FY22
BUDGET REQUEST

SAFE FUTURES

Safe Futures

November 19, 2020

Attached is the audit of our financial statements completed by Doherty, Beals and Banks, P.C.

Changes in net assets for the fiscal year-ended 6-30-20 equal $476,154. Of this surplus:

- $271,794 represents capital improvement grants for which corresponding expenditures are on the balance sheet instead of in expenses.
- The balance represents donation of land and a building, of which the actual donation amount is $261,700, yielding a shortfall of ($57,340).

Changes in net assets for the fiscal year-ended 6-30-19 equal $1,054,857. Of this surplus:

- $856,733 represents the acquisition of assets of Bethsaida Community, Inc., which was acquired on March 4, 2019 by Safe Futures, Inc.
- $15,873 represents capital improvement grants for which the corresponding expenditures are on the balance sheet instead of in expenses.
- $98,792 represents in-kind donations of goods and services.
- $83,459 represents Family Justice Center grants awarded during the year 18-19, which are to be spent in fiscal years 19-20, 20-21, and 21-22.

None of the surpluses are available for current operations.

Sincerely,

Katherine Verano,
Chief Executive Officer

SafeFuturesCT.org
P 860-447-0366
F 860-440-3327
16 Jay Street, New London, CT 06320

stayed in our emergency shelter to escape from their abuser. These 5 residents and an additional **114 (119 total) residents** received a multitude of crisis intervention services. This included crisis counseling and advocacy at our New London and Norwich offices, as well as, advocates in the New London and Norwich courts assisting victims to help them navigate the court process and ensure that their abusers were held accountable.

- **Our emergency shelter operated at 123% capacity**, with victims, and their children and pets, in safe and confidential hotels throughout the county when further beds were needed. This was the tenth year in a row that we operated at over 100% capacity. (Due to COVID-19 precautions, the shelter was kept at-capacity with single victims no longer sharing a room, causing an even higher use of hotels to meet the increased needs of victims.)

- **35% of the Criminal Docket** in the New London and Norwich Courts are domestic violence cases with Safe Futures court advocates assisting approximately 3,300 victims in criminal and civil court.

- Through the **Lethality Assessment Program (LAP)**, Waterford police officers assess intimate partner domestic violence victims at the scene of the incident to determine if they are at **risk of being murdered**. If the victim is at high risk of being murdered, Waterford police call a dedicated phone line at Safe Futures, 24/7-365 days/year. Last year, of the **12** Lethality Screens administered by Waterford police, **7** were deemed **High Risk of Being Murdered**, with officers calling in **8**.

In addition, **169 Waterford high school students and 4 teachers** participated in Safe Futures' violence-prevention education programming (***Made possible by private funding sources raised to make an investment in Waterford***.). Conversations were facilitated by prevention educators on various subjects such as racism and consent. Role-playing was done regarding speaking to friends who are either a victim or an abuser. Several students indicated it felt safe to share their thoughts and feelings. In the spring, due to no in-person classes at any public schools, programming was held virtually. In the spring, due to no in-person classes at any public schools because of the pandemic, programming was held virtually.

Please do not hesitate to contact Margaret Soussloff, our Director of Grants & Compliance, at (860) 447-0366 ext. 214 or msoussloff@safefuturesct.org, if you have any questions regarding this request or the programs and services provided by Safe Futures.

Sincerely,

Katherine Verano
Chief Executive Officer

TOWN OF WATERFORD
15 Rope Ferry Road
Waterford, CT 06385
860-442-0553

SOCIAL SERVICES GRANT FUNDING REQUEST

ORGANIZATION NAME: Safe Futures, Inc.

REQUEST DATE (FISCAL YEAR): FY 2022

REQUESTED AMOUNT: $6,500

BENEFIT STATEMENT (Describe how these funds will be used)

Funding from this request to the Town of Waterford will be used to continue to provide crisis intervention services, including: access to 24/7 hotline answered by certified domestic violence counselor; 24/7 Lethality Assessment Program hotline for law enforcement answered by domestic violence counselor, immediately connecting victim to services; emergency domestic violence shelter; and court support services for Waterford residents who are victims of domestic violence, sexual assault, stalking, and trafficking and seek services from Safe Futures in Fiscal Year 2022 (July 1, 2021-June 30, 2022).

