

APPENDIX H

Additional Financial Materials

NYSDA Reserve Fund History - 2015-2025

<u>Year</u>	<u>Year-End Market Value</u>	<u>(Withdrawals)</u>	<u>Total Change Net of W/D</u>
2015	3,951,351	(250,000)	396,624
2016	4,515,400	275,000	564,049
2017	5,031,614	(200,000)	516,214
2018	4,569,347	(200,000)	(462,267)
2019	6,282,794	800,000	1,713,447
2020	6,916,418	(200,000)	633,624
2021	7,502,726	(200,000)	586,308
2022	6,454,391	225,000	(1,048,335)
2023	7,731,710	225,000	1,277,319
2024	8,285,058	(275,000)	553,348
2025	9,422,600	(275,000)	1,137,542
Total		(75,000)	5,867,873

**NEW YORK STATE
DENTAL ASSOCIATION**

**Consolidated Financial Statements as of
December 31, 2025 and 2024
Together with
Independent Auditor's Report**

Draft - Subject to Change

INDEPENDENT AUDITOR'S REPORT

April XX, 2026

To the Board of Trustees of
New York State Dental Association:

Opinion

We have audited the accompanying consolidated financial statements of New York State Dental Association (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statement of activities and changes in net assets, 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 New York State Dental Association as of December 31, 2025, 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.

We did not audit the financial statements of New York State Dental Foundation as of and for the years ended December 31, 2025 and 2024, a component of NYSDA, which statements reflect total assets of \$406,749 and \$366,426 as of December 31, 2025 and 2024, respectively, and total revenues of \$418,435 and \$331,234 for the years then ended, respectively. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for New York State Dental Foundation, is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are required to be independent of New York State Dental Association and to meet our other ethical responsibilities in accordance with the 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 audit opinion.

Prior Period Financial Statements

The financial statements of New York State Dental Association as of December 31, 2024 were audited by other auditors whose report dated on June 23, 2025 expressed an unmodified opinion on those statements.

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 financial statements that are free from material misstatement, whether due to fraud or error.

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INDEPENDENT AUDITOR'S REPORT

(Continued)

Responsibilities of Management for the Consolidated Financial Statements (Continued)

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 New York State Dental Association'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 Consolidated 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 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 New York State Dental Association'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 New York State Dental Association'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.

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INDEPENDENT AUDITOR'S REPORT

(Continued)

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. Schedules I-III are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects on the supplementary information that are affected by the Generally Accepted Accounting Principles departure, as described above, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Draft - Subject to Change

NEW YORK STATE DENTAL ASSOCIATION**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 2,179,330	\$ 2,129,162
Restricted cash	1,337,046	863,566
Receivables, less allowance for credit losses of \$893 at December 31, 2025 and \$0 at December 31, 2024	214,124	173,766
Pledges receivable, current portion	10,000	10,725
Prepaid expenses and other current assets	170,163	167,549
Total current assets	<u>3,910,663</u>	<u>3,344,768</u>
INVESTMENTS	<u>12,171,765</u>	<u>10,735,751</u>
PROPERTY AND EQUIPMENT, net	<u>78,084</u>	<u>88,043</u>
OTHER ASSETS:		
Pledges receivable, due after one year	11,694	18,010
Right of use asset - lease	342,661	507,631
Total assets	<u>\$ 16,514,867</u>	<u>\$ 14,694,203</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Dues payable	\$ 1,337,046	\$ 863,566
Accounts payable - vendors	37,530	62,346
Accounts payable - other	161,239	201,915
Taxes payable, net	56,042	11,681
Unearned membership dues	1,007,811	565,483
Other unearned income	231,410	211,566
Accrued retirement obligations	236,912	328,677
Severance payable	-	330,913
Operating lease liability, current portion	173,919	169,713
Total current liabilities	3,241,909	2,745,860
OTHER LIABILITIES:		
Deferred tax liability	198,233	134,606
Operating lease liability, net of current portion	178,228	352,147
Total liabilities	<u>3,618,370</u>	<u>3,232,613</u>
NET ASSETS:		
Without donor restriction	12,367,849	11,256,802
With donor restriction	528,648	204,788
Total net assets	<u>12,896,497</u>	<u>11,461,590</u>
Total liabilities and net assets	<u>\$ 16,514,867</u>	<u>\$ 14,694,203</u>

The accompanying notes are an integral part of these statements.

