

GREATER OPPORTUNITIES FOR
BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Consolidated Financial Statements
and Supplemental Information
December 31, 2024 and 2023

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Greater Opportunities for Broome and Chenango, Inc. and Subsidiary:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Greater Opportunities for Broome and Chenango, Inc. and Subsidiary (a nonprofit organization) (the Agency), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to consolidated financial statements.

In our opinion, based on our audits and the reports of other auditors, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Greater Opportunities for Broome and Chenango, Inc. and Subsidiary as of December 31, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the 2024 and 2023 financial statements of East Hills Senior Limited Partnership (East Hills), whose statements reflect total assets of \$2,847,077 and \$2,907,775 at December 31, 2024 and 2023, respectively, and total revenue of \$267,200 and \$235,559, respectively, for the years then ended. Those statements were audited by another auditor whose report has been furnished to us and our opinion, as it relates to these financial statements, is based solely on the reports of other auditors.

Basis for Opinion

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 29, 2025 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Agency's 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 the Agency's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
May 29, 2025

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY
Consolidated Statements of Financial Position
December 31, 2024 and 2023

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and equivalents	\$ 2,585,727	1,743,180
Security deposits	105,953	99,950
Restricted cash	441,856	472,520
Receivables:		
Service	2,098,062	1,890,196
Program	83,134	57,797
Rent, less allowance for credit losses of \$15,390 in 2024 and 2023	18,307	68,591
Bridge loans	61,970	32,975
Other	<u>93</u>	<u>8,630</u>
Total receivables	<u>2,261,566</u>	<u>2,058,189</u>
Prepaid expenses	95,571	87,127
Right-of-use asset - operating lease	<u>159,767</u>	<u>151,168</u>
Total current assets	<u>5,650,440</u>	<u>4,612,134</u>
Loans receivable, less allowance for credit losses of \$13,404 in 2024 and 2023	<u>76,427</u>	<u>98,690</u>
Property and equipment, at cost	38,636,442	37,134,602
Less accumulated depreciation	<u>(10,130,718)</u>	<u>(9,219,947)</u>
Net property and equipment	<u>28,505,724</u>	<u>27,914,655</u>
Total assets	<u>\$ 34,232,591</u>	<u>32,625,479</u>

See accompanying notes to consolidated financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY
Consolidated Statements of Financial Position, Continued

<u>Liabilities and Net Assets</u>	<u>2024</u>	<u>2023</u>
Current liabilities:		
Accounts payable	\$ 1,402,241	1,097,885
Accrued expenses	633,285	552,813
Deferred revenue	105,707	123,978
Current installments of mortgage and notes payables	45,732	44,753
Security deposits	105,953	99,950
Other liabilities	8,950	-
Current installments of operating lease liabilities	<u>59,218</u>	<u>63,005</u>
Total current liabilities	2,361,086	1,982,384
Mortgage and notes payables, excluding current installments and unamortized mortgage acquisition costs	2,091,891	2,126,059
Operating lease, net of current installments	<u>100,549</u>	<u>88,163</u>
Total liabilities	<u>4,553,526</u>	<u>4,196,606</u>
Net assets and partners' equity:		
Partners' equity	1,683,923	1,756,150
Without donor restrictions	27,919,492	26,654,380
With donor restrictions	<u>75,650</u>	<u>18,343</u>
Total net assets	29,679,065	28,428,873
Contingencies (note 15)	<u> </u>	<u> </u>
Total liabilities and net assets	<u><u>\$ 34,232,591</u></u>	<u><u>32,625,479</u></u>

See accompanying notes to consolidated financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Consolidated Statements of Activities
Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Changes in net assets without donor restrictions:		
Revenue:		
Service revenue	\$ 11,757,221	16,345,297
Program revenue:		
Universal Pre-K	403,838	329,126
Child and Adult Care Food Program	244,346	230,337
Energy fee for service	<u>-</u>	<u>16,135</u>
Total program revenue	<u>648,184</u>	<u>575,598</u>
Rental income:		
U.S. Department of HUD - Shelter Plus Care	300,814	237,063
Empire State Supportive Housing	248,160	227,713
Tenants, net of vacancies	<u>1,084,778</u>	<u>891,569</u>
Total rental income	<u>1,633,752</u>	<u>1,356,345</u>
Contributed nonfinancial assets	617,236	479,828
Fundraising income:		
Special events, net of expenses of \$34,757 in 2023	-	26,800
Contributions	<u>22,000</u>	<u>15,777</u>
Total fundraising income	<u>22,000</u>	<u>42,577</u>
Interest income	4,396	3,149
Other income	13,140	31,388
Gain (loss) on the sale of property and equipment	(30,840)	47,782
Loss on investment	<u>-</u>	<u>(25,000)</u>
Total revenue	14,665,089	18,856,964
Net assets released from donor restrictions	<u>27,713</u>	<u>3,363</u>
Total revenue and other support	<u>14,692,802</u>	<u>18,860,327</u>
Expenses:		
Program services	12,094,999	12,543,020
Support services	<u>1,404,918</u>	<u>1,320,612</u>
Total expenses	<u>13,499,917</u>	<u>13,863,632</u>
Change in net assets without donor restrictions	<u>1,192,885</u>	<u>4,996,695</u>
Changes in net assets with donor restrictions:		
Contributions	85,020	1,050
Net assets released from donor restrictions	<u>(27,713)</u>	<u>(3,363)</u>
Change in net assets with donor restrictions	<u>57,307</u>	<u>(2,313)</u>
Change in net assets	1,250,192	4,994,382
Net assets at beginning of year	<u>28,428,873</u>	<u>23,434,491</u>
Net assets at end of year	<u>\$ 29,679,065</u>	<u>28,428,873</u>

See accompanying notes to consolidated financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Consolidated Statement of Functional Expenses

Year ended December 31, 2024

(with comparative totals for 2023)

