

**THE MAYOR'S FUND  
FOR LOS ANGELES**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

**THE MAYOR'S FUND FOR LOS ANGELES**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2020**

**CONTENTS**

	<b>Page</b>
Independent Auditor's Report.....	1
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Functional Expenses.....	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7



WE ARE AN INDEPENDENT MEMBER OF  
THE GLOBAL ADVISORY  
AND ACCOUNTING NETWORK

AUDIT  
AND  
ASSURANCE

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
The Mayor's Fund For Los Angeles

### Report on the Financial Statements

We have audited the accompanying financial statements of The Mayor's Fund For Los Angeles 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. 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 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 The Mayor's Fund For Los Angeles 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.

**Emphasis of Matter**

As discussed in Note 9 to the financial statements, the recent COVID-19 pandemic in the United States and worldwide has resulted in reduced economic activity and market declines. As the extent and duration of the future impact to The Mayor's Fund For Los Angeles are uncertain, no adjustments were necessary to the financial statements, and our opinion is not modified with respect to this matter.

**Report on Summarized Comparative Information**

We have previously audited The Mayor's Fund For Los Angeles' 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 7, 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.

*Green Hasson & Janks LLP*

February 2, 2021  
Los Angeles, California

**THE MAYOR'S FUND FOR LOS ANGELES**

STATEMENT OF FINANCIAL POSITION

June 30, 2020

With Summarized Totals at June 30, 2019

<b>ASSETS</b>	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	\$ 15,746,780	\$ 7,140,989
Investments	1,805,495	1,650,999
Pledges Receivable (Net)	1,371,005	1,883,739
Property and Equipment (Net)	80,254	43,243
Other Assets	<u>28,872</u>	<u>16,076</u>
<b><i>TOTAL ASSETS</i></b>	<b><u>\$ 19,032,406</u></b>	<b><u>\$ 10,735,046</u></b>
 <b>LIABILITIES AND NET ASSETS</b>  		
<b>LIABILITIES:</b>		
Accounts Payable and Accrued Liabilities	\$ 2,930,796	\$ 1,809,615
<b>NET ASSETS:</b>		
Without Donor Restrictions - Undesignated	1,969,874	1,916,976
Without Donor Restrictions - Board Designated	500,000	528,066
With Donor Restrictions	<u>13,631,736</u>	<u>6,480,389</u>
<b><i>TOTAL NET ASSETS</i></b>	<b><u>16,101,610</u></b>	<b><u>8,925,431</u></b>
<b><i>TOTAL LIABILITIES AND NET ASSETS</i></b>	<b><u>\$ 19,032,406</u></b>	<b><u>\$ 10,735,046</u></b>

The Accompanying Notes are an Integral Part of These Financial Statements

**THE MAYOR'S FUND FOR LOS ANGELES**

STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

With Summarized Totals for the Year Ended June 30, 2019

	2020			2019 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>PUBLIC SUPPORT AND OTHER INCOME:</b>				
Contributions	\$ 511,456	\$ 58,210,732	\$ 58,722,188	\$ 4,286,460
In-Kind Contributions	213,000	-	213,000	44,619
Investment Return (Net)	42,032	-	42,032	43,804
Other Income	75,054	-	75,054	74,380
Net Assets Released from Donor Restrictions	51,059,385	(51,059,385)	-	-
<b>TOTAL PUBLIC SUPPORT AND OTHER INCOME</b>	51,900,927	7,151,347	59,052,274	4,449,263
<b>EXPENSES:</b>				
Program Services	51,214,537	-	51,214,537	4,799,848
Supporting Services:				
Management and General	525,694	-	525,694	453,919
Fundraising	135,864	-	135,864	228,978
<b>TOTAL EXPENSES</b>	51,876,095	-	51,876,095	5,482,745
<b>CHANGE IN NET ASSETS</b>	24,832	7,151,347	7,176,179	(1,033,482)
Net Assets - Beginning of Year	2,445,042	6,480,389	8,925,431	9,958,913
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 2,469,874</b>	<b>\$ 13,631,736</b>	<b>\$ 16,101,610</b>	<b>\$ 8,925,431</b>