NEW YORK STATE DENTAL ASSOCIATION

**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	Years Ended December 31,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT						
Membership dues	\$ 3,217,112	\$ -	\$ 3,217,112	\$ 3,376,306	\$ -	\$ 3,376,306
Publication revenue	76,149	-	76,149	92,393	-	92,393
Investment income, net	1,769,312	-	1,769,312	1,147,002	-	1,147,002
Administration revenue	101,000	-	101,000	96,000	-	96,000
Grant revenue	78,500	-	78,500	62,928	46,243	109,171
Legal protection plan revenue	79,274	-	79,274	88,605	-	88,605
Course revenue	60,858	-	60,858	51,405	-	51,405
Other revenue	90,413	-	90,413	58,219	-	58,219
Installment fee income	-	-	-	30,720	-	30,720
Contributions of financial assets	247,121	458,449	705,570	213,567	73,096	286,663
Contributions of nonfinancial assets	2,791	-	2,791	5,216	5,732	10,948
Insurance royalty and endorsement fees revenue	718,774	-	718,774	655,221	-	655,221
Net assets released from restrictions	134,589	(134,589)	-	118,025	(118,025)	-
Total operating revenues, gains, and other support	6,575,893	323,860	6,899,753	5,995,607	7,046	6,002,653
EXPENSES						
Program services:						
Government relations	481,082	-	481,082	367,115	-	367,115
Public and professional relations	295,658	-	295,658	325,291	-	325,291
Periodicals	805,707	-	805,707	651,149	-	651,149
Professional development	237,605	-	237,605	575,881	-	575,881
Professional support services	437,009	-	437,009	542,313	-	542,313
Personal support services	161,294	-	161,294	95,762	-	95,762
Professional governance	1,140,832	-	1,140,832	1,270,276	-	1,270,276
Total program services	3,559,187	-	3,559,187	3,827,787	-	3,827,787
Management and general	1,650,164	-	1,650,164	2,128,165	-	2,128,165
Fundraising	52,028	-	52,028	77,119	-	77,119
Total operating expenses	5,261,379	-	5,261,379	6,033,071	-	6,033,071
CHANGE IN NET ASSETS BEFORE INCOME TAXES	1,314,514	323,860	1,638,374	(37,464)	7,046	(30,418)
INCOME TAX EXPENSE	(203,467)	-	(203,467)	(136,616)	-	(136,616)
CHANGE IN NET ASSETS	1,111,047	323,860	1,434,907	(174,080)	7,046	(167,034)
NET ASSETS - beginning of year	11,256,802	204,788	11,461,590	11,430,882	197,742	11,628,624
NET ASSETS - end of year	\$ 12,367,849	\$ 528,648	\$ 12,896,497	\$ 11,256,802	\$ 204,788	\$ 11,461,590

The accompanying notes are an integral part of these statements.

NEW YORK STATE DENTAL ASSOCIATION

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,434,907	\$ (167,034)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Change in allowance for credit loss	893	-
Depreciation	43,942	53,240
Deferred tax expense	63,627	35,114
Loss on disposal of property	605	1,245
Net unrealized and realized gains on investments	(1,368,395)	(792,731)
Changes in:		
Receivables	(41,251)	132,035
Pledges receivable	7,041	8,328
Prepaid taxes	17,455	(17,455)
Prepaid expenses and other current assets	(2,614)	(17,273)
Dues payable	473,480	(926,671)
Accounts payable - vendors	(24,816)	(30,549)
Accounts payable - other	(40,676)	(258,616)
Income taxes payable	26,906	(5,679)
Unearned membership dues	442,328	(804,703)
Other unearned income	19,844	(5,673)
Accrued retirement obligations	(91,765)	2,452
Severance payable	(330,913)	330,913
Lease liability	(4,743)	(4,743)
	<u>625,855</u>	<u>(2,467,800)</u>
Net cash used in operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(34,588)	(21,571)
Proceeds from sale of investments	326,571	305,000
Purchase of investments	(394,190)	(298,622)
	<u>(102,207)</u>	<u>(15,193)</u>
Net cash used in investing activities		
Net change in cash, cash equivalents, and restricted cash	523,648	(2,482,993)
Cash, cash equivalents, and restricted cash:		
Beginning	<u>2,992,728</u>	<u>5,475,721</u>
Ending	<u>\$ 3,516,376</u>	<u>\$ 2,992,728</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for income and unrelated business income taxes	<u>\$ 95,583</u>	<u>\$ 124,636</u>

The accompanying notes are an integral part of these statements.

NEW YORK STATE DENTAL ASSOCIATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

1. NATURE OF THE ORGANIZATION

The accompanying consolidated financial statements include four related entities (collectively, referred to as the "Organization")

- New York State Dental Association ("NYSDA")
- NYSDA Support Services, Inc. ("Support Services")
- New York State Dental Association Political Action Committee ("NYSDAPAC")
- New York State Dental Foundation ("Foundation")

NYSDA is an association of members of the dental profession. The objectives of NYSDA are to encourage the improvement of the health of the public, to promote the art and science of dentistry, and to represent the interests of the members of the profession and the public which it serves.

Support Services is a for-profit company. NYSDA is the sole stockholder of Support Services. The purpose of Support Services is to provide administrative services for certain endorsed insurance programs and other member services of NYSDA.

NYSDAPAC is a political organization established under Section 527 of the Internal Revenue Code. The purpose of NYSDAPAC is to strengthen connections between NYSDA members and the New York State Legislature and support legislative and advocacy efforts.

The Foundation is a nonprofit organization whose purpose is to foster a statewide approach to the advancement of the art and science of dentistry and dental education.

All significant intercompany accounts and transactions have been eliminated in consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Cash and Cash Equivalents

NYSDA considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents. The Organization's cash balances may at times exceed federally insured limits. The Organization has not experienced any losses in these accounts and believes it is not exposed to any significant risk with respect to cash and cash equivalents.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Cash

Restricted cash represents dues collected by NYSDA on behalf of the American Dental Association (“ADA”) and Association Districts (“Districts”) that have not yet been remitted to the ADA or Districts. Amounts not yet remitted to the ADA or Districts are reported as dues payable in the consolidated statements of financial position.

