355</u> | <u>--</u> | <u>38,355</u> |
| Total Support Service Expenses | <u>304,746</u> | <u>--</u> | <u>304,746</u> |
| Total Program and Support Expenses | <u>1,370,556</u> | <u>--</u> | <u>1,370,556</u> |
| Unrealized Investment Losses | <u>(75,847)</u> | <u>--</u> | <u>(75,847)</u> |
| CHANGE IN NET ASSETS | 38,249 | 150,943 | 189,192 |
| NET ASSETS, beginning of year | <u>1,432,565</u> | <u>104,596</u> | <u>1,537,161</u> |
| NET ASSETS, end of year | <u>\$ 1,470,814</u> | <u>\$ 255,539</u> | <u>\$ 1,726,353</u> |

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Statement of Cash Flows

For the Years Ended December 31,

| | 2019 | 2018 |
|--|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in net assets | \$ (79,628) | \$ 189,192 |
| Adjustments to reconcile change in net assets to net cash provided by operations | | |
| Depreciation | 20,665 | 19,795 |
| Unrealized investment (gains) losses | (112,420) | 75,847 |
| Changes in: | | |
| Grants receivable | (15,000) | (5,000) |
| Unconditional promises to give | 12,782 | 4,193 |
| Prepaid expenses | (9,492) | (224) |
| Due from related organization | (1,456) | 345 |
| Security deposits | (2,730) | -- |
| Accounts payable | (18,802) | (15,189) |
| Accrued expenses | 30,349 | 10,732 |
| Deferred revenue | 25,000 | -- |
| Due to related organization | -- | (5,000) |
| NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES | <u>(150,732)</u> | <u>274,691</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Equipment purchases and capitalized building cost | (18,854) | (9,476) |
| Investment in securities | (24,829) | (35,423) |
| Sale of securities | -- | 146,695 |
| NET CASH (USED) PROVIDED BY INVESTING ACTIVITIES | <u>(43,683)</u> | <u>101,796</u> |
| (DECREASE) INCREASE IN CASH | (194,415) | 376,487 |
| CASH AND CASH EQUIVALENTS, <i>beginning of year</i> | <u>923,504</u> | <u>547,017</u> |
| CASH AND CASH EQUIVALENTS, <i>end of year</i> | <u>\$ 729,089</u> | <u>\$ 923,504</u> |

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Notes to Financial Statements

NOTE 1. ORGANIZATION AND NATURE OF ACTIVITIES

General overview

Environmental Advocates of New York, Inc. (EANY or the Organization) was founded in 1969 to protect our air, land, water and wildlife and the health of all New Yorkers. EANY engages the public, the media, and policymakers to appreciate New York's role in addressing those issues. EANY monitors the development, implementation, and enforcement of the laws affecting New York's environment and works to ensure that policies protect our natural resources and safeguard public health. EANY is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. An affiliated corporation, EPL/Environmental Advocates (together with EANY), is a nonpartisan environmental advocacy organization founded under Section 501(c)(4) and is not exempt from federal income tax.

Environmental Advocates of New York, Inc. currently focuses its programmatic work on three key policy areas:

Clean Water for All So New Yorkers have clean water to drink, we aim to secure billions in funding to fix our water infrastructure, pass mandatory testing of harmful pollutants and prevent pollution of source waters.

Clean and Reliable Transportation Our climate policies must aim to achieve significant pollution reductions by mid-century. Since transportation is the largest source of climate pollution, our primary goals are to reduce the number of fossil fuel powered vehicles on our roads and dramatically scale up mass transit and other non-polluting transit options.

Clean and Vibrant Communities To help ensure our communities are healthy, we aim to eliminate the use of dangerous pesticides and to eliminate the most harmful toxic chemicals in our food and homes.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

In 2018, the Organization adopted FASB Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The standard changed the reporting of net assets to two categories of net assets, *net assets without donor restrictions* and *net assets with donor restrictions*.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Organization considers all cash and highly liquid investments with original maturities of three months or less to be cash equivalents.

The management of EANY, has set up a cash reserve to accumulate funding for building repairs and improvements. Each month \$1,477 plus interest is added to the cash reserve account.

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Notes to Financial Statements

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising

The Organization expenses advertising costs as they are incurred. Advertising costs for the years ended December 31, 2019 and 2018 were \$18,436 and \$25,367, respectively.