The Accompanying Notes are an Integral Part of These Financial Statements

**THE MAYOR'S FUND FOR LOS ANGELES**

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2020

With Summarized Totals for the Year Ended June 30, 2019

	2020								2019 Total
	Program Services				Total Program Services	Supporting Services			
	Economic Prosperity	Quality of Life	Government Efficiency	Community Resiliency		Management and General	Fundraising	Total	
Salaries	\$ 165,500	\$ 163,815	\$ 651	\$ 330,580	\$ 660,546	\$ 211,651	\$ 96,895	\$ 969,092	\$ 604,358
Employee Benefits	31,944	30,554	162	82,425	145,085	29,059	15,331	189,475	137,508
<b>TOTAL PERSONNEL COSTS</b>	197,444	194,369	813	413,005	805,631	240,710	112,226	1,158,567	741,866
Program Costs	544,503	1,722,590	84,953	43,757,442	46,109,488	-	-	46,109,488	3,351,046
Contract Services	327,739	74,850	-	3,271,968	3,674,557	36,000	-	3,710,557	400,646
Other Expense	28,285	64,892	67	85,631	178,875	19,062	6,353	204,290	164,031
Event Expense	44,891	151,160	7,928	-	203,979	-	-	203,979	494,808
Professional Fees	285	-	-	34,259	34,544	153,910	-	188,454	130,833
Communications	29,706	11,382	-	-	41,088	65,157	-	106,245	132,667
Marketing and Promotion	-	75,000	-	-	75,000	-	-	75,000	7,925
Bank Charges	603	11	-	50,780	51,394	749	-	52,143	2,940
Dues and Membership	7,529	3,357	23	11,760	22,669	4,146	14,787	41,602	33,207
Insurance	278	498	22	11,173	11,971	3,939	2,078	17,988	17,762
Office Expense	2,978	101	4	2,258	5,341	2,021	420	7,782	5,014
<b>TOTAL</b>	<b>\$ 1,184,241</b>	<b>\$ 2,298,210</b>	<b>\$ 93,810</b>	<b>\$ 47,638,276</b>	<b>\$ 51,214,537</b>	<b>\$ 525,694</b>	<b>\$ 135,864</b>	<b>\$ 51,876,095</b>	<b>\$ 5,482,745</b>

The Accompanying Notes are an Integral Part of These Financial Statements

## THE MAYOR'S FUND FOR LOS ANGELES

### STATEMENT OF CASH FLOWS

Year Ended June 30, 2020

With Summarized Totals for the Year Ended June 30, 2019

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Assets	\$ 7,176,179	\$ (1,033,482)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by (Used In) Operating Activities:		
Depreciation	12,987	12,844
Net Realized and Unrealized Loss (Gain) on Investments	7,379	(20,369)
Change in Present Value Discount on Pledges Receivable	(2,437)	(3,936)
Contributed Stock	(220,646)	(1,094)
(Increase)/Decrease in:		
Pledges Receivable	515,171	905,538
Other Assets	(12,796)	4,295
Increase (Decrease) in:		
Accounts Payable and Accrued Liabilities	1,121,181	(1,976,250)
	<b>8,597,018</b>	<b>(2,112,454)</b>
<b>NET CASH PROVIDED BY (USED IN)</b>		
<b>  OPERATING ACTIVITIES</b>	<b>8,597,018</b>	<b>(2,112,454)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Property and Equipment	(49,998)	(4,501)
Interest and Dividends Reinvested	(49,361)	(23,435)
Proceeds on Sale of Investments	108,132	-
	<b>8,773</b>	<b>(27,936)</b>
<b>NET CASH PROVIDED BY (USED IN)</b>		
<b>  INVESTING ACTIVITIES</b>	<b>8,773</b>	<b>(27,936)</b>
<b>NET INCREASE (DECREASE) IN</b>		
<b>  CASH AND CASH EQUIVALENTS</b>	<b>8,605,791</b>	<b>(2,140,390)</b>
Cash and Cash Equivalents - Beginning of Year	7,140,989	9,281,379
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 15,746,780</b>	<b>\$ 7,140,989</b>