Per Town of Waterford Budget Guidelines: please attach a certified audit report of all funds appropriated during the last completed fiscal year to your funding request.

DECLARATION

I, the requester, understand that I am requesting public funds from the Town of Waterford. I declare that this request does not pose any potential conflict with the Town of Waterford and I will provide any documentation requested by the Town of Waterford to authorize funding this request or review the appropriateness of the request.

Signature: Katherine Verano, Chief Executive Officer

Date 12/17/2020

Safe Futures

December 17, 2020

Robert J. Brule
First Selectman
15 Rope Ferry Road
Waterford, CT 06385

RE: Fiscal Year 2022 Budget Request

Dear First Selectman Brule,

Safe Futures, Inc., formerly the Women's Center of Southeastern Connecticut, Inc., respectfully **requests $6,500** for the Fiscal Year 2022 (July 1, 2021 - June 30, 2022) from the Town of Waterford. Safe Futures values our ongoing partnership with the Town of Waterford in saving lives, restoring hope, and changing the future for those impacted by domestic violence, sexual assault, stalking and trafficking in southeastern Connecticut.

Safe Futures is the sole provider of services for victims of domestic violence, sexual assault, stalking, and trafficking in all 21 towns in New London County. This means that residents of your town have access to all of the confidential services that Safe Futures provides when needed. Whether they need to flee their home to our emergency domestic violence shelter; speak to a counselor on the phone (available 24/7, 365 days/year) or in-person at our counseling offices in New London or Norwich; require assistance at the New London or Norwich court houses; have a follow-up with law enforcement and Safe Futures Law Enforcement Advocate in their home; reside in our transitional, permanent supportive, or short-term living housing programs; or wish to attend a weekly support group, the services they receive from Safe Futures are always free of charge, confidential, trauma-informed, racially equitable, person-centered, voluntary and provided by certified domestic violence counselors.

During the 2019-2020 year, **292 residents from the Town of Waterford** received crisis intervention services or prevention education services from Safe Futures. Of these, **5 residents**

SAFE FUTURES, INC
Expenditures
July through December 2020

	Jul - Dec 20
Expense	
6100 · Salaries & related expenses	
6000 · Salaries	
6010 · Officers & directors salaries	101,582.62
6020 · Salaries & wages - other	780,618.72
Total 6000 · Salaries	882,201.34
6200 · Payroll taxes & benefits	
6250 · Payroll taxes	
6251 · ER Social Security tax	50,686.11
6252 · ER Medicare tax	12,309.64
6253 · ER unemployment tax	3,133.16
Total 6250 · Payroll taxes	66,128.91
6255 · Employee benefits	
6254 · 403(b) Match	19,196.99
6257 · Medical,dental & life insurance	42,535.65
6258 · Worker's compensation ins.	25,351.04
Total 6255 · Employee benefits	87,083.68
Total 6200 · Payroll taxes & benefits	153,212.59
Total 6100 · Salaries & related expenses	1,035,413.93
6560 · Payroll Expenses	0.00
7050 · Client assistance	
7051 · Transportation - client	
7051.1 · Out of State Transport - client	1,111.42
7051.2 · Transportation - cab	8,985.40
7051.3 · Transport - local bus tickets	54.00
7051.4 · Transport in state move clients	359.20
7051.6 · Trans. - client gas,pkg fix car	705.00
Total 7051 · Transportation - client	11,215.02
7052 · Food - client	
7052.1 · Food - Gift Cards	1,221.01
7052 · Food - client - Other	4,310.09
Total 7052 · Food - client	5,531.10
7055 · Other client assistance	
7050.1 · Spec Assist- Gift Cards ind	897.04
7057 · Prescriptions - client	25.00
7058 · Birth certificate - client	126.00
7061 · Phone cards - client	475.57
7064 · Uniforms - client	190.00
7055 · Other client assistance - Other	1,610.61
Total 7055 · Other client assistance	3,324.22
7056 · Utilities - client	2,917.72
7066 · Client rents - hotels	64,681.50
7067 · Housing fees	
7068 · Client rent - apartment	19,669.93
7070 · Security deposits	2,198.00