Property, Plant, Equipment and Depreciation

Property, plant and equipment are stated at cost when purchased or fair market value at the date of donation. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is included in income. Depreciation is provided on a straight-line basis over the estimated useful lives of the respective assets. Depreciation expense for the years ended December 31, 2019, and 2018, was \$20,665 and \$19,795, respectively.

Grants, Contributions and Promises to Give

Grants and contributions are recognized when the grantor or donor makes a promise to give that is, in substance, unconditional. Grantor or donor restricted grants and contributions are reported as increases in 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.

The Organization uses the allowance method to account for uncollectible grants receivable and unconditional promises to give. The allowance for doubtful accounts is based on management's identification and evaluation of past due receivables, which includes an assessment of the individual factors that have contributed to the delinquency. Based on such evaluation, the Organization considers grants receivable and unconditional promises to give to be fully collectible. Accordingly, no allowance for doubtful accounts is considered necessary.

Functional Allocation of Expenses and Allocation of Supporting Service Expenditures

The costs of providing the 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.

Donated Services

Contributions of services are recognized when they are received if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated.

There were no contributed services in 2019 or 2018.

The Organization relies on donated personal services from graduate and undergraduate-level students, many of whom are fulfilling course requirements. The donated services equate to approximately one quarter position. The value of such services is not reported in the financial statements as the services do not meet the specialized skills requirement of accounting principles generally accepted in the United States of America. Nevertheless, the services are vital to the mission of the Organization.

Investments

Investments in publicly traded marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Notes to Financial Statements

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

NOTE 3. INVESTMENTS

Investments as of December 31, 2019, are summarized as follows:

| | Cost | Fair Value | Carrying Value |
|--------------------------------|-------------------|-------------------|-------------------|
| Unrestricted Board designated: | | | |
| Bond Funds | \$ 239,285 | \$ 233,360 | \$ 233,360 |
| Stock Funds | 410,531 | 464,494 | 464,494 |
| Stocks | <u>95,499</u> | <u>151,922</u> | <u>151,922</u> |
| | <u>\$ 745,315</u> | <u>\$ 849,776</u> | <u>\$ 849,776</u> |

Investments as of December 31, 2018, are summarized as follows:

| | Cost | Fair Value | Carrying Value |
|--------------------------------|-------------------|-------------------|-------------------|
| Unrestricted Board designated: | | | |
| Bond Funds | \$ 231,426 | \$ 220,493 | \$ 220,493 |
| Stock Funds | 390,552 | 373,406 | 373,406 |
| Stocks | <u>95,499</u> | <u>118,628</u> | <u>118,628</u> |
| | <u>\$ 717,477</u> | <u>\$ 712,527</u> | <u>\$ 712,527</u> |

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31:

| | 2019 | 2018 |
|---------------------------------|-------------------|--------------------|
| Dividend and interest income | \$ 37,075 | \$ 41,906 |
| Unrealized gains (losses) | <u>112,420</u> | <u>(75,847)</u> |
| Total Investment gains (losses) | <u>\$ 149,495</u> | <u>\$ (33,941)</u> |

NOTE 4. SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances at two banks. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the balances in these accounts may be in excess of federally insured limits. At December 31, 2019 uninsured cash in these accounts were \$57,030. The Organization has not experienced any loss and believes it is not exposed to any significant credit risk.

The Organization maintains cash and investments at a brokerage firm. Accounts at the institution are insured by the Securities Investor Protection Corporation up to \$500,000, which includes a \$250,000 limit for cash. Uninsured cash and investments at December 31, 2019 were \$543,405. The Organization has not experienced any loss and believes it is not exposed to any significant credit risk.

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Notes to Financial Statements

NOTE 5. LINE OF CREDIT

The Organization has a \$100,000 line of credit with a bank with an interest rate of 5.75% at December 31, 2019. The bank requires the line be paid down to at least 50% of its high balance for 30 consecutive days within a 12-month cycle. There were no borrowings on the line at December 31, 2019, and 2018. Borrowings under the line are payable on demand.

NOTE 6. OPERATING LEASES

The Organization leases a copier with monthly lease payments of \$160. The lease expires in 2024.

Future minimum lease obligations required under the operating lease with initial or remaining terms in excess of one year are as follows:

| | |
|-------------------------------|-----------------|
| Year Ending December 31, 2020 | \$ 1,916 |
| 2021 | 1,916 |
| 2022 | 1,916 |
| 2023 | 1,916 |
| 2024 | 1,435 |
| | <u>\$ 9,099</u> |

EANY leases office space in New York City. The lease term began March 1, 2019 and expires February 2020. The monthly lease payment is \$1,547.