	Program Services						Support Services			Total	
	Head Start	Universal Pre-K	Housing	CACFP Childcare	Other	Total program services	Management and general	Fundraising	Total support services	2024	2023
Salaries and wages	\$ 3,249,127	236,494	449,817	39,902	1,372,069	5,347,409	979,019	-	979,019	6,326,428	6,551,345
Payroll taxes/fringe benefits	871,257	59,020	105,669	2,948	328,342	1,367,236	229,012	-	229,012	1,596,248	1,548,602
Direct assistance to individuals	-	-	174,904	-	1,089,524	1,264,428	-	-	-	1,264,428	1,500,262
Food	29,214	246	25,639	199,078	206	254,383	939	58	997	255,380	240,289
Office supplies	52,113	316	14,541	-	3,025	69,995	11,860	-	11,860	81,855	190,555
Program supplies	107,352	29	4,579	-	522	112,482	1,490	-	1,490	113,972	310,754
Telephone	47,457	1,737	25,278	-	9,331	83,803	5,875	-	5,875	89,678	68,164
Postage and shipping	1,633	-	3,170	-	1,713	6,516	2,867	-	2,867	9,383	9,033
Insurance	131,369	7,446	146,164	-	29,043	314,022	8,304	-	8,304	322,326	287,097
Occupancy costs	315,576	9,449	568,968	-	50,519	944,512	66,723	2	66,725	1,011,237	1,065,576
Operating expenses	23,693	60	30,542	-	377	54,672	11,219	-	11,219	65,891	69,041
Vehicle expenses	41,434	-	51,257	-	11,333	104,024	-	-	-	104,024	89,598
Advertising and promotion	22,370	-	3,857	-	6,301	32,528	1,582	-	1,582	34,110	49,707
Travel	9,340	-	4,318	-	10,587	24,245	9,624	-	9,624	33,869	22,898
Professional development	54,911	82	6,071	-	7,982	69,046	7,069	-	7,069	76,115	74,532
Dues and subscription	3,524	84	2,173	-	8,351	14,132	124	-	124	14,256	12,970
Professional fees	109,263	4,023	43,146	-	52,847	209,279	52,913	10	52,923	262,202	262,735
Interest expense	-	-	19,347	-	58,629	77,976	-	-	-	77,976	76,257
Service fees	354	-	1,083	-	142	1,579	321	-	321	1,900	22,681
Donations and contributions	-	-	-	-	-	-	-	1,100	1,100	1,100	887
Contributed nonfinancial assets	583,113	-	-	-	-	583,113	-	-	-	583,113	479,828
Depreciation	22,391	-	897,659	-	239,569	1,159,619	14,807	-	14,807	1,174,426	930,821
Total expenses	\$ 5,675,491	318,986	2,578,182	241,928	3,280,412	12,094,999	1,403,748	1,170	1,404,918	13,499,917	13,863,632

See accompanying notes to consolidated financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Consolidated Statement of Functional Expenses

Year ended December 31, 2023

	Program Services					Support Services				
	Head Start	Universal Pre-K	Housing	CACFP Childcare	Other	Total program services	Management and general	Fundraising	Total support services	Total
Salaries and wages	\$ 3,259,750	239,974	363,234	40,486	1,705,233	5,608,677	940,418	2,250	942,668	6,551,345
Payroll taxes/fringe benefits	853,309	55,565	75,430	2,988	348,593	1,335,885	212,483	234	212,717	1,548,602
Direct assistance to individuals	-	-	93,220	-	1,407,042	1,500,262	-	-	-	1,500,262
Food	31,942	76	17,313	190,001	417	239,749	540	-	540	240,289
Office supplies	65,714	(124)	18,169	-	89,763	173,522	17,030	3	17,033	190,555
Program supplies	117,578	356	6,551	-	185,371	309,856	898	-	898	310,754
Telephone	22,478	425	21,959	-	14,849	59,711	8,453	-	8,453	68,164
Postage and shipping	1,080	-	2,325	-	3,742	7,147	1,886	-	1,886	9,033
Insurance	123,443	5,596	113,505	-	37,300	279,844	7,253	-	7,253	287,097
Occupancy costs	299,776	1,678	525,458	-	180,816	1,007,728	57,841	7	57,848	1,065,576
Operating expenses	21,307	271	38,374	-	1,680	61,632	7,409	-	7,409	69,041
Vehicle expenses	41,862	-	24,116	-	23,620	89,598	-	-	-	89,598
Advertising and promotion	26,220	2,592	8,739	-	8,363	45,914	3,793	-	3,793	49,707
Travel	6,167	-	7,868	-	3,225	17,260	5,638	-	5,638	22,898
Professional development	59,190	382	2,368	-	10,046	71,986	2,546	-	2,546	74,532
Dues and subscription	3,604	107	1,804	-	7,302	12,817	153	-	153	12,970
Professional fees	93,325	10,425	68,409	-	54,651	226,810	35,905	20	35,925	262,735
Interest expense	-	-	19,347	-	56,910	76,257	-	-	-	76,257
Service fees	235	-	22,119	-	295	22,649	32	-	32	22,681
Donations and contributions	-	-	-	-	-	-	-	887	887	887
Contributed nonfinancial assets	479,828	-	-	-	-	479,828	-	-	-	479,828
Depreciation	19,672	-	704,705	-	191,511	915,888	14,933	-	14,933	930,821
Total expenses	<u>\$ 5,526,480</u>	<u>317,323</u>	<u>2,135,013</u>	<u>233,475</u>	<u>4,330,729</u>	<u>12,543,020</u>	<u>1,317,211</u>	<u>3,401</u>	<u>1,320,612</u>	<u>13,863,632</u>

See accompanying notes to consolidated financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Consolidated Statements of Cash Flows
Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 1,250,192	4,994,382
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,174,426	930,821
Noncash interest expense	7,347	7,347
(Gain) loss on sale of property and equipment	30,840	(47,782)
Loss on investment	-	25,000
Changes in:		
Receivables	(174,382)	168,534
Prepaid expenses	(8,444)	(1,629)
Loans receivable	(6,732)	8,912
Accounts payable	(122,854)	(365,260)
Accrued expenses	80,472	100,991
Deferred revenue	(18,271)	(385,487)
Other liabilities	8,950	-
Net cash provided by operating activities	<u>2,221,544</u>	<u>5,435,829</u>
Cash flows from investing activities:		
Additions to property and equipment	(1,606,575)	(5,583,856)
Proceeds from the sales of property and equipment	237,450	52,134
Investment in limited partnership	-	(25,000)
Net cash used in investing activities	<u>(1,369,125)</u>	<u>(5,556,722)</u>
Cash flows from financing activities:		
Proceeds from issuances of mortgage and note payables	-	310,000
Payments of mortgage and notes payable	(40,536)	(41,424)
Net cash provided by (used in) financing activities	<u>(40,536)</u>	<u>268,576</u>
Net change in cash and equivalents	811,883	147,683
Transfer of cash and equivalents	-	154,881
Cash and equivalents at beginning of year	<u>2,215,700</u>	<u>1,913,136</u>
Cash and equivalents at end of year	<u><u>\$ 3,027,583</u></u>	<u><u>2,215,700</u></u>

(Continued)

See accompanying notes to consolidated financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY
Consolidated Statements of Cash Flows, Continued

	<u>2024</u>	<u>2023</u>
Supplemental schedule of cash flow information:		
Cash paid for interest	\$ 70,628	68,910
Classification of cash and equivalents:		
Cash and equivalents	2,585,727	1,743,180
Restricted cash	441,856	472,520
	<u>\$ 3,027,583</u>	<u>2,215,700</u>
Supplemental schedule of noncash investing activities:		
Property and equipment financed by accounts payable	\$ 1,111,324	684,114
Disposal of fully depreciated property and equipment	\$ 263,655	24,014
Lease assets obtained in exchange for lease liabilities - operating leases	\$ 90,848	127,122
Cash paid for amounts included in measurement of lease liability - operating leases principal	\$ 82,249	62,917
Supplemental schedule of noncash operating activities - transferred from East Hills Senior Limited Partnership:		
Partners' equity	-	1,846,037
Property and equipment	-	(2,808,944)
Other assets	-	(21,487)
Accounts payable	-	8,923
Accounts payable - related party	-	16,705
Accrued interest	-	12,000
Tenant security deposits	-	16,413
Prepaid rent	-	74
Mortgage payable	-	1,085,160
Cash and equivalents transferred	<u>\$ -</u>	<u>154,881</u>

See accompanying notes to consolidated financial statements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
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Notes to Consolidated Financial Statements

December 31, 2024 and 2023

(1) Summary of Significant Accounting Policies

(a) Nature of Activities

Greater Opportunities for Broome and Chenango, Inc. (the Agency) was formed through a merger of Opportunities for Chenango, Inc. and Opportunities for Broome, Inc., which left Opportunities for Chenango, Inc. as the surviving entity; the merged entities operate under the new name Greater Opportunities for Broome and Chenango, Inc. The merger was effective July 1, 2020, however, was not finalized until July 27, 2020.

