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**JUNIOR LEAGUE OF OKLAHOMA
CITY, OKLAHOMA, INC.**



Audit Report
For the Year Ended
May 31, 2025



Independent Auditors' Report

Board of Directors
Junior League of Oklahoma City,
Oklahoma, Inc.
Oklahoma City, Oklahoma

Opinion

We have audited the accompanying financial statements of Junior League of Oklahoma City, Oklahoma, Inc., (the League), (a nonprofit organization), which comprise the statement of financial position as of May 31, 2025 and 2024, and the related statement of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Junior League of Oklahoma City, Oklahoma, Inc. as of May 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Junior League of Oklahoma City, Oklahoma, Inc. 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 Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Junior League of Oklahoma City, Oklahoma, Inc.'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Junior League of Oklahoma City, Oklahoma, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Engelbach Roberts & Co. PLLC

Certified Public Accountants

Oklahoma City, Oklahoma
December 2, 2025

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF FINANCIAL POSITION

	May 31,	
	2025	2024
<u>ASSETS</u>		
Cash and cash equivalents (interest-bearing \$1,243,786 and \$546,443)	\$ 1,243,786	\$ 1,134,771
Accounts receivable	500	500
Prepaid expenses	31,166	35,294
Investments (Notes 4 and 9)	2,410,032	2,342,824
Beneficial interest in assets held by others (Notes 5 and 9)	165,983	158,397
Land, buildings, and equipment (net of accumulated depreciation of \$802,322 and \$764,488) (Note 6)	1,112,701	1,137,726
Total assets	\$ 4,964,168	\$ 4,809,512
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 54,418	\$ 50,919
Deferred revenue:		
Membership dues	95,964	105,344
Mistletoe Market booth pre-payments and pre-purchases	31,036	22,165
Total liabilities	181,418	178,428
Net assets:		
Without donor restrictions:		
Undesignated	2,449,980	2,340,215
Board designated endowment (Note 8)	2,166,787	2,132,472
	4,616,767	4,472,687
With donor restrictions (Note 5)	165,983	158,397
Total net assets	4,782,750	4,631,084
Total liabilities and net assets	\$ 4,964,168	\$ 4,809,512

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, gains and other support:			
Membership dues and fees	\$ 128,246	\$	\$ 128,246
Contributions	50,849		50,849
Contributions - donated goods and services (Note 7)	123,385		123,385
Sales:			
Books and pavers	3,690		3,690
Special events:			
Mistletoe Market	298,655		298,655
Legacy & Legends	6,550		6,550
Whale of a Sale	18,453		18,453
Investment income (net of fees of \$19,127)	92,552		92,552
Realized and unrealized gains (losses)	113,293	7,586	120,879
Other income	2,161		2,161
	<u>837,834</u>	<u>7,586</u>	<u>845,420</u>
Total revenue, gains, and other support			
Expenses (Note 10):			
Program expenses	271,729		271,729
Management and general	185,451		185,451
Fundraising	236,574		236,574
	<u>693,754</u>		<u>693,754</u>
Total expenses			
Increase (decrease) in net assets	144,080	7,586	151,666
Net assets, beginning of year	<u>4,472,687</u>	<u>158,397</u>	<u>4,631,084</u>
Net assets, end of year	<u>\$ 4,616,767</u>	<u>\$ 165,983</u>	<u>\$ 4,782,750</u>

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains and other support:			
Membership dues and fees	\$ 131,087	\$	\$ 131,087
Contributions	79,925		79,925
Contributions - donated goods and services (Note 7)	69,965		69,965
Sales:			
Books and pavers	6,904		6,904
Special events:			
Mistletoe Market	287,907		287,907
Legacy & Legends	6,177		6,177
Whale of a Sale	16,540		16,540
Investment income (net of fees of \$18,199)	71,609		71,609
Realized and unrealized gains (losses)	312,506	15,055	327,561
Other income	1,150		1,150
	<u>983,770</u>	<u>15,055</u>	<u>998,825</u>
Total revenue, gains, and other support			
Expenses (Note 10):			
Program expenses	218,340		218,340
Management and general	191,960		191,960
Fundraising	223,866		223,866
	<u>634,166</u>		<u>634,166</u>
Total expenses			
Increase (decrease) in net assets	349,604	15,055	364,659
Net assets, beginning of year	<u>4,123,083</u>	<u>143,342</u>	<u>4,266,425</u>
Net assets, end of year	<u>\$ 4,472,687</u>	<u>\$ 158,397</u>	<u>\$ 4,631,084</u>