Expenditures

July through December 2020

	Jul - Dec 20
7067 · Housing fees - Other	169.00
Total 7067 · Housing fees	22,036.93
7050 · Client assistance - Other	136.49
Total 7050 · Client assistance	109,842.98
7500 · Professional fees	
7520 · Audit fees	15,600.00
7521 · Payroll services	1,961.89
7530 · Legal fees	1,125.00
7540 · Professional fees - other	6,445.49
7595 · Outside computer services	
7596 · Computer services - consulting	15,870.43
7598 · IT services	380.00
Total 7595 · Outside computer services	16,250.43
7599 · Veterinary expense	4,318.44
Total 7500 · Professional fees	45,701.25
8100 · Non-personnel expenses	
8110 · Office supplies	14,012.87
8120 · Program supplies	20,465.58
8130 · Telephone & telecommunications	13,490.19
8140 · Postage, shipping, delivery	
8142 · Postage - fundraising	287.80
8140 · Postage, shipping, delivery - Other	1,500.65
Total 8140 · Postage, shipping, delivery	1,788.45
8160 · Equip rental & maintenance	7,307.48
8170 · Printing & copying	
8172 · Printing - fundraising	3,799.81
8170 · Printing & copying - Other	1,737.74
Total 8170 · Printing & copying	5,537.55
8180 · Books, subscriptions, reference	4,562.92
8190 · Development - other	4,509.50
Total 8100 · Non-personnel expenses	71,674.54
8200 · Facilities & equipment expenses	
8210 · Rent	4,040.00
8211 · Maintenance	
8212 · Maintenance - supplies	11,959.21
8213 · Maintenance - waste management	992.88
8214 · Maintenance - snow removal	4,620.00
8215 · Maintenance - other services	16,248.50
Total 8211 · Maintenance	33,820.59
8220 · Utilities	
8221 · Utilities - electric	17,844.74
8223 · Utilities - water	6,605.26
8224 · Utilities - gas	3,381.51
8225 · Utilities - internet	8,272.89
Total 8220 · Utilities	36,104.40

Expenditures

July through December 2020

	Jul - Dec 20
8230 · Property taxes	6,775.81
8260 · Security expense	3,699.46
8200 · Facilities & equipment expenses - Other	51.39
Total 8200 · Facilities & equipment expenses	84,491.65
8300 · Travel & meetings expenses	
8310 · Travel - staff	987.12
8320 · Conference, conventions, & mtgs	447.76
Total 8300 · Travel & meetings expenses	1,434.88
8400 · Depreciation & amortization exp	58,512.28
8500 · Other expenses	
8515 · Late fees	434.40
8520 · Insurance - non-employee	
8521 · Directors & officers insurance	1,324.02
8522 · Liability, prop. & umbr. insur.	12,892.02
Total 8520 · Insurance - non-employee	14,216.04
8530 · Membership dues - organization	1,761.99
8540 · Staff development	873.93
8550 · Bank charges	
8552 · Credit card fees	492.90
8553 · Service charges	117.41
8554 · Donation processing fees	2,658.86
8550 · Bank charges - Other	63.88
Total 8550 · Bank charges	3,333.05
8590 · Other expenses	30.61
8500 · Other expenses - Other	250.00
Total 8500 · Other expenses	20,900.02
8600 · Business expenses	
8610 · Bad debt expense	0.00
Total 8600 · Business expenses	0.00
8700 · Admin charge	0.00
Total Expense	1,427,971.53
Other Expense	
8900 · In-Kind Expenses	8,698.74
Total Other Expense	8,698.74
Total of Expenses and Other expenses	1,436,670.27