Cash and restricted cash reported in the statement of cash flows consisted of the following at December 31:

	<u>2025</u>	<u>2024</u>
Cash	\$ 2,179,330	\$ 2,129,162
Restricted cash	<u>1,337,046</u>	<u>863,566</u>
	<u>\$ 3,516,376</u>	<u>\$ 2,992,728</u>

Receivables

Receivables represent amounts due from publication revenue, course revenue, grants, royalty and endorsement fees and other activities and are written off as they are deemed uncollectible by management. NYSDA extends unsecured trade credit in connection with the subscriptions for its dental journal. Management provides an allowance for expected credit losses from a review of the Organizations historical losses and further adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Organization. Receivables consist of the following at December 31:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Publication revenue	\$ 7,525	\$ 4,735	\$ 9,843
Royalties	107,890	123,805	103,579
Other trade receivables	99,604	45,226	137,217
Allowance for doubtful accounts	<u>(893)</u>	<u>-</u>	<u>-</u>
	<u>\$ 214,126</u>	<u>\$ 173,766</u>	<u>\$ 250,639</u>

Investments

Investments, consisting principally of equity securities and shares in mutual funds, are carried at fair value as determined by quoted prices in active markets. Investment income is comprised primarily of interest, dividends and unrealized and realized gains or losses and is reported in the consolidated statements of activities and changes in net assets. NYSDA holds investments in mutual funds. Investment securities are exposed to various risks, including interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization uses various valuation techniques in determining fair value. A hierarchy for inputs used in measuring fair value has been established that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization's assumptions about the assumptions market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Valuation adjustments are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

The Organization's investments in mutual funds are valued utilizing Level 1 inputs.

- Level 2 – Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.

The Organization has no assets or liabilities that are measured using Level 2 inputs.

- Level 3 - Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

The Organization has no assets or liabilities that are measured using Level 3 inputs.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. NYSDA has a capitalization policy of \$2,000. Any property and equipment purchased under this capitalization policy threshold are expensed. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are charged to expenses as incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Leasehold improvements	Lesser of lease term or 10 years
Furniture and equipment	3-7 years

Leases

The Organization determines if an arrangement is a lease at inception. In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if the Organization obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Right-of-use (ROU) assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The lease may include renewal and termination options which are included in the lease term when the Organization is reasonably certain to exercise these options.

For all underlying classes of assets, the Organization has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise. The Organization recognizes fixed short-term lease cost on a straight-line basis over the lease term and variable lease cost in the period in which the obligation is incurred.

The Organization elected for all classes of underlying assets, to use the risk-free rate as the discount rate if the implicit rate in the lease contract is not readily determinable.

The Organization elected for all classes of underlying assets to not separate the lease and non-lease component of a contract and to account for as a single lease component.

Variable lease costs paid to the lessor, consisting of the Organization's pro rate share of annual real estate taxes, operating expenses and electric utility services, are excluded from the measurement of the right-of-use asset and lease liability and are expensed in the period incurred.

Income Taxes

NYSDA is a not-for-profit corporation and is exempt from federal and state income taxes under Section 501(c)(6) of the Internal Revenue Code.

The Foundation is a not-for-profit corporation and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation has also been classified by the Internal Revenue Service as an organization that is not a private foundation.

Support Services is a taxable C-Corporation. Under this treatment, Support Services is responsible for all income taxes. Deferred income taxes have been provided for material timing differences, existing between income reported in the financial statements and income reported for tax purposes for Services. Timing differences are primarily attributable to unrealized gains and losses on investments, as well as different methods of accounting used on the tax return.

Net Assets

NYSDA is required to report information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restriction – Net assets resulting from revenues whose use by NYSDA, NYSDAPAC or the Foundation is not subject to donor-imposed restrictions and includes retained earnings of Support Services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (Continued)

Net assets without donor restrictions also include board designations for the following programs at December 31:

	<u>2024</u>	<u>Additions</u>	<u>Releases</u>	<u>2025</u>
NYSDA Reserve Fund	\$ 8,285,058	\$ 1,412,546	\$ (275,000)	\$ 9,422,604
NYSDA Building Fund	1,073,459	109,436	(21,571)	1,161,324
NYSDA Campaign Fund	36,072	14,000	-	50,072
	<u>\$ 9,394,589</u>	<u>\$ 1,535,982</u>	<u>\$ (296,571)</u>	<u>\$ 10,634,000</u>

Net assets with donor restrictions – Net assets resulting from revenues whose use by NYSDA, NYSDAPAC or the Foundation is limited by donor-imposed stipulations that either expire by passage of time or when the stipulations have been fulfilled.

When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the consolidated statements of activities and changes in net assets as net assets released from restriction.

Net assets with donor restrictions of NYSDA, NYSDAPAC and the Foundation include the following:

Campaign Fund – NYSDA maintains a segregated Campaign Fund to support NYSDA members who are candidates for ADA elective office. Contributions to support a NYSDA member's candidacy for ADA elective office are time and purpose restricted until such time as campaign expenses are incurred.

NYSDAPAC – The assets of NYSDAPAC contain time and purpose restrictions to strengthen connections between NYSDA members and the New York State Legislature and support legislative and advocacy efforts.

New York State Dental Foundation – Time and purpose restricted assets of the Foundation are available for programs that help to provide underprivileged children with access to dental care and provide financial assistance to dentists in need of specific medical care. In addition, certain assets are restricted for the Access to Care program.