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF CASH FLOWS

	For the Year Ended	
	May 31,	
	2025	2024
Cash flows from operating activities:		
Cash received for membership dues	\$ 118,866	\$ 121,693
Cash received from sales	3,690	6,904
Cash received from special events	332,529	304,038
Cash received from donors	50,849	79,925
Other receipts from operations	2,161	1,150
Cash received from earnings on investments	92,552	71,609
Cash paid to vendors, employees, and community partner agencies	(524,908)	(528,301)
Net cash provided (used) by operating activities	75,739	57,018
Cash flows from investing activities:		
(Increase) decrease in investments	46,085	38,700
Disposal of equipment (purchase) of equipment	(12,809)	(2,735)
Net cash provided (used) by investing activities	33,276	35,965
Net increase (decrease) in cash	109,015	92,983
Cash at beginning of year	1,134,771	1,041,788
Cash at end of year	\$ 1,243,786	\$ 1,134,771
Supplemental schedule of noncash operating activities:		
Fair market value of donated goods and services received	\$ 123,385	\$ 69,965

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended May 31, 2025 and 2024

1. Nature of Activities and Summary of Accounting Policies

Organization and History

The Junior League of Oklahoma City, Oklahoma, Inc. (the League) was founded in 1927 as the Junior Service League of Oklahoma City, Oklahoma. In 1928 the League affiliated with the Association of Junior Leagues of America to become the Junior League of Oklahoma City, Oklahoma, Inc. The League is an organization of women committed to promoting voluntarism, developing the potential of women and improving the community through the effective action and leadership of trained volunteers. In order to achieve this objective, each provisional and active member is required to provide a minimum number of hours of volunteer service either to the League or the community. The League's purpose is exclusively educational and charitable.

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows.

Financial Statement Presentation - The League's financial statements are presented on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles for not-for-profit organizations, which require the League to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the League's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the League or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Contributions - The League reports support in conformity with U.S. generally accepted accounting principles for not-for-profit organizations. Contributions, including unconditional promises to give, are recognized as revenue in the period received or promised and are reported as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

The League reports gifts of cash or other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, through the passage of time or when a stipulated purpose is accomplished, donor restricted net assets are reclassified as net assets without donor restrictions and are reported in the statement of activities as net assets released from restriction. Donor restricted contributions whose restrictions are met within the same year as received are reflected as contributions without donor restrictions in the accompanying financial statements.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses in the reporting period. Actual results could differ from those estimates. It is at least reasonably possible that the significant estimates of the recorded fair values of investments, which are based on quoted market prices will change within the next year.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash held in banks. Money market funds held for investment purposes and certificates of deposit, with maturities of one year or less, are included as investments rather than as cash and cash equivalents.

Investments - Investments consist of marketable investment assets. Marketable securities are reported at fair value calculated in accordance with U.S. generally accepted accounting principles. Such investments include U.S. government obligations, corporate and municipal debt obligations, certificates of deposit, equity securities, and other. Fair value is generally determined based on quoted market prices, other observable inputs, or unobservable inputs.

Property and Equipment - Property and equipment are stated at cost, if purchased, or market value at date received, if donated. Depreciation is provided over the estimated useful life (five to forty years) of the related assets on the straight-line basis. Generally, assets greater than \$500 are capitalized.

Revenue Recognition and Deferred Revenue - Revenue of the League consists principally of membership dues, retail and booth sales, and contributions. Membership dues, which are without restrictions in nature, are recognized over the periods for which they are earned. Deferred revenue arises from dues received in advance. Booth space rentals, ticket sales, contributions and special events relating to the Mistletoe Market and the Legacy and Legends events received in advance are recorded as deferred revenue until earned. Contributions are recognized when unconditional commitments are received and recorded as without donor restrictions or with donor restrictions, depending on the existence or absence of donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

Contributed Goods and Services - Contributed goods and services received are reported at their fair value at the date of receipt in accordance with U.S. generally accepted accounting principles. Contributed services are reflected in the financial statements if the services (a) create or enhance nonfinancial assets or (b) require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Donated goods and services are reported as contributions received on the Statement of Activities and as donated goods and services in the Expense by Natural Classification footnote. These totals do not include the value of member hours donated to the League's programs and supporting services.

Concentration of Credit Risk - Financial instruments that potentially expose the League to concentrations of credit risk are cash and cash equivalents and investments. The League places cash deposits into financial institutions deemed by management to be of high credit quality. The League invests in mutual funds, equity securities, and federal and state bonds. Management believes that diversity within its portfolio avoids significant concentration of credit risk.