Safe Futures, Inc.
Agency Budget
2021-2022

	BUDGET 2021- 2022
REVENUE	
Contributed Support	
Individuals/Businesses/Civic	$ 535,000
Corp/Comm/Private Foundations	281,800
United Way	162,000
Local Government Grants	30,000
Sponsorships	5,000
Total Contributed Support	1,013,800
Earned Revenues	
Agency Contracts (CCADV)	1,067,500
Government grants (EFSP)	5,500
Federal Contracts (HUD)	250,000
State Contracts (DSS & DMIIAS)	130,000
Other Gov't Contracts/Fees	55,000
Program Service Fees	35,000
Dividends & Interest/Misc	10,000
Total Earned Revenues	1,553,000
Special Events	0
TOTAL REVENUE	$ 2,566,800
EXPENSES	
Salaries & Related Expenses	
Salaries & Related Expenses	1,910,465
Grant & Contract Expense	
Client Assistance	100,370
Other Personnel Expenses	
Computer Services	30,000
Other Personnel Expenses	51,100
Non-Personnel Expenses	
Office Supplies	29,000
Program Supplies	25,903
Telephone	22,500
Postage	4,400
Equipment Rental	17,000
Printing	11,300
Books & Subscriptions	8,500
Development - Other	28,800
Total Non-Personnel	147,403
Facilities & Equipment Expenses	
Rent	7,500
Maintenance	46,615
Utilities	76,900
Property taxes	10,950
Security	6,500
Total Facilities & Equip	148,465
Travel & Meetings	
Travel & Meetings	10,500
Depreciation & Amortization	
Depreciation & Amortization	120,000
Miscellaneous Expenses	
Interest & Other	100
Insurance - Non-employee	29,397
Membership Dues	3,500
Staff Development	4,000
Bank Charges	2,800
Advertising	200
Bad Debt Expenses	8,000
Other Expenses	500
TOTAL EXPENSES	$ 2,566,800
NET INCOME	$ 0

SAFE FUTURES, INC.

FINANCIAL STATEMENTS

JUNE 30, 2020

SAFE FUTURES, INC.

FINANCIAL STATEMENTS

JUNE 30, 2020

CONTENTS

DOHERTY, BEALS & BANKS, P.C.

Board of Directors
Safe Futures, Inc.
16 Jay Street
New London, CT 06320

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Safe Futures, Inc., which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit 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 of 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 Safe Futures, Inc. as of June 30, 2020, 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.

Stacey L. Gualtieri, CPA
Audrey A. Leone, CPA

187 Williams St. | New London, CT 06320 | (v) 860.443.2033 | (f) 860.444.7086 | dbbcpa.com

60 Willow St. Unit 102A | Mystic, CT 06355 | (v) 860.572.7373 | (f) 860.572.0107

Report on Summarized Comparative Information

We have previously audited Safe Futures, Inc.'s 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 31, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2020, on our consideration of Safe Futures, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Safe Futures, Inc.'s internal control over financial reporting and compliance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole The accompanying Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and the accompanying Schedule of Expenditures of State Financial Assistance, as required by the *Connecticut State Single Audit Act,* are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management, was derived from, and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements of to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Doherty, Beals & Banks, P.C.
DOHERTY, BEALS & BANKS, P.C.
New London, Connecticut

September 17, 2020

SAFE FUTURES, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2020
WITH COMPARATIVE TOTALS FOR 2019

ASSETS

	2020	2019
CURRENT ASSETS		
Cash and cash equivalents	$ 1,159,715	$ 1,029,989
Pledges receivable, net of allowance (note 4)	267,841	205,868
Grants receivable	202,678	197,146
Prepaid expenses	25,165	27,202
TOTAL CURRENT ASSETS	1,655,399	1,460,205
PROPERTY AND EQUIPMENT		
Land	406,514	249,514
Building and improvements	3,530,419	3,144,561
Furniture and equipment	160,214	163,088
	4,097,147	3,557,163
Less: accumulated depreciation	(1,652,042)	(1,548,229)
TOTAL PROPERTY AND EQUIPMENT	2,445,105	2,008,934
OTHER ASSETS		
Cash and cash equivalents - restricted	32,214	31,906
Unemployment reserve funds	49,889	50,893
Pledges receivable (net of current portion) (note 4)	87,275	137,732
Beneficial interest in assets held by Community Foundation (note 7)	168,897	161,150
TOTAL OTHER ASSETS	338,275	381,681
TOTAL ASSETS	$ 4,438,779	$ 3,850,820

See notes to financial statements.