Revenue Recognition

Membership Dues

Membership dues are generally remitted to NYSDA on an annual basis. NYSDA also receives annual dues for the ADA and Districts which are subsequently remitted to these entities. ADA and District dues are not recognized as revenues. NYSDA's performance obligations include providing bundled services to members, including advocacy, professional governance, professional guidance, peer review, making available professional online resources, and facilitating product and service discounts. Membership dues are recognized as income during the membership year, which ends on December 31. Dues received in advance for the following year are reflected as unearned membership dues in the accompanying consolidated statements of financial position. Unearned membership dues consist of the following at December 31:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Unearned membership dues	<u>\$ 1,007,811</u>	<u>\$ 565,483</u>	<u>\$ 1,370,186</u>

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Insurance Royalty and Endorsement Fees

In the recognition of revenue derived from royalty fees, NYSDA's primary performance obligation is to provide outside organizations with access to their members. These organizations then sell products or provide services (such as business enterprise, insurance, staffing, payment services, financing, web design, dental products and water solutions) from which NYSDA derives royalty fees in accordance with terms of agreements with each organization. NYSDA apply the sales or usage-based royalty exception available under Accounting Standards Codification ("ASC") 606. The exception requires NYSDA to recognize sales- or usage-based royalties at the later of when the sales or usage occurs, or the performance obligation is satisfied or partially satisfied rather than estimate the royalties subject to the variable consideration guidance and recognize revenue as the performance obligations are satisfied. Although there are no amounts at December 31, 2025 and 2024, amounts collected which apply to subsequent periods are deferred.

Legal Protection Plan

The Legal Protection Plan is an endorsement agreement between NYSDA and Feldman Keifer, LLP where NYSDA has agreed to offer coverage to its members. Coverage is provided for certain administrative issues (such as worker's comp claims, or Tax issues, or OSHA issues) rather than malpractice claims. The amount must fall within the Plan year and notice of such matter must be delivered to NYSDA within the Plan year in order for coverage to be provided. As claims are incurred, Feldman Keifer, LLP provides legal services at a discounted rate and bills NYSDA directly for the expense. NYSDA bears no liability for claims over and above what it collects in fees under the agreement. If and when the fees collected are exhausted by member claims, Feldman Keifer, LLP assumes all liability for providing the services and NYSDA is not required to pay any additional charges. NYSDA can profit under the arrangement if the total cost of the hours provided by Feldman Keifer, LLP pertaining to the plan year is less than the total amount collected by NYSDA pertaining to the plan year. These "unused payments" belong to NYSDA, but the agreement calls for a reserve of 20% of any unused payments to be set aside in a fund to "defray and assist Feldman Keifer, LLP to cover any current or future costs incurred by Feldman Keifer, LLP or any future costs incurred by Feldman Keifer, LLP if the Dental Plan is renewed for subsequent terms by the parties." NYSDA records the legal protection plan reserve and payments received in advance for the following year as other unearned income. The legal protection plan reserve and unearned legal protection plan consist of the following at December 31:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Legal protection plan reserve	\$ 175,197	\$ 161,836	\$ 133,696
Unearned legal protection plan	54,888	49,230	67,360
	<u>\$ 230,085</u>	<u>\$ 211,066</u>	<u>\$ 201,056</u>

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and Grants

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the promise of contribution is received. Gifts are reported as with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 statement of activities as net assets released from donor restrictions.

Reclassifications

Certain reclassifications to expenses have been made to the 2024 financial statements to conform to the current year presentation.

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows at December 31:

	<u>2025</u>	<u>2024</u>
Cash, undesignated	\$ 2,179,332	\$ 2,129,162
Receivables, net	214,126	173,766
Pledges receivable, current portion	10,000	10,725
Investments	12,171,766	10,735,751
Less: donor-restricted net-assets	(528,648)	(204,788)
Less: board designations for various programs	<u>(10,634,000)</u>	<u>(9,394,589)</u>
Total financial assets available to meet general expenditures within one year	<u>\$ 3,412,576</u>	<u>\$ 3,450,027</u>

The Organization has a policy of structuring their financial assets to be available as their general expenditures, liabilities, and other obligations come due. Cash flow is monitored on a monthly basis to meet its annual operating needs. As part of its liquidity management, the Organization invests in liquid investments, such as mutual funds. The Organization also has board designated assets that can be undesignated at any time to meet cash flow needs.

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS

GAAP defines fair value and provides a framework for measuring fair value using a fair value hierarchy for valuation inputs used in measuring fair value. Level 1 inputs are quoted prices in active markets for identical assets. The Organization's investments in mutual funds are measured at fair value on a recurring basis and at December 31, 2025 and 2024, are valued using Level 1 inputs. Investments consist completely of mutual funds totaling \$12,172,766 and \$10,736,751 at December 31, 2025 and 2024, respectively.

Net investment income consists of the following for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 400,918	\$ 354,271
Realized gains, net	142,829	131,776
Unrealized gains, net	<u>1,225,565</u>	<u>660,955</u>
Total investment income, net	<u>\$ 1,769,312</u>	<u>\$ 1,147,002</u>

5. PROPERTY PLANT AND EQUIPMENT

Property and equipment is comprised of the following at December 31:

	<u>2025</u>	<u>2024</u>
Computer equipment	\$ 126,793	\$ 115,668
Computer software	33,758	65,761
Furniture and fixtures	280,424	282,565
Conference A/V equipment	53,068	50,160
Other equipment	91,222	91,222
Leasehold improvements	<u>516,866</u>	<u>516,866</u>
	1,102,131	1,122,242
Less accumulated depreciation	<u>(1,024,047)</u>	<u>(1,034,199)</u>
	<u>\$ 78,084</u>	<u>\$ 88,043</u>

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31:

	<u>2024</u>	<u>Additions</u>	<u>Transfers</u>	<u>Releases</u>	<u>2025</u>
NYSDAPAC	\$ 37,183	\$ 390,783	\$ -	\$ (49,376)	\$ 378,590
Foundation Programs	<u>167,605</u>	<u>67,666</u>	<u>-</u>	<u>(85,213)</u>	<u>150,058</u>
	<u>\$ 204,788</u>	<u>\$ 458,449</u>	<u>\$ -</u>	<u>\$ (134,589)</u>	<u>\$ 528,648</u>

7. RETIREMENT PLAN

The Organization sponsors a defined contribution retirement plan covering substantially all NYSDA and Foundation employees. NYSDA and the Foundation's contributions to the plan are based on a percentage of employee eligible compensation and relative age, and totaled approximately \$236,000 and \$328,000 for the years ended December 31, 2025 and 2024, respectively. As contributions are paid after December 31, they are presented as accrued retirement obligations on the consolidated statements of financial position.