Financial instruments that potentially subject Junior League to credit risk consists of amounts in financial institutions at May 31, 2025 and 2024, totaling \$689,949 and \$583,216 in excess of Federal Deposit Insurance Corporation insured limits.

Expenses by Natural Classification - Expenses are charged to each program based on direct expenditures incurred. Certain expenditures, which are not directly chargeable to a single function, are allocated based on a percentage of direct costs.

Tax Exempt Status - The League is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code. Therefore, no provision has been made in the accompanying financial statements for income taxes.

The League evaluates and accounts for their uncertain tax positions, if any, in accordance with U.S. generally accepted accounting principles, including the League's tax position as a tax-exempt not-for-profit entity. Through the League's evaluation of its uncertain tax positions, management has determined no uncertain tax positions exist as of May 31, 2025 and 2024, which would require the League to record a liability in its financial statements. The League's exempt returns for the years before May 31, 2022, are no longer subject to examination by taxing authorities.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

Subsequent Events - Management has evaluated subsequent events through December 2, 2025, the date which the financial statements were available to be issued, and determined that no subsequent events have occurred that require adjustment to the financial statements.

2. Availability and Liquidity

The following represents the Junior League of Oklahoma City's financial assets at May 31, 2025 and 2024 that are available to meet general expenditures over the next twelve months:

	<u>2025</u>	<u>2024</u>
Financial assets at year-end:		
Cash and cash equivalents	\$1,243,786	\$1,134,771
Accounts receivable	500	500
Prepaid expenses	31,166	35,294
Investments	<u>2,410,032</u>	<u>2,342,824</u>
Total financial assets at year-end	3,685,484	3,513,389
Less those unavailable for general expenditure due to:		
Board endowment fund primarily for headquarters maintenance	<u>(2,166,787)</u>	<u>(2,132,472)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$1,518,697</u></u>	<u><u>\$1,380,917</u></u>

As part of Junior League of Oklahoma City, Oklahoma, Inc.'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. In addition, Junior League of Oklahoma City, Oklahoma, Inc. has board designated reserves that could be drawn upon in the event of financial distress or an immediate liquidity need.

3. Related Party Transactions

The League paid dues to the Association of Junior Leagues International, Inc. of \$48,574 and \$69,158 for the year ending May 31, 2025 and 2024.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

4. Investments

Investments are stated at fair market value and are summarized as follows as of May 31, 2025:

	<u>Cost</u>	<u>Market</u>
Fixed income	\$441,063	\$446,258
Equities	963,473	1,843,999
Money market funds and cash	<u>119,775</u>	<u>119,775</u>
	<u>\$1,524,311</u>	2,410,032
Held by others (OCCF)		<u>165,983</u>
		<u>\$2,576,015</u>

Investments are stated at fair market value and are summarized as follows as of May 31, 2024:

	<u>Cost</u>	<u>Market</u>
Fixed income	\$435,928	\$435,081
Equities	1,019,834	1,793,109
Money market funds and cash	<u>114,634</u>	<u>114,634</u>
	<u>\$1,570,396</u>	2,342,824
Held by others (OCCF)		<u>158,397</u>
		<u>\$2,501,221</u>

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

The following schedule summarizes the investment return and its classification in the statement of changes in net assets for the year ended May 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Without donor restrictions:		
Interest and dividends (net of fees of \$19,127)	\$92,552	\$71,609
Net realized and unrealized gains (losses)	<u>113,293</u>	<u>312,506</u>
	<u>205,845</u>	<u>384,115</u>
With donor restrictions:		
Net realized and unrealized gains (losses) relating to beneficial interest in assets held by others	<u>7,586</u>	<u>15,055</u>
	<u>7,586</u>	<u>15,055</u>
Total investment income and gains (losses)	<u><u>\$213,431</u></u>	<u><u>\$399,170</u></u>

5. Endowed Funds Held by Community Foundation

The League is the beneficiary of a designated agency endowment fund held by the Oklahoma City Community Foundation, Inc. (OCCF) with a market value of \$331,750 and \$316,589 at May 31, 2025 and 2024. This endowment was established with funds contributed by both the League and other third-party donors. Under the terms of OCCF's designated fund policies, OCCF has variance power over these assets, and only that portion of the assets contributed by the League together with earnings thereon, is considered to represent the present value of future distributions expected to be made to the League. Of the total fund balance at May 31, 2025 and 2024, \$165,983 and \$158,397 represents contributions and accumulated earnings by the League and is included as an asset in the accompanying statement of financial position. Assets contributed by third party donors, totaling \$165,767 and \$158,192 at May 31, 2025 and 2024, are not reported in the League's financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)
For the Years Ended May 31, 2025 and 2024

6. Summary of Land, Property and Equipment

The cost of land, property, and equipment for the years ended May 31, 2025 and 2024:

	2025	2024
Land	\$540,367	\$540,367
Building	983,698	978,098
Office furniture, equipment, and computer equipment	390,958	383,749
	1,915,023	1,902,214
Less accumulated depreciation	802,322	764,488
Net	<u>\$1,112,701</u>	<u>\$1,137,726</u>

Depreciation expense for the year ended May 31, 2025 and 2024 was \$37,834 and \$36,392.