Opportunities for Chenango, Inc. - was a non-profit corporation formed to assist individuals and families in need through efforts that respect human dignity, establish self-determination, alleviate poverty, and lead to self-sufficiency. Programs focused on child and family development, housing security, life skills training, education, literacy, health and nutrition, and community, employment and economic development. These activities were primarily provided through various grants and contracts with the business community, and agencies and departments of Federal, state and local governments.

Opportunities for Broome, Inc. - was a non-profit corporation and an affiliate of the Community Action Partnership. Established as an advocate for the poor and disadvantaged residents of Broome County, New York, Opportunities for Broome, Inc. accomplished its objective by planning, creating, implementing and evaluating programs serving the needs of such individuals. Through the combination of community involvement and coordination with established agencies, Opportunities for Broome, Inc. helped eligible participants achieve economic independence and self-respect.

East Hills Senior Limited Partnership - Prior to December 26, 2024, the Agency was a 99.995% partner in East Hills Senior Limited Partnership (the Partnership) holding a 0.005% general partner interest and a 99.990% limited partner interest. On March 31, 2023, the Agency purchased the 99.990% limited partner share for \$25,000. On December 26, 2024, the Agency purchased the remaining 0.005% general partner interest not previously owned by the Agency. As of December 31, 2024, the Agency owns 100% of the Partnership. The Partnership is a 32-unit affordable housing development located in the City of Binghamton, New York. Construction of the project was completed in August 2008. The Partnership obtained its mortgage in December 2008 with the New York State Housing Trust Fund Corporation (HTFC), a public benefit corporation and a subsidiary of the New York Private Housing Finance Law, and as such, is now regulated by HTFC as to operating methods. In order to ensure its continued eligibility for the annual tax credit, the Partnership agreement requires that all tenants be low-income tenants as defined by the Internal Revenue Code.

Through a Federal grant from the U.S. Department of Health and Human Services, Opportunities for Broome, Inc. administered Head Start programs for early childhood development. Opportunities for Broome, Inc. also owned and managed several multi-family housing buildings that are rented to low-income Broome County residents.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Basis of Accounting

The accompanying consolidated financial statements of the Agency have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

(c) Basis of Consolidation

The accompanying consolidated financial statements include the consolidated accounts of the Agency (collectively, the Organization). All significant intercompany balances and transactions have been eliminated in consolidation.

(d) Basis of Presentation

The Agency reports information regarding its consolidated financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions represent resources available for the general support of the Agency's activities. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that may or will be met by actions of the Agency and/or the passage of time.

(e) Estimates

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

(f) Cash and Equivalents

For purposes of reporting cash flows, the Agency considers all highly liquid debt instruments purchased with a maturity of three months or less, including overnight repurchase agreements, to be cash equivalents.

(g) Receivables

The Agency's accounts receivable are primarily derived from grants, programs and rental income. At each consolidated statement of financial position date, the Agency recognizes an expected allowance for credit losses. This estimate is calculated on a pooled basis where similar characteristics exist and individually when there are no shared characteristics.

The allowance method is derived from a review of the Agency's historical losses based on an aging of receivables. Historical losses have been consistent. This estimate is adjusted for management's assessment of current conditions, forecasts of future events, and other factors deemed relevant risk factors, such as local and national economic indicators. As a result, management has determined that the allowance for credit losses is adequate.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(g) Receivables, Continued

The Agency writes off receivables when there is information that indicates that there is no possibility of collection. If any recoveries are made from any accounts receivable previously written off, they will be recognized in revenue. There were no write-offs for the years ended December 31, 2024 and 2023.

The allowance for credit losses amounted to \$28,794 at December 31, 2024 and 2023.

(h) Fair Value Measurements

A framework has been established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Agency has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(h) Fair Value Measurements, Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Agency believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

(i) Capitalization and Depreciation

Property and equipment are recorded at cost or fair value at the date of the gift in the case of donated property and equipment. If donors stipulate how long the assets must be used, the contributions are recorded as support with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property and equipment, the appropriate property and equipment accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the consolidated statements of activities.

(j) Long-Lived Assets

The Agency reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. In determining whether there is an impairment of long-lived assets, the Agency compares the sum of the expected future net cash flows (undiscounted and without interest charges) to the carrying amount of the assets. At December 31, 2024 and 2023, no impairment in value has been recognized by the Agency.

(k) Mortgage Acquisition Costs

Mortgage acquisition costs, which represent the cost of obtaining certain financing, are being amortized using the straight-line method over the term of the mortgage, which approximates the effective interest method. Mortgage acquisition costs are presented net with the long-term portion of mortgage payable on the consolidated statements of financial position. Amortization expense amounted to \$7,347 for the years ended December 31, 2024 and 2023.

(l) Contributions

Service revenue awards accounted for as conditional contributions are recorded as revenue when expenditures have been incurred in compliance with the service agreement's restrictions. Amounts unspent are recorded in the consolidated statements of financial position as deferred revenue.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(l) Contributions, Continued

Contributions received are recorded as revenue without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as without donor restrictions.

All donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets without donor restrictions.

(m) Contracts with Customers

Under Accounting Standards Update (ASU) No. 2014-09 (Topic 606) - Revenue from Contracts with Customers, revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Agency expects to be entitled in exchange for these goods or services. The Agency utilizes a five-step framework as identified in ASU No. 2014-09. The primary sources of revenue from contracts with customers for the Agency are as follows:

Special event revenues consists of a single performance obligation and revenue is recognized when the events occur.

Special event revenue is generally nonrefundable, and is due before the event occurs or at the start of the event.

Universal Pre-K revenue consists of a single performance obligation, and revenue is recognized over the period of time using the straight line method on a monthly basis based on the number of attendees.

Universal Pre-K is generally nonrefundable, billed monthly to the appropriate school district, and payment is typically due within 30 days of the invoice date.

Child and Adult Care Food Program revenue consists of a single performance obligation, and revenue is recognized over the period time using the straight-line method on a monthly basis based on the number of meals served.

Child and Adult Care Food Program is generally nonrefundable, billed monthly to the New York State Department of Health, payment is typically due within 30 days of the invoice date.