8. INCOME TAXES

Support Services accounts for income taxes in accordance with generally accepted accounting principles, whereby deferred taxes are provided on temporary differences arising from assets and liabilities whose bases are different for financial reporting and income tax purposes. The difference between the financial statement and tax basis of assets and liabilities is determined annually. Deferred income tax assets and liabilities are computed for those differences that have future tax consequences using the currently enacted tax laws and rates that apply to the periods in which they are expected to affect taxable income. Income tax expense is the current tax payable or refundable for the period, plus or minus the net change in the deferred tax asset and liability accounts.

Amount recognized in the consolidated statement of activities are as follows at December 31:

	<u>2025</u>	<u>2024</u>
NYSDA		
Unrelated Business Income Tax:		
Federal	\$ 56,553	\$ 38,979
State	26,902	18,357
Support Services		
Current:		
Federal	43,510	33,370
State	12,875	10,796
Deferred Expense	<u>63,627</u>	<u>35,114</u>
	<u>\$ 203,467</u>	<u>\$ 136,616</u>

The components of current and deferred taxes are as follows for the year ended December 31:

	<u>2025</u>	<u>2024</u>
Current:		
State UBIT	\$ 26,901	\$ 18,356
Federal	27,440	129
State	1,701	(6,804)
Deferred Tax Liability	<u>198,233</u>	<u>134,606</u>
	<u>\$ 254,275</u>	<u>\$ 146,287</u>

8. INCOME TAXES (Continued)

At December 31, 2025, NYSDA has federal net loss carryforwards ("NOLs") related to its unrelated business activity totaling approximately \$94,300 that may be offset against future UBI, all of which were generated after the 2017 tax year. For tax years beginning after December 31, 2017, net taxable income for each unrelated trade or business activity must be computed separately. Losses from one activity may only be utilized to offset net UBI against the same type of activity and may not be used to reduce taxable income from another activity. The NOLs generated carry forward indefinitely, but may only be applied against 80% of that activity's net income in any given year.

9. OPERATING LEASE

NYSDA leases office space under an operating arrangement that runs from January 2018 through December 2027. Annual payments for each of the remaining five years approximate \$180,200 and are subject to future annual adjustments for NYSDA's pro-rata share of maintenance and property tax costs over the term of the lease.

NYSDA has elected to use the risk-free interest rate in determining the present value of the future known lease payments (2.45%) at both 2025 and 2024. The weighted average remaining lease term was 3 years and 4 years at December 31, 2025 and 2024, respectively. Office lease expense for the years ended December 31, 2025 and 2024 approximated \$175,500 and is included in building and occupancy expense. Accordingly, a Right-of-Use ("ROU") Asset was recorded for the present value of the future known lease payments and a related lease liability. Obligations under this lease are as follows as of December 31:

<u>Years Ending December 31</u>	
2026	\$ 180,234
2027	<u>180,234</u>
Total undiscounted cash flows	360,468
Less: present value discount	<u>(8,321)</u>
Total present value of lease liability	352,147
Less: current portion	<u>(173,919)</u>
Long-term portion of lease liability	<u>\$ 178,228</u>

10. FUNCTIONAL EXPENSES

Expenses are reported to each program and support function based on actual expense incurred, and are as follows:

	<u>Year Ended December 31, 2025</u>			
	<u>Program Service Expense</u>	<u>Management and General Expenses</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Payroll and benefits	\$ 1,985,565	\$ 864,648	\$ 32,271	\$ 2,882,484
Travel	520,974	38,468	10,126	569,568
Professional Services	183,539	212,787	602	396,928
Office supplies and equipment	216,668	37,283	5,474	259,425
Building and occupancy	139,416	89,622	-	229,038
Credit card processing fees	5,652	201,450	82	207,184
Printing and postage	109,958	27,448	2,300	139,706
Honoraria	114,550	24,450	-	139,000
Promotion	69,898	49,021	25	118,944
Lobbying	104,050	-	-	104,050
Miscellaneous	58,473	21,951	1,148	81,572
Political Donation Expense	-	49,350	-	49,350
Business Insurance	35,782	8,686	-	44,468
Contributions	6,714	25,000	-	31,714
Legal protection plan	7,948	-	-	7,948
Total Functional Expenses	<u>\$ 3,559,187</u>	<u>\$ 1,650,164</u>	<u>\$ 52,028</u>	<u>\$ 5,261,379</u>

	<u>Year Ended December 31, 2024</u>			
	<u>Program Service</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Payroll and benefits	\$ 2,239,299	\$ 1,449,422	\$ 43,898	\$ 3,732,619
Travel	544,298	107,257	13,701	665,256
Professional Services	126,740	155,343	3,283	285,366
Office supplies and equipment	203,280	37,685	6,675	247,640
Building and occupancy	149,641	75,640	-	225,281
Credit card processing fees	6,317	149,216	252	155,785
Honoraria	126,638	24,450	-	151,088
Printing and postage	95,613	19,124	2,739	117,476
Promotion	68,896	62,843	5,414	137,153
Miscellaneous	83,093	7,218	-	90,311
Lobbying	90,000	-	-	90,000
Contributions	34,499	25,288	-	59,787
Business Insurance	37,043	14,679	1,157	52,879
Legal protection plan	22,430	-	-	22,430
Total Functional Expenses	<u>\$ 3,827,787</u>	<u>\$ 2,128,165</u>	<u>\$ 77,119</u>	<u>\$ 6,033,071</u>

10. FUNCTIONAL EXPENSES (Continued)

Management utilizes certain methods to allocate expenses to the various functional categories. The direct charge is the preferred method when it is reasonably efficient and management assigns each expense to a functional category based on direct usage. All other expenses are considered management and general expenses. Salaries are allocated based on estimates of employee time spent. Occupancy costs are allocated based on square footage. For other natural expense categories, costs are allocated based on an estimate of the activity within each function.