Lease expense in 2019 was \$17,156.

NOTE 7. NET ASSETS WITH DONOR RESTRICTIONS

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

| | 2019 | 2018 |
|---------------------------------------|-------------------|-------------------|
| Building Fund | \$ 150,000 | \$ 150,000 |
| A Safe Climate for All | 35,122 | 46,002 |
| General support | 30,000 | 22,500 |
| Clean Water for All | 45,000 | 21,714 |
| Clean and Healthy Communities for All | -- | 15,323 |
| Net Assets With Donor Restrictions | <u>\$ 260,122</u> | <u>\$ 255,539</u> |

Net assets were released from donor restrictions by satisfying the purpose restrictions specified by donors as follows:

| Purpose restriction accomplished: | 2019 | 2018 |
|---|-------------------|-------------------|
| A Safe Climate for All | \$ 55,880 | \$ 179,522 |
| Clean Water for All | 21,714 | 75,559 |
| Clean and Healthy Communities for All | 15,323 | 24,676 |
| General Support | 47,500 | -- |
| Net Assets With Donor Restrictions Released | <u>\$ 140,417</u> | <u>\$ 279,757</u> |

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Notes to Financial Statements

NOTE 8. RELATED PARTY TRANSACTIONS

The Organization shares management personnel with EPL/Environmental Advocates, Inc. (EPL), a nonprofit corporation which is a non-partisan environmental advocacy organization providing dependable and reliable information to citizens, lawmakers, legislative staff and state agencies regarding the environment. Several Board Members of the Organization are also on the Board of EPL. EANY charges EPL for salaries, supplies and services throughout the year.

The following is a summary of transactions and outstanding balances for December 31:

Environmental Advocates of New York, Inc., services to EPL:

| | 2019 | 2018 |
|-----------------------|------------------|------------------|
| Salaries and benefits | \$ 17,937 | \$ 17,337 |
| Professional services | 288 | 1,764 |
| Credit card charges | 186 | 864 |
| Occupancy | 330 | 479 |
| Communications | 279 | 263 |
| Telephone | -- | 151 |
| Office expenses | 67 | 111 |
| Postage | 545 | 108 |
| Fees and tuition | 250 | 100 |
| Printing | 78 | 91 |
| Travel | -- | 10 |
| Advertising | 285 | -- |
| Utilities | 127 | -- |
| Total | <u>\$ 20,372</u> | <u>\$ 21,278</u> |

The amount due from EPL/Environmental Advocates, Inc. at December 31, 2019 and 2018 was \$ 2,763 and \$1,307, respectively.

NOTE 9. RETIREMENT PLAN

The Organization maintains a 403(b) tax-deferred retirement plan for all eligible employees. In addition to salary deferrals, the Organization may make discretionary contributions. The Organization contributed 2% and 5% of gross salary for years ending December 31, 2019, and 2018, respectively, and the pension expense was \$21,668 and \$33,846 for the years ended December 31, 2019, and 2018, respectively.

NOTE 10. INCOME TAXES

As a nonprofit organization under Section 501(c)(3), the Organization is generally exempt from paying income taxes unless it receives unrelated business income which could be subject to income tax. Management believes that all revenue and support relates exclusively to the Organization's tax exempt purpose and is not subject to federal or state income tax. The Organization's tax returns are subject to examination by the applicable taxing authorities. As of December 31, 2019, the Organization's tax returns generally remain open for examination for the last three years.

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Notes to Financial Statements

NOTE 11. STRATEGIC PLAN

The Organization commissioned an extensive strategic planning process to determine its future activities, priorities and overall effectiveness. Consultants were engaged to assist in the plan and the cost in 2019 and 2018 was \$0 and \$59,280; respectively, which is reported as a component of support services. The cost was partially funded by special donations from the board of directors.