Energy fee for service revenue consists of a single performance obligation, and revenue is recognized when the service is complete.

Energy fee for service revenue is generally nonrefundable, billed once the service has been completed.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(m) Contracts with Customers, Continued

Factors that could impact the nature, amount, timing and uncertainty of revenue or cash flow of the Agency include enrollment and staffing. Revenues from contracts with customers received in advance are deferred and recognized once earned.

Billings, cash collections and timing of revenue recognition can result in contract assets and liabilities on the balance sheet. The Agency receives payments from customers, before revenue is recognized, resulting in deferred revenue. These deposits are liquidated when revenue is recognized.

Receivables and deferred revenue from contracts with customers were as follows at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Receivables	\$ <u>83,134</u>	<u>57,797</u>
Deferred revenue	\$ <u>105,707</u>	<u>123,978</u>

The timing of revenue recognized from contracts with customers was as follows during 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Revenue recognized at a point in time	\$ -	77,692
Revenue recognized over a period of time	<u>648,184</u>	<u>559,463</u>
Total	\$ <u>648,184</u>	<u>637,155</u>

(n) Contributed Nonfinancial Assets

The Agency receives donations without restrictions from outside parties. The donations include, but are not limited to, equipment, clothing, services, and food. All donations are without restriction but used to support and further the Agency's objectives. The donations are reflected in the accompanying consolidated statements at their estimated fair value at the date of receipt. In addition, many skilled and unskilled individuals have contributed significant amounts of time to the activities of the Agency without compensation. To satisfy cost sharing requirements to certain government awards, the Agency assigns values to such services based on rates commensurate with the type of volunteer hours performed. Total donations with an assigned value of \$1,378,670 and \$1,311,873 were recorded during the years ended December 31, 2024 and 2023, respectively. However, for purposes of financial presentation and in accordance with generally accepted accounting principles, only professional services are recognized. Donated assets, including food, clothing and supplies are valued at fair value at the date of donation. Donated space is valued at the difference between fair value of occupancy expenditures versus actual occupancy expenditures paid by the Agency.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(n) Contributed Nonfinancial Assets, Continued

The following revenue and expenditures are recognized in the accompanying consolidated statements of activities and functional expenses:

	<u>2024</u>	<u>2023</u>
Donated professional services	\$ 259,080	160,436
Donated assets and materials	133,218	147,420
Donated space	<u>190,815</u>	<u>171,972</u>
	583,113	479,828
Donated property	<u>34,123</u>	<u>-</u>
Total recognized	\$ <u>617,236</u>	<u>479,828</u>
Donated non-professional services not recognized	\$ <u>761,434</u>	<u>832,045</u>

(o) Expense Allocation

The Agency's purpose is to assist individuals and families in need through efforts that respect human dignity, establish self-determination, alleviate poverty and lead to self-sufficiency. All expenses related to these services have been allocated to program services. Salaries and benefits are allocated among program services and management and general based on time and effort. Office and other expenses are allocated on direct usage.

(p) Advertising and Promotion

The costs of advertising and promotion are charged to expense as incurred; total related expenses for the years ended December 31, 2024 and 2023 amounted to \$34,110 and \$49,707, respectively.

(q) Subsequent Events

The Organization has evaluated subsequent events through the date of the report which is the date the consolidated financial statements were available to be issued.

(r) Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (Code); therefore, no provision for income taxes is reflected in the consolidated financial statements. The Agency has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Agency presently discloses or recognizes income tax position based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Agency has taken no uncertain tax positions that require adjustment in its consolidated financial statements. U.S. Forms 990 filed by the Agency are subject to examination by taxing authorities.

The Partnership does not provide for Federal and State income taxes, as the income or loss of the Partnership is recognized by the partners on their respective income tax returns.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(2) Liquidity

The Organization has \$4,847,293 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$2,585,727 of cash and \$2,261,566 of receivables. Approximately \$75,700 of these financial assets are subject to donor restrictions that make them unavailable for general expenditure within one year of the 2024 statement of financial position. Additionally the Agency's main source of revenue is from government grant agreements which limit the spending of those funds to the agreed upon budgets.

Additionally, at December 31, 2024, the Agency has \$441,856 available in separate savings accounts (restricted cash) for replacement and operating reserves for its housing properties; however, these funds may only be used for operating purposes with the prior approval of respective regulatory agencies. Also, as discussed in note 11, the Agency has a committed line of credit which could be drawn upon in the event of unexpected operating needs.

(3) Concentrations of Credit Risk

(a) Cash

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalent accounts in financial institutions. The accounts are in an insured sweep account where the bank manages the funds to keep them under the federally insured deposit amount.

(b) Revenue and Receivables

The Organization provides social services primarily in Chenango and Broome Counties of the State of New York. A substantial portion of the Organization's receivables are due from Federal and New York State governmental agencies.

(4) Restricted Cash

Under the terms of five service agreements, which were used for renovation of five of the Agency's low-income housing properties, restricted funds are to be maintained in separate savings accounts for replacement and operating reserves for these properties. The total amount restricted for replacement and operating reserves was \$285,506 and \$337,396 at December 31, 2024 and 2023, respectively. Under terms of a HTFC Regulatory Agreement and the Partnership Agreement, the Partnership maintains operating and replacement reserves totaling \$156,350 and \$135,124 at December 31, 2024 and 2023, respectively.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(5) Service Receivables

Service receivables consisted of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Homeless Housing and Assistance Program	\$ 214,092	24,863
Rapid Rehousing	5,056	6,057
New York State Office of Temporary and Disability Assistance (OTDA) - New York State Supportive Housing Program (NYSSHP)	73,152	80,300
OTDA - Empire State Supportive Housing Initiative	140,357	132,323
Head Start	453,272	428,236
Community Development Block Grant (CDBG)	57,756	813,446
Small Rental Development Initiative - Senior Project	308,684	-
City of Binghamton	349,513	17,374
Mobile Home Replacement Program	195,070	82,293
Supplemental Nutrition Program for Women, Infants, and Children	-	69,230
Home Investment Partnerships Program	-	15,018
Housing Counseling Assistance Program	9,218	7,496
Affordable Housing Corporation Program	54,488	61,282
Shelter Plus Care	16,999	3,374
Community Services Block Grant (CSBG)	169,835	146,296
Other	<u>50,570</u>	<u>2,608</u>
	\$ <u>2,098,062</u>	<u>1,890,196</u>

(6) Loans Receivable

The Agency holds a number of loans receivable from small businesses and consumers in Delaware County. The loans which are considered to be Level 3 assets, at various rates, generally provide for a security interest in property purchased. Loans receivable at December 31, 2024 and 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Bridge loans receivable - current	\$ 61,970	32,975
Loans receivable	89,831	112,094
Less allowance for credit losses	<u>(13,404)</u>	<u>(13,404)</u>
Total loans receivable	\$ <u>138,397</u>	<u>131,665</u>

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(7) Property and Equipment

Property and equipment at December 31, 2024 and 2023 is summarized as follows:

	<u>2024</u>	<u>2023</u>
Land and buildings	\$ 34,806,242	34,829,027
Vehicles	447,254	471,204
Equipment	1,468,512	1,498,684
Land improvements	335,687	335,687
Construction in progress	<u>1,578,747</u>	<u>-</u>
	38,636,442	37,134,602
Less accumulated depreciation	<u>(10,130,718)</u>	<u>(9,219,947)</u>
Net property and equipment	\$ <u>28,505,724</u>	<u>27,914,655</u>

(8) Related Party Transactions

The Agency has an agreement with the Partnership in which the Partnership pays the Agency for accounting and management services rendered in connection with the day-to-day operations of the senior living community. The management fee is equal to 5% of gross rental receipts earned by the Partnership. For the years ended December 31, 2024 and 2023, the management fee amounted to \$13,289 and \$11,659, respectively. The Agency also is reimbursed for costs incurred for management related expenses. The total amount due from affiliate amounted to \$22,912 and \$21,436 as of December 31, 2024 and 2023 respectively. These amounts were eliminated in consolidation.