SAFE FUTURES, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2020
WITH COMPARATIVE TOTALS FOR 2019

LIABILITIES AND NET ASSETS

	2020	2019
CURRENT LIABILITIES		
Accounts payable	$ 36,333	$ 47,245
Accrued expenses	220,761	171,005
TOTAL CURRENT LIABILITIES	257,094	218,250
LONG-TERM LIABILITIES		
Payroll Protection Program loan	73,963	-
Unemployment reserve funds (note 8)	49,889	50,891
TOTAL LIABILITIES	380,946	269,141
NET ASSETS		
Without donor restrictions	3,458,965	2,935,544
With donor restrictions	598,868	646,135
TOTAL NET ASSETS	4,057,833	3,581,679
TOTAL LIABILITIES AND NET ASSETS	$ 4,438,779	$ 3,850,820

See notes to financial statements.

SAFE FUTURES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE TOTALS FOR 2019

	Without Donor Restrictions	With Donor Restrictions	Totals 2020	Totals 2019
SUPPORT AND REVENUE				
Government grants	$ 1,727,641	$ -	$ 1,727,641	$ 1,238,028
Contributions - United Way	17,265	149,437	166,702	165,793
Contributions and private grants	928,660	90,045	1,018,705	1,033,725
Bequest	10,000	-	10,000	244
Program service fees	43,842	-	43,842	46,924
Special events	27,027	-	27,027	26,257
Miscellaneous	29,979	-	29,979	18,392
Interest and dividends	14,537	-	14,537	22,626
Net assets released from restriction:				
Purpose restrictions met	286,749	(286,749)	-	-
TOTAL SUPPORT AND REVENUE	3,085,700	(47,267)	3,038,433	2,551,989
FUNCTIONAL EXPENSES				
Program services:				
Housing other	781,978	-	781,978	551,397
Emergency assistance and support	876,562	-	876,562	703,771
Emergency shelter	619,581	-	619,581	514,668
Prevention and outreach	322,767	-	322,767	295,321
Total program services	2,600,888	-	2,600,888	2,065,157
Management and general	167,285	-	167,285	224,563
Fund-raising	65,900	-	65,900	80,018
TOTAL FUNCTIONAL EXPENSES	2,834,073	-	2,834,073	2,369,738
CHANGE IN NETS ASSETS- OPERATIONS	251,627	(47,267)	204,360	182,251
Other changes in net assets:				
Inherent contribution from acquisiton	-	-	-	856,733
Capital grants and donations	271,794	-	271,794	15,873
CHANGE IN NET ASSETS	523,421	(47,267)	476,154	1,054,857
NET ASSETS - BEGINNING	2,935,544	646,135	3,581,679	2,526,822
NET ASSETS - ENDING	$ 3,458,965	$ 598,868	$ 4,057,833	$ 3,581,679

See notes to financial statements.

SAFE FUTURES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE TOTALS FOR 2019