NOTE 12. EXPENSES

Expenses for year ended December 31, 2019, are as follows:

| | <u>Program</u> | <u>Administration</u> | <u>Fundraising and Special Events</u> | <u>Total</u> |
|-----------------------|---------------------|-----------------------|---|---------------------|
| Salaries and benefits | \$ 1,089,238 | \$ 108,628 | \$ 122,197 | \$ 1,320,063 |
| Professional fees | 37,367 | 19,280 | 11,666 | 68,313 |
| Regrants | 190,000 | -- | -- | 190,000 |
| Supplies | 7,489 | 660 | 72,539 | 80,688 |
| Occupancy | 35,782 | 2,089 | 5,371 | 43,242 |
| Advertising | 17,087 | 909 | 440 | 18,436 |
| Depreciation | 17,607 | 1,840 | 1,218 | 20,665 |
| Printing | 5,183 | 81 | 7,863 | 13,127 |
| Equipment | 6,951 | -- | 8,902 | 15,853 |
| Travel | 14,339 | 1,511 | 2,047 | 17,897 |
| Communication | 9,099 | -- | 185 | 9,284 |
| Bank service charges | 13 | 538 | 7,464 | 8,015 |
| Publications | 8,631 | -- | 1,050 | 9,681 |
| Telephone | 9,027 | 55 | 420 | 9,502 |
| Postage and mailing | 1,570 | 90 | 2,810 | 4,470 |
| Stipend | 5,334 | -- | -- | 5,334 |
| Fees and tuition | 2,379 | 425 | 441 | 3,245 |
| Organization outreach | 500 | -- | -- | 500 |
| Insurance | -- | 1,548 | 52 | 1,600 |
| Miscellaneous | 228 | -- | -- | 228 |
| Total | <u>\$ 1,457,824</u> | <u>\$ 137,654</u> | <u>\$ 244,665</u> | <u>\$ 1,840,143</u> |

ENVIRONMENTAL ADVOCATES OF NEW YORK, INC.

Notes to Financial Statements

NOTE 12. EXPENSES (continued)

Expenses for year ended December 31, 2018, are as follows:

| | <u>Program</u> | <u>Administration</u> | <u>Fundraising and Special Events</u> | <u>Total</u> |
|-----------------------|---------------------|-----------------------|---|---------------------|
| Salaries and benefits | \$ 756,928 | \$ 60,813 | \$ 53,498 | \$ 871,239 |
| Professional fees | 67,796 | 85,499 | 6,532 | 159,827 |
| Regrants | 97,000 | -- | -- | 97,000 |
| Supplies | 6,234 | 794 | 55,891 | 62,919 |
| Occupancy | 24,995 | 1,806 | 978 | 27,779 |
| Advertising | 23,391 | 1,463 | 513 | 25,367 |
| Depreciation | 17,798 | 1,471 | 526 | 19,795 |
| Printing | 8,260 | 30 | 8,205 | 16,495 |
| Equipment | 6,270 | -- | 8,756 | 15,026 |
| Travel | 12,742 | 1,553 | 589 | 14,884 |
| Communication | 13,935 | -- | 41 | 13,976 |
| Bank service charges | 788 | 1,725 | 8,229 | 10,742 |
| Publications | 8,110 | -- | 1,050 | 9,160 |
| Telephone | 7,423 | -- | 191 | 7,614 |
| Postage and mailing | 2,244 | 80 | 2,394 | 4,718 |
| Stipend | 4,600 | -- | -- | 4,600 |
| Fees and tuition | 3,134 | 366 | 220 | 3,720 |
| Organization outreach | 3,500 | -- | -- | 3,500 |
| Insurance | -- | 1,533 | -- | 1,533 |
| Miscellaneous | 662 | -- | -- | 662 |
| Total | <u>\$ 1,065,810</u> | <u>\$ 157,133</u> | <u>\$ 147,613</u> | <u>\$ 1,370,556</u> |

NOTE 13. SUBSEQUENT EVENTS

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through November 13, 2020 the date the financial statements were available to be issued. Based on such evaluation, there were no subsequent events that require adjustment to the financial statements; however, further disclosures of material uncertainty caused by the COVID-19 outbreak is discussed below.

The COVID-19 outbreak in the United States has caused disruption throughout the country. While this disruption is currently expected to be temporary, there is considerable uncertainty about the duration and long-term impact. The Organization expects it could be negatively impacted because its funding sources, primarily foundation grants, donations from the public and investment income, could be reduced in the future because of changing economic circumstances. The size, if any, of such impact is not determinable at this time. To help mitigate the financial impact, the Organization has applied for and received \$ 246,900 loan on April 21, 2020, under the Paycheck Protection Program (PPP) administered by the SBA. This loan is forgivable if used for certain eligible expenses such as payroll, retirement plan contributions, health insurance, rent and utilities and if certain employee retention criteria is met. The Organization has used the loan proceeds for eligible expenses and expects the loan will be forgiven.