(9) Vested Vacation Wages

Included in accrued expenses is the Agency's liability for future payments of accrued vested vacation wages which amounted to \$213,650 and \$199,561 at December 31, 2024 and 2023 respectively. Under the terms of the existing personnel manual, the Agency's employees receive annual vacation leave. Vacation leave represents the only leave paid to employees upon termination of employment for reasons other than disciplinary action.

(10) Deferred Revenue

Deferred revenue amounted to \$105,707 and \$123,978 at December 31, 2024 and 2023 respectively. This amount represents cash provided to the Agency in advance of the period to be benefited in order to provide working capital for the operation of the various programs of the Agency, as well as tenant rent paid in advance.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
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Notes to Consolidated Financial Statements, Continued

(11) Line of Credit

The Agency maintains a line of credit which is secured by accounts receivable and equipment with a local financial institution that provides a maximum borrowing of \$150,000. Interest is payable monthly at the prime rate plus 1% with a prime rate floor of 3.25%. The interest rate was 8.5% at December 31, 2024. There was no balance on the line of credit at December 31, 2024.

(12) Mortgage and Notes Payables

The mortgage and notes payables at December 31, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
Mortgage payable to NBT Bank on 5 West State in the original amount of \$354,781. The mortgage is payable in 120 monthly installments of \$2,356, including interest at 6.79% through December 17, 2029. The interest rate is to be adjusted every five years based on the Five Year Federal Home Loan Bank of New York Fixed-Rate, plus a margin of 3%. A final balloon payment is due on December 17, 2034. This mortgage is collateralized by a building and land.	\$ 222,794	235,213
Note payable to NBT Bank on 44-48 W. Main St. in the original amount of \$462,651. The note is payable in 240 monthly installments of \$3,011, including initial interest at 4.75% through February 5, 2026. The maturity date is February 5, 2041. The interest rate is to be adjusted every five years based on the Five Year Federal Home Loan Bank of New York Fixed-Rate, plus a margin of 2.75%. This note is collateralized by the related property, and any rental income derived from the property.	405,382	421,571
Note payable to a private individual. in the original amount of \$125,000. The note is payable in 240 monthly installments of \$825, including interest at 5%. This mortgage is collateralized by the related land.	113,621	117,716
Note payable to NBT Bank in the original amount of \$310,000. The note is payable in 120 monthly installments of \$2,400, including interest of 6.89% through February 13, 2028. The maturity date is February 13, 2033. The interest rate is to be adjusted every five years based on the Five Year Federal Home Loan Bank of New York Fixed Rate.	295,972	303,805

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(12) Mortgage and Notes Payables, Continued

	<u>2024</u>	<u>2023</u>
The Partnership obtained permanent financing in the amount of \$1,200,000 from HTFC in December of 2008. The entire principal amount is due in December 2038. Interest is accrued at 1% and annual payments of which are to be made pursuant to the excess income calculations as defined by HTFC. The loan is collateralized by the property.		
	\$ <u>1,200,000</u>	<u>1,200,000</u>
Mortgage and notes payables	2,237,769	2,278,305
Less current installments	(45,732)	(44,753)
Less unamortized mortgage acquisition costs	<u>(100,146)</u>	<u>(107,493)</u>
Mortgage and notes payables, excluding current installments and unamortized mortgage acquisition costs	\$ <u>2,091,891</u>	<u>2,126,059</u>
The aggregate maturity of the mortgage and notes payable for the five years following December 31, 2024 and thereafter is as follows:		
2025	\$ 45,732	
2026	49,848	
2027	52,530	
2028	55,312	
2029	58,048	
Thereafter	<u>1,976,299</u>	
	\$ <u>2,237,769</u>	

The Agency's mortgage and lines of credit agreements contain various restrictions and covenants. The more pertinent of these restrictions require the delivery of annual audited financial statements within 120 days of the close of the fiscal year. Furthermore, the Agency is required to maintain a minimum debt service ratio of 1.0 to 1.5.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(13) Net Assets with Donor Restrictions

Net assets with donor restrictions as of and for the years ended December 31, 2024 and 2023 is summarized as follows:

	<u>2024</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Released from restrictions</u>	<u>Ending Balance</u>
Reading is Fundamental	\$ 515	-	-	515
Veterans Homeless Housing	17,828	10,020	(2,713)	25,135
Neighborworks	<u>-</u>	<u>75,000</u>	<u>(25,000)</u>	<u>50,000</u>
	\$ <u>18,343</u>	<u>85,020</u>	<u>(27,713)</u>	<u>75,650</u>
	<u>2023</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Released from restrictions</u>	<u>Ending Balance</u>
Reading is Fundamental	\$ 253	500	(238)	515
Veterans Homeless Housing	<u>20,403</u>	<u>550</u>	<u>(3,125)</u>	<u>17,828</u>
	\$ <u>20,656</u>	<u>1,050</u>	<u>(3,363)</u>	<u>18,343</u>

(14) Pension Plan

The Agency maintains a qualified contributory defined contribution retirement plan established under IRC Section 403(b) for all employees meeting minimum age and length of service requirements. The Agency is not obligated to match the eligible participants' contribution to the plan. The Agency recorded expense relating to the plan amounting to \$142,049 and \$140,967 during the years ended December 31, 2024 and 2023, respectively.