FUNCTIONAL EXPENSES	Housing Other	Emergency Assitance and Support	Genesis Home	Prevention and Outreach	Total Program Services	Management and General	Fund-raising	Totals 2020	Totals 2019
Salaries	$ 363,332	$ 595,499	$ 317,509	$ 228,960	$ 1,505,300	$ 86,405	$ 29,857	$ 1,621,562	$ 1,316,239
Employee benefits	35,225	60,333	36,473	17,835	149,866	8,883	1,550	160,299	136,036
Payroll taxes	31,367	50,882	28,538	20,004	130,791	7,120	2,382	140,293	115,221
Total Salaries and Benefits	429,924	706,714	382,520	266,799	1,785,957	102,408	33,788	1,922,154	1,567,497
Supplies and materials	21,743	16,385	33,651	8,416	80,194	5,138	475	85,807	95,947
Specific aid to individuals	104,658	17,933	28,566	5	151,162	-	-	151,162	136,276
Occupancy and security	54,331	13,487	24,152	1,863	93,833	1,372	312	95,517	58,593
Repairs and maintenance	41,586	17,391	20,940	4,175	84,091	1,829	595	86,515	49,334
Conferences and conventions	4,548	9,597	3,849	12,377	30,371	3,038	288	33,697	39,999
Professional fees	20,812	26,042	17,655	3,624	68,133	8,392	477	77,002	96,227
Travel and transportation	3,274	6,802	2,125	5,623	17,824	614	283	18,721	22,493
Telephone	5,219	9,701	5,715	2,016	22,650	2,531	134	25,315	20,953
Computer and IT services	10,401	13,074	9,906	7,483	40,865	6,523	5	47,393	37,198
Advertising	-	-	-	203	203	-	990	1,193	16,000
Insurance	16,617	4,228	5,163	2,163	28,170	1,407	-	29,577	19,829
Printing and publication	373	848	430	409	2,058	1,000	6,533	9,591	5,440
Bad debts	-	-	-	-	-	4,148	-	4,148	15,130
Occupancy - office rent/hotels	-	13,681	52,297	-	65,978	572	-	66,550	17,741
Interest	1,151	-	-	-	1,151	230	-	1,381	1,334
Other expenses	233	115	833	241	1,422	11,990	-	13,412	17,984
Fund-raising	-	-	-	-	-	-	20,502	20,502	37,654
Equipment rental and maintenance	5,862	5,590	1,224	1,294	13,970	2,541	830	17,341	14,211
Postage	655	1,398	1,201	325	3,579	1,407	688	5,674	3,210
Membership dues	544	768	687	1,213	3,213	914	-	4,127	3,769
Property taxes	6,688	3,919	-	-	10,607	-	-	10,607	
Total expenses before depreciation	728,619	867,673	590,914	318,226	2,505,431	156,054	65,900	2,727,386	2,276,819
Depreciation	53,359	8,889	28,667	4,541	95,456	11,231	-	106,687	92,920
Total functional expenses	$ 781,978	$ 876,562	$ 619,581	$ 322,767	$ 2,600,887	$ 167,285	$ 65,900	$ 2,834,073	$ 2,369,738

The organization maintains multiple allocation schedules based on a number of formulas, including square footage and estimates of time and effort. In most cases, expenses are allocated directly.

See notes to financial statements.

SAFE FUTURES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE TOTALS FOR 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 476,154	$ 1,054,857
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	106,687	92,920
Donation of land and building	(261,700)	-
Inherent contribution from acquisition	-	(856,733)
(Increase) decrease in:		
Contributions restricted for capital purchases	(271,794)	(15,873)
Pledges receivable	(11,516)	(63,766)
Grants receivable	(5,532)	(37,955)
Prepaid expenses	2,037	(6,353)
Increase (decrease) in:		
Accounts payable	(10,912)	14,180
Accrued expenses	49,756	2,119
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	73,180	183,396
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received in acquisition	-	203,753
Purchase of property and equipment	(281,464)	(21,207)
Contributions restricted for capital purchases	271,794	15,872
Transferred to funds held by others	(7,747)	(14,346)
NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES	(17,417)	184,072
CASH FLOWS FROM FINANCING ACTIVITIES		
Forgiveness of PPP loan	(209,237)	-
Advance on PPP loan	283,200	-
NET CASH PROVIDED (USED) FROM FINANCING ACTIVITIES	73,963	-
CHANGE IN CASH	129,726	367,468
CASH - BEGINNING	1,029,989	662,521
CASH - ENDING	$ 1,159,715	$ 1,029,989

See notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose

Safe Futures, Inc. is organized as a non-profit corporation in the State of Connecticut. Safe Futures, Inc. provides emergency shelter, counseling, traditional housing, community education, including Violence is Preventable and Restorative Practices curriculum in local school systems, and support services to victims of domestic violence and sexual assault and their families in the southeastern Connecticut area.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and therefore, has no provision for federal or state income taxes. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation.