11. SUBSEQUENT EVENTS

Subsequent events have been evaluated through April XX, 2026, which is the date the financial statements were available to be issued.

NEW YORK STATE DENTAL ASSOCIATION

Schedule I

CONSOLIDATING FINANCIAL POSITION INFORMATION
December 31, 2025

	Without Donor Restrictions				NYSDA Total	Donor Restricted	Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total NYSDA Foundation	Adjustments / Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund		NYS DAPAC Total	NYS DA Support Services, Inc.	NYS DA Foundation	NYS DA Foundation			
ASSETS												
CURRENT ASSETS												
Cash and cash equivalents	\$ 1,279,417	\$ 50,072	\$ -	\$ -	\$ 1,329,489	\$ 274,512	\$ 266,818	\$ 177,089	\$ 131,422	\$ 308,511	\$ -	\$ 2,179,330
Restricted cash	1,337,046	-	-	-	1,337,046	-	-	-	-	-	-	1,337,046
Receivables	131,186	-	-	-	131,186	104,078	88,914	61,310	600	61,910	(171,964)	214,124
Pledges receivable, current portion	-	-	-	-	-	-	-	-	10,000	10,000	-	10,000
Prepaid taxes	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other current assets	155,529	-	-	-	155,529	-	-	11,385	3,249	14,634	-	170,163
Total current assets	2,903,178	50,072	-	-	2,953,250	378,590	355,732	249,784	145,271	395,055	(171,964)	3,910,663
INVESTMENTS	1,000	-	9,422,604	1,161,324	10,584,928	-	1,587,837	-	-	-	(1,000)	12,171,765
PROPERTY AND EQUIPMENT, net												
Leasehold improvements	516,866	-	-	-	516,866	-	-	-	-	-	-	516,866
Furniture and equipment	585,265	-	-	-	585,265	-	-	-	-	-	-	585,265
Total	1,102,131	-	-	-	1,102,131	-	-	-	-	-	-	1,102,131
Less: accumulated depreciation	1,024,047	-	-	-	1,024,047	-	-	-	-	-	-	1,024,047
Total property and equipment	78,084	-	-	-	78,084	-	-	-	-	-	-	78,084
OTHER ASSETS												
Pledges receivable	-	-	-	-	-	-	-	-	11,694	11,694	-	11,694
Right of use asset - lease	342,661	-	-	-	342,661	-	-	-	-	-	-	342,661
Total assets	\$ 3,324,923	\$ 50,072	\$ 9,422,604	\$ 1,161,324	\$ 13,958,923	\$ 378,590	\$ 1,943,569	\$ 249,784	\$ 156,965	\$ 406,749	\$ (172,964)	\$ 16,514,867
LIABILITIES AND NET ASSETS												
CURRENT LIABILITIES												
Dues payable	\$ 1,337,046	\$ -	\$ -	\$ -	\$ 1,337,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,337,046
Accounts payable - vendors	21,380	-	-	-	21,380	-	6,617	2,626	6,907	9,533	-	37,530
Accounts payable - other	309,453	-	-	-	309,453	-	23,750	-	-	-	(171,964)	161,239
Taxes payable	44,455	-	-	-	44,455	-	11,587	-	-	-	-	56,042
Unearned membership dues	1,007,811	-	-	-	1,007,811	-	-	-	-	-	-	1,007,811
Other unearned income	230,160	-	-	-	230,160	-	-	1,250	-	1,250	-	231,410
Accrued retirement obligations	217,927	-	-	-	217,927	-	-	18,985	-	18,985	-	236,912
Severance payable	-	-	-	-	-	-	-	-	-	-	-	-
Dividends payable	-	-	-	-	-	-	150,000	-	-	-	(150,000)	-
Lease liability - current portion	173,919	-	-	-	173,919	-	-	-	-	-	-	173,919
Total current liabilities	3,342,151	-	-	-	3,342,151	-	191,954	22,861	6,907	29,768	(321,964)	3,241,909
OTHER LIABILITIES												
Deferred tax liability	-	-	-	-	-	-	198,233	-	-	-	-	198,233
Lease liability	178,228	-	-	-	178,228	-	-	-	-	-	-	178,228
Total liabilities	3,520,379	-	-	-	3,520,379	-	390,187	22,861	6,907	29,768	(321,964)	3,618,370
CAPITAL STOCK												
	-	-	-	-	-	-	1,000	-	-	-	(1,000)	-
NET ASSETS												
Without donor restriction	(195,456)	50,072	9,422,604	1,161,324	10,438,544	-	1,552,382	226,923	-	226,923	150,000	12,367,849
With donor restriction	-	-	-	-	-	378,590	-	-	150,058	150,058	-	528,648
Total net assets	(195,456)	50,072	9,422,604	1,161,324	10,438,544	378,590	1,552,382	226,923	150,058	376,981	150,000	12,896,497
Total liabilities and net assets	\$ 3,324,923	\$ 50,072	\$ 9,422,604	\$ 1,161,324	\$ 13,958,923	\$ 378,590	\$ 1,943,569	\$ 249,784	\$ 156,965	\$ 406,749	\$ (172,964)	\$ 16,514,867

The accompanying notes are an integral part of these schedules.