(15) Contingencies

(a) Government Awards

Under the terms of various awards, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the awards. Such questioned costs could lead to reimbursement to the grantor agencies. Management believes that it would be able to provide support acceptable to the grantor and that any disallowances would not be material.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
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Notes to Consolidated Financial Statements, Continued

(15) Contingencies, Continued

(b) Properties

The Agency has received funding from HHAC to renovate and operate certain specified properties as housing for very low and low-income families. In exchange for renovation awards, HHAC obtained a grant enforcement note and secured 25-year mortgages on six properties. The mortgages on the six properties are summarized as follows:

	<u>Funds</u>	<u>Term</u>	<u>Begin date</u>	<u>End date</u>
92-94 Carroll Street, Binghamton, NY	\$ 506,767	25 years	Oct. 2000	Sept. 2025
542 State Street, Binghamton, NY	792,000	25 years	Sept. 2003	Aug. 2028
85 Liberty Street, Binghamton, NY	2,212,540	25 years	June 2010	May 2035
86 Carroll Street, Binghamton, NY	3,482,479	25 years	May 2012	Apr. 2037
88 Carroll Street, Binghamton, NY	1,852,822	25 years	Sept. 2015	Aug. 2040
COB Properties, Binghamton, NY	7,536,570	25 years	Oct. 2021	Sept. 2046

The mortgages require no repayment of principal or interest; however, if the Agency ceases to operate these properties as housing for very low and low-income families, they will be considered in default and HHAC will commence proceedings to recapture funding provided under these agreements. As of December 31, 2024, all six properties were being operated as housing for very low and low-income families. Management believes that the Agency is in compliance with the terms of the agreements.

The Agency has received funding from the U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program through the City of Binghamton to renovate and operate certain specified properties as housing for very low and low-income families. In exchange for renovation awards, HUD holds 10-year and 15-year mortgages on three properties as follows:

	<u>Funds</u>	<u>Term</u>	<u>Begin date</u>	<u>End date</u>
48 Griswold Street, Binghamton, NY	\$ 165,000	15 years	June 2011	May 2026
27 Pine Street, Binghamton, NY	89,591	15 years	May 2015	Apr. 2030
27 Pine Street, Binghamton, NY	150,000	10 years	Sept. 2016	Aug. 2026
39 - 49 Munsell Street, Binghamton, NY	275,000	15 years	Apr. 2021	Apr. 2036

The mortgages require no repayment of principal or interest; however, if the Agency ceases to operate these properties as housing for very low and low-income families, they will be considered in default and the City of Binghamton, in conjunction with HUD, will commence proceedings to recapture funding provided under these agreements. As of December 31, 2024, all four properties were being operated as housing for very low and low-income families. Management believes that the Agency is in compliance with the terms of the agreements.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
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Notes to Consolidated Financial Statements, Continued

(15) Contingencies, Continued

(b) Properties, Continued

The Agency received funding from the NYS Homes and Community Renewal HOME funded Small Rental Development Initiative (SRDI) to renovate and create certain specified properties as housing for very low and low-income families. In exchange for renovation and new construction awards, NYS HCR HOME program holds a 20-year mortgage and period of affordability on the following property:

	<u>Funds</u>	<u>Term</u>	<u>Begin date</u>	<u>End date</u>
12 West State Street, Sherburne, NY	\$ 588,534	20 years	Nov. 2020	Nov. 2040

The Agency received funding from the NYS Homes and Community Renewal Community Development Block Grant(CDBG) CARES to renovate certain specified properties as housing for very low and low-income families. In exchange for renovation, NYS HCR program holds a 15-year mortgage and Period of Affordability on the following property:

	<u>Funds</u>	<u>Term</u>	<u>Begin date</u>	<u>End date</u>
Red Mill Apartment Renovation, New Berlin, NY	\$ 5,177,161	15 years	May 2022	May 2037

The mortgages require no repayment of principal or interest, however, if the Agency ceases to operate these properties as housing for very low and low-income families, they will be considered in default and NYS HCR will commence proceedings to recapture funding provided under these agreements. As of December 2024, both of these properties were being operated as housing for very low and low-income families. Management believes that the Agency is in compliance with the terms of the agreements.

The Agency receives a majority of its revenue from government service agreements and awards. The ultimate determination of amounts received under these programs, generally, is based upon allowable costs reported to and audited by the government agencies. Until such related audits occur and final settlements are reached, a contingency exists to refund any amount received in excess of allowable costs.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
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Notes to Consolidated Financial Statements, Continued

(16) Service Revenue

Service revenue consisted of the following for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Head Start	\$ 6,243,514	6,212,548
Shelter Plus Care	358,652	172,488
DASNY	139,203	-
Community Services Block Grant	660,254	634,565
Housing Counseling Assistance Program	33,022	48,984
Section 8 Housing Choice Vouchers	248,692	216,255
Neighborworks America	164,250	218,000
Homes and Community Renewal Preservation	132,363	94,195
Rapid Rehousing	165,563	165,552
Homeless Housing and Assistance Program	196,881	834,548
OTDA NYSSHP	252,096	234,974
Small Rental Development Initiative	533,550	-
Child Care Stabilization Grant	257,268	835,012
Affordable Housing Corporation Program	259,158	170,847
OTDA - Empire State Supportive Housing Initiative	261,980	366,781
City of Binghamton	818,413	17,375
Mobile Home Replacement Program	625,124	1,154,323
Special Supplemental Nutrition Program for Women, Infants, and Children	-	311,487
Community Development Block Grant	307,303	4,316,692
Home Investment Partnership Program	-	120,274
Other	<u>99,935</u>	<u>220,397</u>
	<u>\$ 11,757,221</u>	<u>16,345,297</u>

The Agency realized approximately 49% and 47% of its revenue from the U.S. Department of Health and Human Services for the years ended December 31, 2024 and 2023, respectively.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
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Notes to Consolidated Financial Statements, Continued

(17) Right-of-Use Assets - Lease Liabilities

The Agency leases various vehicles for office and program services across Broome and Chenango counties, under operating leases and has elected the practical expedient not to separate lease and nonlease components for all lease transactions. Some leases include options to extend the lease term, options to terminate the lease and options to purchase. The Agency only includes these options in the measurement of the lease assets and liabilities when it believes these options are reasonably certain of being exercised. The Agency also has certain leases for office equipment and other property that contain variable lease payments and leases with terms greater than 12 months. The Agency has elected to recognize these lease expenses on the straight-line basis or when incurred. The leases provide for monthly payments of various amounts through March 31, 2025. The lease assets and liabilities were calculated using the risk-free discount rate at the later of lease inception or period of adoption, unless explicitly stated, in accordance with the Agency's accounting policies. Additional information about the Agency's leases are as follows:

	<u>2024</u>	<u>2023</u>
Vehicle expense:		
Operating leases - program services - rent	\$ <u>81,553</u>	<u>72,791</u>
Weighted Averages:		
Remaining lease term - operating leases	1.02 years	1.36 years
Discount rate - operating leases	2.64%	1.98%

The aggregate maturity of the lease payments under ASC 842 for the five years following December 31, 2024 is as follows:

	<u>Operating</u>	
2025	\$ 64,967	
2026	53,960	
2027	43,353	
2028	30,929	
2029	<u>3,964</u>	
	197,173	
Less unamortized discount	<u>(37,406)</u>	
Total lease liabilities	\$ <u>159,767</u>	
	<u>2024</u>	<u>2023</u>
Lease liabilities - operating leases:		
Current installments	\$ 59,218	63,005
Noncurrent installments	<u>100,549</u>	<u>88,163</u>
Total lease liabilities	\$ <u>159,767</u>	<u>151,168</u>

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY
Consolidating Statement of Financial Position
December 31, 2024