7. Donated Goods and Services

Junior League of Oklahoma City received the following contributions of nonfinancial assets for the years ending May 31, 2025 and 2024:

	Donated Rental Space	Donated Advertising	Donated Goods	Total
<u>2025:</u>				
Mistletoe Market	\$	\$25,258	\$65,379	\$90,637
Whale of a Sale	2,046		903	2,949
Community Projects			29,799	29,799
Total	<u>\$2,046</u>	<u>\$25,258</u>	<u>\$96,081</u>	<u>\$123,385</u>

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

	<u>Donated Rental Space</u>	<u>Donated Advertising</u>	<u>Donated Goods</u>	<u>Total</u>
<u>2024:</u>				
Mistletoe Market	\$	\$11,847	\$41,985	\$53,832
Whale of a Sale	1,200	3,549	4,576	9,325
Community Projects			6,808	6,808
Total	<u>\$1,200</u>	<u>\$15,396</u>	<u>\$53,369</u>	<u>\$69,965</u>

All donated services and goods were utilized by the Organization’s programs and supporting services. There were no donor-imposed restrictions associated with the donated services and goods.

Donated storage and advertising is valued at market value based upon the invoices received from the vendors. Donated goods are valued at the retail prices for the items if purchased.

None of the nonfinancial assets were monetized.

8. Board Designated Endowment

The League’s Board of Directors designated net assets without donor restrictions totaling \$2,166,787 and \$2,132,472 at May 31, 2025 and 2024, as a general endowment fund (referred to as Headquarters Fund) to support the operations of the League. Since these amounts resulted from an internal designation and are not donor-restricted they are classified and reported as net assets without donor restrictions.

The dividends and interest income from the Headquarters Fund shall be used to offset expenses attributed to the operations of the League. In order to meet its needs, the investment strategy of the Headquarters Fund is to preserve capital and to emphasize total return; that is, the aggregate returns from capital appreciation and dividend and interest income. The objectives of investment management for the Headquarters Fund assets are to emphasize long term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS

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(Continued)

For the Years Ended May 31, 2025 and 2024

Generally accepted accounting principles provide guidance on the net asset classification of donor-restricted endowment funds for not-for-profit organizations subject to the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). It also provides guidance on enhanced disclosure information to enable users of financial statements to understand the net asset classification, net asset composition, changes in net asset composition, spending policy, and related investment policy of its endowment funds.

The League's endowment consists of funds designated by the League to function as endowments established to support the programs conducted by the League. As required by GAAP, net assets associated with endowment funds, including funds designated by the League to function as endowments are classified and reported based on the existence or absence of donor-imposed restrictions.

Changes in board-designated endowment net assets for the year ended May 31:

	<u>2025</u>	<u>2024</u>
Net assets, beginning of year	\$2,132,472	\$1,913,237
Investment income, net	36,644	35,903
Investment gains (losses)	100,232	286,832
Withdrawals	<u>(102,561)</u>	<u>(103,500)</u>
Net assets, end of year	<u>\$2,166,787</u>	<u>\$2,132,472</u>

9. Disclosure About Fair Value of Financial Instruments

U.S. generally accepted accounting principles (GAAP) requires the League to disclose estimated fair values for all financial instruments. Under GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

The fair values reported below for financial instruments were based on a variety of factors. In some cases, fair values have been estimated based on assumptions concerning the amount and timing of estimated future cash flows and assumed discount rates reflecting varying degrees of risk. Accordingly, the fair values may not represent actual values of the financial instruments that could have been realized as of May 31, 2025 and 2024, or that will be realized in the future.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

The carrying amounts of cash and cash equivalents approximate fair values because of the terms and relatively short maturity of these assets. The carrying value of investments, which is fair value, is based upon quoted market prices, if available. If quoted market prices are not available, fair value is estimated using quoted prices for similar securities.