The Accompanying Notes are an Integral Part of These Financial Statements



# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 1 - ORGANIZATION

The Mayor's Fund For Los Angeles (the Mayor's Fund) is dedicated to improving the lives of Los Angeles residents through public private partnerships that yield innovative, transformative, and impact-driven solutions to the City's most pressing challenges. The Mayor's Fund was granted its independent nonprofit status by the IRS under the 501(c)(3) public benefit designation on October 27, 2014.

The Mayor's Fund works throughout Los Angeles, enhancing economic prosperity, government efficiency, community resiliency, and overall quality of life for residents. It sponsors programs that address both current and future needs, insisting on rigorous standards with measurable impact.

In March 2020, the Mayor's Fund stepped up to support the City of Los Angeles' response to the global COVID-19 pandemic under its Community Resiliency/Disaster Relief program. The Mayor's Fund benefitted from generous donations which it quickly distributed to support programs benefiting individuals and communities in crisis, proving its effectiveness and impact.

As mayoral administrations change over time, the Mayor's Fund will maintain its independence and non-partisan nature, focusing on the long-term vitality, resilience, and success of the City and its residents.

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting.

#### (b) NET ASSETS

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

- **Net Assets Without Donor Restrictions.** Net assets available for use in general operations and not subject to donor-imposed restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.
- **Net Assets With Donor Restrictions.** Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (c) CASH AND CASH EQUIVALENTS AND CONCENTRATION OF CREDIT RISK

Cash and cash equivalents are short-term, highly liquid investments with maturities of three months or less at the time of purchase. The carrying value of cash and cash equivalents at June 30, 2020 approximates its fair value.

The Mayor's Fund maintains its cash and cash equivalents in bank deposit accounts and other investment accounts, which, at times, may exceed federally insured limits. The Mayor's Fund has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

#### (d) INVESTMENTS

Investments in equity and debt securities with readily determinable market values are reported at fair value. Securities are generally held in custodial investment accounts administered by financial institutions. Investment purchases and sales are accounted for on a trade-date basis. Interest income is recorded as earned on an accrual basis, and dividend income is recorded based upon the ex dividend date. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Unrealized gains and losses are included in the statement of activities and represent the difference between the cost and fair value of investments held at the end of the fiscal year.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility.

#### (e) CONTRIBUTIONS AND PLEDGES RECEIVABLE

Contributions, including endowment gifts and pledges, as well as unconditional promises to give, are recognized as revenue in the period promised. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not included as revenue until the conditions on which they depend have been met. Discounts for pledges (pledges due over one year) are recorded as reductions to contribution revenue and pledges receivable. Present value discounts are amortized to contribution revenue as pledge payments are received.

At June 30, 2020, the Mayor's Fund evaluated the collectability of pledges receivable and no allowance for uncollectible pledges was considered necessary.

# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (f) PROGRAM COSTS

Program costs in the statement of functional expenses include contributions and grants approved by the Mayor's Fund's Board of Directors. For the year ended June 30, 2020, program costs include \$38,067,126 distributed through the Angeleno Card Program.

#### (g) PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost if purchased or at fair value at the date of donation if donated. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets, generally three to five years for office equipment and software. Property and equipment are capitalized if the cost of an asset is greater than or equal to \$1,000 and the useful life is greater than one year.