<u>Assets</u>	<u>Greater Opportunities</u>	<u>East Hills Housing</u>	<u>Eliminations</u>	<u>Total</u>
Current assets:				
Cash and equivalents	\$ 2,509,608	76,119	-	2,585,727
Security deposits	87,873	18,080	-	105,953
Restricted cash	285,506	156,350	-	441,856
Receivables:				
Service	2,098,062	-	-	2,098,062
Program	83,134	-	-	83,134
Rent, less allowance for credit losses of \$15,390	18,307	-	-	18,307
Bridge loans	61,970	-	-	61,970
Other	85	8	-	93
Total receivables	<u>2,261,558</u>	<u>8</u>	<u>-</u>	<u>2,261,566</u>
Due from affiliate	22,912	-	(22,912)	-
Prepaid expenses	90,921	4,650	-	95,571
Right-of-use asset - operating lease	159,767	-	-	159,767
Total current assets	<u>5,418,145</u>	<u>255,207</u>	<u>(22,912)</u>	<u>5,650,440</u>
Loans receivable, less allowance for credit losses of \$13,404	<u>76,427</u>	<u>-</u>	<u>-</u>	<u>76,427</u>
Property and equipment, at cost	33,698,063	4,938,379	-	38,636,442
Less accumulated depreciation	<u>(7,784,209)</u>	<u>(2,346,509)</u>	<u>-</u>	<u>(10,130,718)</u>
Net property and equipment	<u>25,913,854</u>	<u>2,591,870</u>	<u>-</u>	<u>28,505,724</u>
Total assets	<u>\$ 31,408,426</u>	<u>2,847,077</u>	<u>(22,912)</u>	<u>34,232,591</u>

(Continued)

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY
Consolidating Statement of Financial Position, Continued

	<u>Greater Opportunities</u>	<u>East Hills Housing</u>	<u>Eliminations</u>	<u>Total</u>
<u>Liabilities and Net Assets</u>				
Current liabilities:				
Accounts payable	\$ 1,391,936	33,217	(22,912)	1,402,241
Accrued expenses	621,285	12,000	-	633,285
Deferred revenue	105,704	3	-	105,707
Current installments of mortgage and note payables	45,732	-	-	45,732
Security deposits	87,873	18,080	-	105,953
Other current liabilities	8,950	-	-	8,950
Current installments of operating lease liabilities	<u>59,218</u>	<u>-</u>	<u>-</u>	<u>59,218</u>
Total current liabilities	2,320,698	63,300	(22,912)	2,361,086
Mortgage and note payables, excluding current installments and unamortized mortgage acquisition costs	992,037	1,099,854	-	2,091,891
Operating lease, net of current installments	<u>100,549</u>	<u>-</u>	<u>-</u>	<u>100,549</u>
Total liabilities	<u>3,413,284</u>	<u>1,163,154</u>	<u>(22,912)</u>	<u>4,553,526</u>
Net assets and partners' equity:				
Partners' equity	-	1,683,923	-	1,683,923
Without donor restrictions	27,919,492	-	-	27,919,492
With donor restrictions	<u>75,650</u>	<u>-</u>	<u>-</u>	<u>75,650</u>
Total net assets	<u>27,995,142</u>	<u>1,683,923</u>	<u>-</u>	<u>29,679,065</u>
Total liabilities and net assets	<u>\$ 31,408,426</u>	<u>2,847,077</u>	<u>(22,912)</u>	<u>34,232,591</u>

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Consolidating Statement of Activities
Year ended December 31, 2024

	Greater Opportunities	East Hills Housing	Eliminations	Total
Changes in net assets without donor restrictions:				
Revenue:				
Service revenue	\$ 11,757,221	-	-	11,757,221
Program revenue:				
Universal Pre-K	403,838	-	-	403,838
Child and Adult Care Food Program	244,346	-	-	244,346
Total program income	648,184	-	-	648,184
Rental income:				
U.S. Department of HUD - Shelter Plus Care	300,814	-	-	300,814
Empire State Supportive Housing	248,160	-	-	248,160
Tenants, net of vacancies	818,997	265,781	-	1,084,778
Total rental income	1,367,971	265,781	-	1,633,752
Contributed nonfinancial assets	617,236	-	-	617,236
Fundraising income - contributions	22,000	-	-	22,000
Interest income	4,396	-	-	4,396
Other income	25,010	1,419	(13,289)	13,140
Loss on the sale of property and equipment	(30,840)	-	-	(30,840)
Total revenue	14,411,178	267,200	(13,289)	14,665,089
Net assets released from donor restrictions	27,713	-	-	27,713
Total revenue and other support	14,438,891	267,200	(13,289)	14,692,802
Expenses:				
Program services	11,768,861	339,427	(13,289)	12,094,999
Support services	1,404,918	-	-	1,404,918
Total expenses	13,173,779	339,427	(13,289)	13,499,917
Change in net assets without donor restrictions	1,265,112	(72,227)	-	1,192,885
Changes in net assets with donor restrictions:				
Contributions	85,020	-	-	85,020
Net assets released from donor restrictions	(27,713)	-	-	(27,713)
Change in net assets with donor restrictions	57,307	-	-	57,307
Change in net assets	1,322,419	(72,227)	-	1,250,192
Net assets at beginning of year	26,672,723	1,756,150	-	28,428,873
Net assets at end of year	\$ 27,995,142	1,683,923	-	29,679,065

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY
Consolidated Statement of Functional Expenses
Year ended December 31, 2024

	Program Services								Support Services			
	Head Start	Universal Pre-K	Housing	East Hills	CACFP Childcare	Other	Eliminations	Total program services	Management and general	Fundraising	Total support services	Total
Salaries and wages	\$ 3,249,127	236,494	376,476	73,341	39,902	1,372,069	-	5,347,409	979,019	-	979,019	6,326,428
Payroll taxes/fringe benefits	871,257	59,020	105,669	-	2,948	328,342	-	1,367,236	229,012	-	229,012	1,596,248
Direct assistance to individuals	-	-	174,904	-	-	1,089,524	-	1,264,428	-	-	-	1,264,428
Food	29,214	246	25,639	-	199,078	206	-	254,383	939	58	997	255,380
Office supplies	52,113	316	11,191	3,350	-	3,025	-	69,995	11,860	-	11,860	81,855
Program supplies	107,352	29	4,579	-	-	522	-	112,482	1,490	-	1,490	113,972
Telephone	47,457	1,737	21,188	4,090	-	9,331	-	83,803	5,875	-	5,875	89,678
Postage and shipping	1,633	-	3,170	-	-	1,713	-	6,516	2,867	-	2,867	9,383
Insurance	131,369	7,446	120,546	25,618	-	29,043	-	314,022	8,304	-	8,304	322,326
Occupancy costs	315,576	9,449	520,344	48,624	-	50,519	-	944,512	66,723	2	66,725	1,011,237
Operating expenses	23,693	60	4,680	39,151	-	377	(13,289)	54,672	11,219	-	11,219	65,891
Vehicle expenses	41,434	-	51,257	-	-	11,333	-	104,024	-	-	-	104,024
Advertising and promotion	22,370	-	3,857	-	-	6,301	-	32,528	1,582	-	1,582	34,110
Travel	9,340	-	4,318	-	-	10,587	-	24,245	9,624	-	9,624	33,869
Professional development	54,911	82	6,071	-	-	7,982	-	69,046	7,069	-	7,069	76,115
Dues and subscription	3,524	84	2,173	-	-	8,351	-	14,132	124	-	124	14,256
Professional fees	109,263	4,023	25,777	17,369	-	52,847	-	209,279	52,913	10	52,923	262,202
Interest expense	-	-	-	19,347	-	58,629	-	77,976	-	-	-	77,976
Service fees	354	-	1,083	-	-	142	-	1,579	321	-	321	1,900
Donations and contributions	-	-	-	-	-	-	-	-	-	1,100	1,100	1,100
Contributed nonfinancial assets	583,113	-	-	-	-	-	-	583,113	-	-	-	583,113
Depreciation	22,391	-	789,122	108,537	-	239,569	-	1,159,619	14,807	-	14,807	1,174,426
Total expenses	\$ 5,675,491	318,986	2,252,044	339,427	241,928	3,280,412	(13,289)	12,094,999	1,403,748	1,170	1,404,918	13,499,917