NEW YORK STATE DENTAL ASSOCIATION

Schedule I

CONSOLIDATING FINANCIAL POSITION INFORMATION
December 31, 2024

	Without Donor Restrictions				NYSDA Total	Donor Restricted	Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total	Adjustments / Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund		NYS DAPAC Total	NYS DA Support Services, Inc.	NYS D Foundation	NYS D Foundation	NYS D Foundation		
ASSETS												
CURRENT ASSETS												
Cash and cash equivalents	\$ 1,541,502	\$ 36,072	\$ -	\$ -	\$ 1,577,574	\$ 1,261	\$ 264,608	\$ 150,128	\$ 135,591	\$ 285,719	\$ -	\$ 2,129,162
Restricted cash	863,566	-	-	-	863,566	-	-	-	-	-	-	863,566
Receivables	84,427	-	-	-	84,427	35,922	99,531	37,691	621	38,312	(84,426)	173,766
Pledges receivable, current portion	-	-	-	-	-	-	-	725	10,000	10,725	-	10,725
Prepaid taxes	-	-	-	-	-	-	17,455	-	-	-	(17,455)	-
Prepaid expenses and other current assets	153,889	-	-	-	153,889	-	-	5,867	7,793	13,660	-	167,549
Total current assets	2,643,384	36,072	-	-	2,679,456	37,183	381,594	194,411	154,005	348,416	(101,881)	3,344,768
INVESTMENTS	1,000	-	8,285,058	1,073,459	9,359,517	-	1,377,234	-	-	-	(1,000)	10,735,751
PROPERTY AND EQUIPMENT, net												
Leasehold improvements	516,866	-	-	-	516,866	-	-	-	-	-	-	516,866
Furniture and equipment	570,376	-	-	-	570,376	-	-	35,000	-	35,000	-	605,376
Total	1,087,242	-	-	-	1,087,242	-	-	35,000	-	35,000	-	1,122,242
Less: accumulated depreciation	999,199	-	-	-	999,199	-	-	35,000	-	35,000	-	1,034,199
Total property and equipment	88,043	-	-	-	88,043	-	-	-	-	-	-	88,043
OTHER ASSETS												
Pledges receivable	-	-	-	-	-	-	-	-	18,010	18,010	-	18,010
Right of use asset - lease	507,631	-	-	-	507,631	-	-	-	-	-	-	507,631
Total assets	\$ 3,240,058	\$ 36,072	\$ 8,285,058	\$ 1,073,459	\$ 12,634,647	\$ 37,183	\$ 1,758,828	\$ 194,411	\$ 172,015	\$ 366,426	\$ (102,881)	\$ 14,694,203
LIABILITIES AND NET ASSETS												
CURRENT LIABILITIES												
Dues payable	\$ 863,566	\$ -	\$ -	\$ -	\$ 863,566	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 863,566
Accounts payable - vendors	40,335	-	-	-	40,335	-	11,847	5,754	4,410	10,164	-	62,346
Accounts payable - other	258,638	-	-	-	258,638	-	23,750	3,953	-	3,953	(84,426)	201,915
Taxes payable	29,136	-	-	-	29,136	-	-	-	-	-	(17,455)	11,681
Unearned membership dues	565,483	-	-	-	565,483	-	-	-	-	-	-	565,483
Other unearned income	211,066	-	-	-	211,066	-	-	500	-	500	-	211,566
Accrued retirement obligations	322,537	-	-	-	322,537	-	-	6,140	-	6,140	-	328,677
Severance payable	330,913	-	-	-	330,913	-	-	-	-	-	-	330,913
Dividends payable	-	-	-	-	-	-	150,000	-	-	-	(150,000)	-
Lease liability - current portion	169,713	-	-	-	169,713	-	-	-	-	-	-	169,713
Total current liabilities	2,791,387	-	-	-	2,791,387	-	185,597	16,347	4,410	20,757	(251,881)	2,745,860
OTHER LIABILITIES												
Deferred tax liability	-	-	-	-	-	-	134,606	-	-	-	-	134,606
Lease liability	352,147	-	-	-	352,147	-	-	-	-	-	-	352,147
Total liabilities	3,143,534	-	-	-	3,143,534	-	320,203	16,347	4,410	20,757	(251,881)	3,232,613
CAPITAL STOCK												
	-	-	-	-	-	-	1,000	-	-	-	(1,000)	-
NET ASSETS												
Without donor restriction	96,524	36,072	8,285,058	1,073,459	9,491,113	37,183	1,437,625	178,064	-	178,064	150,000	11,256,802
With donor restriction	-	-	-	-	-	-	-	-	167,605	167,605	-	204,788
Total net assets	96,524	36,072	8,285,058	1,073,459	9,491,113	37,183	1,437,625	178,064	167,605	345,669	150,000	11,461,590
Total liabilities and net assets	\$ 3,240,058	\$ 36,072	\$ 8,285,058	\$ 1,073,459	\$ 12,634,647	\$ 37,183	\$ 1,758,828	\$ 194,411	\$ 172,015	\$ 366,426	\$ (102,881)	\$ 14,694,203

The accompanying notes are an integral part of these schedules.