#### (h) LONG-LIVED ASSETS

The Mayor's Fund reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the book value of the assets may not be recoverable. An impairment loss is recognized when the sum of the undiscounted future cash flows is less than the carrying amount of the asset, in which case a write-down is recorded to reduce the related asset to its estimated fair value. No impairment losses were recognized on long-lived assets during the year ended June 30, 2020.

#### (i) CONTRIBUTED GOODS AND SERVICES

Contributions of donated non-cash assets are recorded at fair value in the period received. Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Mayor's Fund recognized \$213,000 of in-kind contribution revenue for the year ended June 30, 2020, which includes in-kind office and storage space of \$36,000 and other in-kind donations of \$177,000.

#### (j) INCOME TAXES

The Mayor's Fund is exempt from federal taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

In accordance with the Financial Accounting Standards Board's (FASB's) Accounting Standards Codification Topic No. 740, *Uncertainty in Income Taxes*, the Mayor's Fund recognizes the impact of tax positions in the financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. During the year ended June 30, 2020, the Mayor's Fund performed an evaluation of uncertain tax positions and did not note any matters that would require recognition in the financial statements or which might have an effect on its tax-exempt status.

# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the Mayor's Fund's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. The Mayor's Fund uses salary dollars to allocate indirect costs.

#### (l) USE OF ESTIMATES

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

#### (m) COMPARATIVE TOTALS

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Mayor's Fund's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

#### (n) NEW ACCOUNTING PRONOUNCEMENTS

In May 2014, FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, which improves and converges the revenue recognition requirements of U.S. GAAP and International Financial Reporting Standards. The ASU replaces the existing accounting standards for revenue recognition with a single comprehensive five-step model, which is intended to provide principles within a single framework for revenue recognition of transactions involving contracts with customers across all industries. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires more detailed disclosures to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The guidance has subsequently been amended through a series of ASUs between August 2015 and September 2017 to improve the operability and understandability of the implementation guidance on principal versus agent considerations, licensing implementation guidance, scope exceptions, and various other narrow aspects, as identified and addressed in such updates. For the Mayor's Fund, the ASU and subsequent amendments will be effective for the year ending June 30, 2021.

# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (n) NEW ACCOUNTING PRONOUNCEMENTS (continued)

In June 2018, FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which is intended to clarify the accounting guidance for contributions received and contributions made. The amendments in this ASU should assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance. The Mayor's Fund implemented the ASU during the year ended June 30, 2020.

In September 2020, FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU is intended to improve transparency in the reporting of contributed nonfinancial assets (also known as gifts-in-kind) received by not-for-profit organizations, including transparency on how those assets are used and how they are valued. For the Mayor's Fund, the ASU will be effective for the year ending June 30, 2022.

#### (o) SUBSEQUENT EVENTS

The Mayor's Fund evaluated events and transactions occurring subsequent to the statement of financial position date of June 30, 2020, for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through February 2, 2021, the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred.

### NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Mayor's Fund has implemented the accounting standard for those assets that are re-measured and reported at fair value at each reporting period. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements. The standard applies to fair value measurements already required or permitted by existing standards.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset and include situations where there is little, if any, market activity for the asset.

# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (continued)

The following table presents information about the Mayor's Fund's assets that are measured at fair value on a recurring basis at June 30, 2020, and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

	Fair Value Measurements Using			
	Year Ended June 30, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of Deposit	\$ 744,365	\$ -	\$ 744,365	\$ -
Money Market Mutual Fund	832,426	832,426	-	-
Mutual Fund-Short-Term Bonds	110,987	110,987	-	-
Mutual Fund-Bond Index	117,717	117,717	-	-
<b>TOTAL INVESTMENTS</b>	<b>\$ 1,805,495</b>	<b>\$ 1,061,130</b>	<b>\$ 744,365</b>	<b>\$ -</b>

The certificates of deposit within Level 2 were valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

The fair values of the mutual funds within Level 1 were obtained based on quoted market prices at the closing of the last business day of the fiscal year. These investments can be redeemed daily.