The Organization recognizes the tax benefit from uncertain tax positions when it is more-likely-then-not the position will be sustained upon examination by taxing authorities. As of June 30, 2020, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. In the normal course of business, the Organization's tax filings are subject to examination by federal and state taxing authorities. The Organization's tax returns for the last three years remain open for examination.

Method of Accounting

The accompanying financial statements were prepared using the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenditures are recorded when incurred.

Financial Statement Presentation

The Organization follows the reporting requirements of GAAP, which requires that resources be classified for reporting purposes based on the existence or absence of donor-imposed restrictions. This is accomplished by classification of fund balances into two classes of net assets: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories and the types of transactions affecting each category follow:

- Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions. Items that affect this net asset category principally consist of fees for service and related expenses associated with the core activities of the Organization.

- With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time. Items that affect this net asset category are for contributions for which donor-imposed restrictions have not been met in the year of receipt. Also included in this category are net assets subject to donor-imposed restrictions to be maintained permanently by the Organization.

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 reporting

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and support, revenue and expenses during the reporting period. Actual results could differ from those estimates.

Prior Year Comparative Totals

The financial information shown for 2019 in the accompanying financial statements is included to provide a basis for comparison with 2020 and presents summarized totals only. Such total amounts do not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such amounts should be read in conjunction with the Organization's financial statements for the year ended June 30, 2019, from which the comparative total amounts were derived.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, Safe Futures, Inc., considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Fair Values of Financial Instruments

The fair values of financial instruments have been determined through quoted market prices or present value techniques to approximate the amounts recorded in the statement of financial position.

Generally accepted accounting principles establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure the fair value. The three levels of the fair value hierarchy are described as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities where the organization has the ability to access at the measurement date;

Level 2 – Significant other observable inputs other than quoted prices included in level 1, which are observable for the asset or liability, either directly or indirectly (i.e. quoted prices in inactive markets, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency);

Level 3 – Unobservable inputs are used to the extent that observable inputs are unavailable due to little, if any, market activity for the asset or liability. Unobservable inputs are developed based on the best information available, which might include the organization's own data that reflects assumptions that market participants would use in pricing the asset or liability.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation of the Organization's assets is calculated using the straight-line method over the estimated useful lives of the assets ranging from five to forty years.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Safe Futures, Inc. capitalizes purchases over $5,000 to property and equipment. Repairs and maintenance of property and equipment are charged to expenses as incurred.

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Donated Materials and Services

Donated materials and equipment, if of a material amount, are reflected as contributions in the accompanying statements at their estimated values at date of receipt. The Organization pays for most services requiring specific expertise.

Approximately $26,294 of donated services and corresponding expenses have been reflected in the financial statements. Many volunteers have donated significant amounts of their time in Safe Future's program services and in its fundraising campaigns that are not recognized as contributions in the financial statements since the criteria for recognition is not met.

Endowment Spending Policy

In accordance with the endowment fund agreement between Safe Futures and the Community Foundation of Eastern Connecticut, capital contributions to the endowment are retained and invested. There is no withdrawal of capital or earnings except upon request by the Board of Safe Futures and approval by the Community Foundation.

Grants Receivable

Government grant revenue is recognized to the extent of grant expenditures incurred. Grants receivable consists of the portion of grant expenditures incurred for which payment has yet to be received from the government or pass-through agencies.

Functional Expense Allocation

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

Subsequent Events

Management has evaluated subsequent events through September 17, 2020, the date, which the financial statements were available for issue.

2. CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at financial institutions located in New London County. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. Safe Futures has not experienced any losses in such accounts and believes it is not exposed to significant credit risk on cash or cash equivalents. At June 30, 2020 the Organization's uninsured cash balances total $903,951.

3. STATEMENT OF CASH FLOWS

The Organization considers all short-term investments with a maturity of three months or less to be cash equivalents.