The League's financial instruments at May 31, 2025 were as follows:

	<u>Fair Value/ Estimated Market Value and Carrying Amount</u>
Cash and cash equivalents	\$1,243,786
Investments - marketable	\$2,410,032
Beneficial interest in assets held by others	\$165,983

The League's financial instruments at May 31, 2024 were as follows:

	<u>Fair Value/ Estimated Market Value and Carrying Amount</u>
Cash and cash equivalents	\$1,134,771
Investments - marketable	\$2,342,824
Beneficial interest in assets held by others	\$158,397

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1: Quoted Prices in Active Markets for Identical Assets; Level 2: Significant Other Observable Inputs; and Level 3: Significant Unobservable Inputs. The League uses appropriate valuation techniques based on the available inputs to measure the fair value of its assets and liabilities.

Fair Value Measured on a Recurring Basis

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying balance sheet, as well as the general classification of such assets pursuant to the valuation hierarchy.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

Investments

The fair values of investments in U.S. government obligations, equity securities, corporate and municipal debt obligations, certificates of deposit, and other investments are based on quoted market prices for active markets, where available. If quoted market prices for active markets are not available, fair values are obtained from pricing services, based on quoted market prices of comparable instruments, bid/ask quotes, or the use of discounted cash flow models, using observable inputs such as current yields, credit risks, and repayment speeds.

Beneficial Interest in Assets Held by Others

The fair value of assets held by Oklahoma City Community Foundation in a designated agency endowment fund is based on market value information provided by OCCF.

The following presents the fair value measurements of investments and beneficial interest recognized in the accompanying statement of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at May 31, 2025 and 2024:

	<u>Fair Value</u>	<u>Fair Value Level</u>
<u>2025:</u>		
Fixed income	\$446,258	(1)
Equities	1,843,999	(1)
Money market funds and cash	<u>119,775</u>	(1)
	<u>\$2,410,032</u>	
Held by others (OCCF)	<u>\$165,983</u>	(2)

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

	<u>Fair Value</u>	<u>Fair Value Level</u>
<u>2024:</u>		
Fixed income	\$435,081	(1)
Equities	1,793,109	(1)
Money market funds and cash	<u>114,634</u>	(1)
	<u>\$2,342,824</u>	
Held by others (OCCF)	<u>\$158,397</u>	(2)

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

10. Expenses by Natural Classification

Expenses were incurred as follows:

	<u>Program Expenses</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
<u>2025:</u>				
Expenses:				
Community projects, grants and other assistance	\$ 66,892	\$	\$	\$ 66,892
Legacy & Legends	13,296			13,296
Mistletoe Market			227,471	227,471
Whale of a Sale			9,103	9,103
Salaries and wages	14,247	14,247		28,494
Payroll taxes	1,348	1,348		2,696
Professional services		53,383		53,383
Office expense	904	4,669		5,573
Information technology	5,602	5,602		11,204
Occupancy	13,812	13,813		27,625
Conferences, conventions, meetings	110,661			110,661
Insurance	16,884	16,883		33,767
AJLI dues	28,083	20,491		48,574
Bank and credit card charges		17,181		17,181
	<u>271,729</u>	<u>147,617</u>	<u>236,574</u>	<u>655,920</u>
Depreciation of buildings and equipment		37,834		37,834
	<u>\$ 271,729</u>	<u>\$ 185,451</u>	<u>\$ 236,574</u>	<u>\$ 693,754</u>

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2025 and 2024

10. Expenses by Natural Classification

Expenses were incurred as follows:

	<u>Program Expenses</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
<u>2024:</u>				
Expenses:				
Community projects, grants and other assistance	\$ 41,067	\$	\$	\$ 41,067
Legacy & Legends	10,486			10,486
Mistletoe Market			212,118	212,118
Whale of a Sale			11,748	11,748
Salaries and wages	14,570	14,570		29,140
Payroll taxes	1,143	1,143		2,286
Professional services		56,297		56,297
Office expense	331	1,411		1,742
Information technology	2,529	2,529		5,058
Occupancy	12,646	12,646		25,292
Conferences, conventions, meetings	89,036			89,036
Insurance	16,303	16,303		32,606
AJLI dues	30,229	38,929		69,158
Bank and credit card charges		11,740		11,740
	<u>218,340</u>	<u>155,568</u>	<u>223,866</u>	<u>597,774</u>
Total expenses before depreciation				
Depreciation of buildings and equipment		36,392		36,392
	<u>\$ 218,340</u>	<u>\$ 191,960</u>	<u>\$ 223,866</u>	<u>\$ 634,166</u>
Total expenses				