The Mayor's Fund recognizes transfers at the beginning of each reporting period. Transfers between Level 1 and 2 generally relate to whether a market becomes active or inactive. Transfers between Level 2 and 3 generally relate to whether significant relevant observable inputs are available for the fair value measurement in their entirety and when redemption rules become more or less restrictive. There were no transfers between levels during the year ended June 30, 2020.

# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 4 - PLEDGES RECEIVABLE

At June 30, 2020, pledges receivable are due to be received as follows:

Within One Year	\$ 831,791
One to Five Years	<u>550,000</u>
<b>TOTAL</b>	1,381,791
Less: Present Value Discount at 2%	<u>(10,786)</u>
<b>TOTAL PLEDGES RECEIVABLE (NET)</b>	<u>\$ 1,371,005</u>

### NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2020 consist of the following:

Office Equipment	\$ 61,316
Software	<u>49,998</u>
<b>TOTAL</b>	111,314
Less: Accumulated Depreciation	<u>(31,060)</u>
<b>TOTAL PROPERTY AND EQUIPMENT (NET)</b>	<u>\$ 80,254</u>

Depreciation expense for the year ended June 30, 2020 was \$12,987.

### NOTE 6 - EMPLOYEE BENEFIT PLAN

The Mayor's Fund sponsors an Internal Revenue Code Section 403(b) qualified defined contribution retirement plan covering all of its employees, subject to eligibility requirements. The Mayor's Fund contributes up to a 5% match for employees contributing to the plan, in accordance with plan provisions. Employer contributions under this plan for the year ended June 30, 2020 were \$39,798.

# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 7 - NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of undesignated and Board designated amounts as follows at June 30, 2020:

Undesignated	\$ 1,969,874
Board Designated Operating Reserve	<u>500,000</u>
<b>TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b><u>\$ 2,469,874</u></b>

### NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2020:

Community Resiliency	\$ 8,492,592
Economic Prosperity	2,479,639
Quality of Life	1,136,381
Government Efficiency	152,119
Pledges Receivable Restricted by Purpose:	
Quality of Life	765,320
Economic Prosperity	505,685
Community Resiliency	<u>100,000</u>
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 13,631,736</u></b>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30, 2020:

Community Resiliency	\$ 47,193,830
Quality of Life	2,883,365
Economic Prosperity	826,518
Government Efficiency	<u>155,672</u>
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b><u>\$ 51,059,385</u></b>



# THE MAYOR'S FUND FOR LOS ANGELES

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

### NOTE 9 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by the Mayor's Fund at June 30, 2020 and the amounts of those financial assets that could be made available for general expenditures within one year of the date of the statement of financial position are summarized in the following table:

Financial Assets at June 30, 2020:	
Cash and Cash Equivalents	\$ 15,746,780
Investments	1,805,495
Pledges Receivable (Net)	<u>1,371,005</u>
<b>TOTAL FINANCIAL ASSETS AT JUNE 30, 2020</b>	18,923,280
Less Amounts Not Available to Be Used within One Year, Due to:	
Board Designations:	(500,000)
Donor-Imposed Restrictions:	
Funds Held with Purpose Restrictions	(12,260,731)
Pledges Receivable Restricted by Purpose	<u>(1,371,005)</u>
<b>FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<u>\$ 4,791,544</u>

The Mayor's Fund regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As part of the Mayor's Fund's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Mayor's Fund has various sources of liquidity at its disposal, including cash and cash equivalents and marketable debt and equity securities. In addition, it has a Board designated operating reserve of \$500,000 that could be drawn upon for emergency liquidity needs.

The recent COVID-19 outbreak in the United States and world-wide has caused business disruption which may negatively impact the Mayor's Fund's program services delivery and investment portfolio holdings. While the disruption is currently expected to be temporary, there is considerable uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. and international economies. The related financial impact and duration of this disruption, however, cannot be reasonably estimated at this time.