Cash paid for interest in 2020	$	1,381

4. PLEDGES RECEIVABLE

Safe Futures, Inc. had unconditional pledges receivables representing the following at June 30:

Due In:		
2021	$	337,589
2022		30,433
2023		24,547
2024		22,314
2025		4,872
Thereafter		5,109
Total Pledges		424,864
Less:		
Allowance for bad debt and		61,723
4% discounted cash flow		8,025
Net pledges receivable	$	355,116

5. NOTES PAYABLE

Safe Futures, Inc., has an agreement for a secured line of credit of $100,000 with a financial institution with its assets as collateral at a rate of 3.25% and is payable on demand. As of June 30, 2020, there was no balance outstanding.

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purpose or periods.

United Way	$	149,437
Eligible Distributions from Community Foundation Fund		14,491
Program services		249,589
		413,519
Permanently restricted net assets are as follows:		
Beneficial interest in assets held by Community Foundation		154,406
Natalie Anderson Children's Fund		30,945
		185,351
Total Net Assets With Donor Restriction	$	598,868

Net assets were released from restriction during the year to satisfy their purpose or time restriction as follows:

United Way	$	150,817
Program Services		135,932
	$	286,749

7. BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION

The Community Foundation of Eastern Connecticut and Safe Futures, Inc. entered into an agreement dated December 17, 2013, which created the Safe Futures, Inc. Endowment Fund. The Fund is co-mingled and invested with the Community Foundation's pool of assets. The Fund is subject to the Community Foundation's investment guidelines and spending rule and is restricted to benefit Safe Futures, Inc.

The funds were deposited into the Community Foundation's pool of assets. Safe Future's contributions through 2020 were $125,227. The market value of the Fund at June 30, 2020, was $168,897 (this is a Level 3 investment per note 1).

There were no distributions from the endowment during the 2019 – 2020 fiscal year.

8. UNEMPLOYMENT RESERVE FUND

Safe Futures, Inc. maintains an unemployment fund to self-fund unemployment claims with Unemployment Services Trust, who is also the administrator of the funds. The purpose of the fund is to provide benefits to eligible employees for future unemployment claims. As of June 30, 2020, the fund held $49,889. Unemployment claims paid during the year was $5,958.

9. EMPLOYEE BENEFIT PLAN

Safe Futures, Inc. has also established a Section 403(b) defined contribution pension plan. It is available to substantially all full-time employees. Employees are 100% vested in employee salary deferrals. The employer contributions to the plan was $32,874.

10. OPERATING LEASES

Safe Futures, Inc. has lease agreements for copier machines and office space. Minimum future rental payments under the non-cancelable operating leases in excess of one year as of June 30, 2020, are as follows:

2021	$	9,139
2022		9,139
2023		6,490
2024		244

Rent expense was $138,968 for the year ended June 30, 2020, and includes rent incurred to temporarily house clients when space was unavailable, as well as rents paid for clients in scattered site transitional living program.

11. CONTINGENT LIABILITIES

Safe Futures Inc., from time to time is involved in litigation arising from its normal operating practices. After reviewing all significant matters with counsel, management believes that the resolution of these matters will not materially affect Safe Futures Inc.'s financial position.

12. AVAILABILITY OF FINANCIAL ASSETS

The following reflects Safe Futures Inc.'s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one of the balance sheet date:

Cash and cash equivalents	$	1,080,257
Grants receivables		202,678
	$	1,282,935

As part of the Safe Future'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.

13. PAYCHECK PROTECTION PROGRAM

On April 17, 2020, Safe Futures, Inc. received loan proceeds in the amount of $283,200, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020.

13. PAYCHECK PROTECTION PROGRAM (Continued)

The loan, which was in the form of a note dated April 16, 2020 issued to by the bank, matures on April 16, 2022 and bears interest at a rate of 1.00% per annum, payable monthly commencing on November 16, 2020. The note may be prepaid by the Organization at any time prior to maturity with no prepayment penalties.

Funds from the loan and accrued interest are forgivable as long as the funds are used for eligible purposes, including payroll costs, health care benefits, rent, and utilities. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The Organization recorded $209,237as grant income for the year ended June 30, 2020.