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY
Schedule of Expenditures of Federal Awards
Year ended December 31, 2024

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Agency or Pass-Through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Agriculture - passed through New York State Department of Health:				
Child and Adult Care Food Program	10.558	2195-24	\$ 168,200	-
Child and Adult Care Food Program	10.558	2195-25	76,146	-
Total Child and Adult Care Food Program			244,346	-
U.S. Department of Housing and Urban Development:				
Housing Voucher Cluster Section 8 Housing Choice Vouchers	14.871	N/A	248,692	-
Continuum of Care	14.267	NY1151L2C112205	67,190	-
Continuum of Care	14.267	NY1206L2C112305	199,289	-
Continuum of Care	14.267	NY1206L2C112204	234,632	-
Continuum of Care	14.267	NY0547L2C112215	225,544	-
Continuum of Care	14.267	NY1151L2C112306	98,372	-
Total Continuum of Care			825,027	-
Passed through New York State Division of Housing and Community Renewal:				
Housing Counseling Assistance Program	14.169	80597	33,022	-
Community Development Block Grants	14.228	227HR300-22	307,303	-
Passed through New York State Housing Trust Fund Corporation - Home Investment Partnerships Program	14.239	SHARS20223007	625,124	-
Total U.S. Department of Housing and Urban Development			2,039,168	-
U.S. Department of Transportation - Neighborworks America	21.000	N/A	43,619	-
U.S. Department of Health and Human Services:				
Passed through New York State Department of State - 477 Cluster:				
Community Services Block Grant	93.569	C1001452	286,645	-
Community Services Block Grant	93.569	C1002733	169,835	-
Community Services Block Grant	93.569	C1001457	203,774	-
Total 477 Cluster - Community Services Block Grant			660,254	-

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY
Schedule of Expenditures of Federal Awards, Continued

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Agency or Pass-Through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
Passed through New York State Office of Children and Family Services - CCDF Cluster:				
Child Care and Development Block Grant	93.575	N/A	\$ 4,867	-
Child Care and Development Block Grant	93.575	N/A	<u>252,401</u>	<u>-</u>
Total Child Care and Development Block Grant			<u>257,268</u>	<u>-</u>
Head Start Cluster:				
Head Start	93.600	02CH01163105	2,847,451	-
Head Start	93.600	02CH01214103	3,339,865	-
COVID-19 - Head Start	93.600	02HE00374-01C6-ARP	<u>57,098</u>	<u>-</u>
Total Head Start Cluster			<u>6,244,414</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>7,161,936</u>	<u>-</u>
Total Federal Awards			<u>\$ 9,489,069</u>	<u>-</u>

See accompanying notes to schedule of expenditures of federal awards.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Notes to Consolidated Financial Statements, Continued

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes all federal and award programs administered by Greater Opportunities for Broome and Chenango, Inc. and Subsidiary. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

(2) Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Matching Costs

Matching costs, i.e. Greater Opportunities for Broome and Chenango, Inc. and Subsidiary's share of certain program costs, are not included in the reported expenditures.

(4) Indirect Costs

Indirect costs are included in the reported expenditures to the extent that such costs are included in the Federal financial reports used as the source for the data presented. The de minimis election allows the Agency to allocate 10% of indirect costs to grants with periods ending on or before September 30, 2024 and 15% of indirect costs to grants with periods after September 30, 2024. The Agency does not use the de minimis election.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
Greater Opportunities for Broome and Chenango, Inc. and Subsidiary:

We have audited, in accordance with the 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, the consolidated financial statements of Greater Opportunities for Broome and Chenango, Inc. and Subsidiary (the Agency), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to consolidated financial statements, and have issued our report thereon dated May 29, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
May 29, 2025

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Directors
Greater Opportunities for Broome and Chenango, Inc. and Subsidiary:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Greater Opportunities for Broome and Chenango, Inc. and Subsidiary's (the Agency) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the Agency's major federal program for the year ended December 31, 2024. The Agency's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Greater Opportunities for Broome and Chenango, Inc. and Subsidiary complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Agency's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance

requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
May 29, 2025

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Schedule of Findings and Questioned Costs
Year ended December 31, 2024

Part I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- | | | | | |
|--|-------|-----|--------------|---------------|
| 1. Material weakness(es) identified? | _____ | Yes | <u> x </u> | No |
| 2. Significant deficiency(ies) identified? | _____ | Yes | <u> x </u> | None reported |
| 3. Noncompliance material to financial statements noted? | _____ | Yes | <u> x </u> | No |

Federal Awards:

Internal control over major programs:

- | | | | | |
|--|-------|-----|--------------|---------------|
| 4. Material weakness(es) identified? | _____ | Yes | <u> x </u> | No |
| 5. Significant deficiency(ies) identified? | _____ | Yes | <u> x </u> | None reported |

Type of auditors' report issued on compliance for major programs:

Unmodified

- | | | | | |
|--|---------------------------|-----|--------------|----|
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) (Uniform Guidance)? | _____ | Yes | <u> x </u> | No |
| 7. The Agency's major program audited was: | Assistance Listing Number | | | |
| <u>Name of Federal Program</u> | <u>Number</u> | | | |
| Head Start | 93.600 | | | |
| 8. Dollar threshold used to distinguish between Type A and Type B programs. | \$750,000 | | | |
| 9. Auditee qualified as low-risk auditee? | <u> x </u> | Yes | _____ | No |

Part II - FINANCIAL STATEMENT FINDINGS SECTION

No reportable findings.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings or questioned costs.

GREATER OPPORTUNITIES FOR BROOME AND CHENANGO, INC.
AND SUBSIDIARY

Status of Prior Audit Findings

December 31, 2024

There were no findings with regard to the prior year (December 31, 2023) financial statements.