NEW YORK STATE DENTAL ASSOCIATION

Schedule II

CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS INFORMATION
YEAR ENDED DECEMBER 31, 2025

	Without Donor Restriction				Donor	Without		NYSADAPAC	Without		Without		Total	Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Restricted Campaign Fund	Donor Restricted	Donor Restriction		Donor Restriction	Donor Restriction	Donor Restriction	NYSD Foundation			
OPERATING REVENUES, GAINS AND OTHER SUPPORT															
Membership dues	\$ 3,217,112	\$ -	\$ -	\$ -	\$ -	\$ 3,217,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,217,112
Publication revenue	76,149	-	-	-	-	76,149	-	-	-	-	-	-	-	-	76,149
Investment income, net	175,787	-	1,412,546	109,436	-	1,697,769	-	-	-	214,163	7,380	-	7,380	(150,000)	1,769,312
Administration revenue	196,000	-	-	-	-	196,000	-	-	-	-	-	-	-	(95,000)	101,000
Grant revenue	78,500	-	-	-	-	78,500	-	-	-	-	-	-	-	-	78,500
Legal protection program revenue	79,274	-	-	-	-	79,274	-	-	-	-	-	-	-	-	79,274
Course revenue	-	-	-	-	-	-	-	-	-	-	60,858	-	60,858	-	60,858
Other revenue	54,265	-	-	-	-	54,265	-	-	-	263	40,885	0	40,885	(5,000)	90,413
Installment fee income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions of financial assets	31,505	-	-	-	-	31,505	-	-	-	-	218,116	67,666	285,782	(2,500)	705,570
Contributions of nonfinancial assets	-	-	-	-	-	-	-	390,783	390,783	-	23,530	-	23,530	(20,739)	2,791
Insurance royalty and endorsement fees revenue	398,565	-	-	-	-	398,565	-	-	-	320,209	-	-	-	-	718,774
Net assets released from restrictions	-	-	-	-	-	-	-	-	-	-	85,213	(85,213)	-	-	-
Total operating revenues, gains and other support	4,307,157	-	1,412,546	109,436	-	5,829,139	-	390,783	390,783	534,635	435,982	(17,547)	418,435	(273,239)	6,899,753
OPERATING EXPENSES															
PROGRAM SERVICE															
Government relations	481,082	-	-	-	-	481,082	-	-	-	-	-	-	-	-	481,082
Public and professional relations	295,658	-	-	-	-	295,658	-	-	-	-	-	-	-	-	295,658
Periodicals	594,793	-	-	-	-	594,793	-	-	-	-	219,077	-	219,077	(8,163)	805,707
Professional development	237,605	-	-	-	-	237,605	-	-	-	-	-	-	-	-	237,605
Professional support services	437,009	-	-	-	-	437,009	-	-	-	-	-	-	-	-	437,009
Personal support services	161,294	-	-	-	-	161,294	-	-	-	-	-	-	-	-	161,294
Professional governance	1,140,832	-	-	-	-	1,140,832	-	-	-	-	-	-	-	-	1,140,832
Total program services	3,348,273	-	-	-	-	3,348,273	-	-	-	-	219,077	-	219,077	(8,163)	3,559,187
MANAGEMENT AND GENERAL															
Administration	1,449,980	-	-	-	-	1,449,980	-	49,376	49,376	149,866	113,356	-	113,356	(112,414)	1,650,164
FUNDRAISING															
	-	-	-	-	-	-	-	-	-	-	54,690	-	54,690	(2,662)	52,028
Total operating expenses	4,798,253	-	-	-	-	4,798,253	-	49,376	49,376	149,866	387,123	-	387,123	(123,239)	5,261,379
CHANGE IN NET ASSETS BEFORE INCOME TAXES	(491,096)	-	1,412,546	109,436	-	1,030,886	-	341,407	341,407	384,769	48,859	(17,547)	31,312	(150,000)	1,638,374
INCOME TAX EXPENSE	(83,455)	-	-	-	-	(83,455)	-	-	-	(120,012)	-	-	-	-	(203,467)
CHANGE IN NET ASSETS	(574,551)	-	1,412,546	109,436	-	947,431	-	341,407	341,407	264,757	48,859	(17,547)	31,312	(150,000)	1,434,907
NET ASSETS - BEGINNING OF YEAR	96,524	36,072	8,285,058	1,073,459	-	9,491,113	-	37,183	37,183	1,437,625	178,064	167,605	345,669	150,000	11,461,990
TRANSFERS AND DIVIDENDS	282,571	14,000	(275,000)	(21,571)	-	-	-	-	-	(150,000)	-	-	-	150,000	-
NET ASSETS - END OF YEAR	\$ (195,456)	\$ 50,072	\$ 9,422,604	\$ 1,161,324	\$ -	\$ 10,438,544	\$ -	\$ 378,590	\$ 378,590	\$ 1,552,382	\$ 226,923	\$ 150,058	\$ 376,981	\$ 150,000	\$ 12,896,497

The accompanying notes are an integral part of these schedules.

NEW YORK STATE DENTAL ASSOCIATION

Schedule II

CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS INFORMATION
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restriction				Donor Restricted		Without Donor Restriction	Donor Restricted		Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total NYSD Foundation		Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund	NYSDA Total	NYSDAPAC	NYSDAPAC	NYSDAPAC Total	NYSDA Support Services, Inc.	NYSD Foundation	NYSD Foundation	NYSD Foundation	Eliminations	
OPERATING REVENUES, GAINS AND OTHER SUPPORT															
Membership dues	\$ 3,376,306	\$ -	\$ -	\$ -	\$ -	\$ 3,376,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,376,306
Publication revenue	92,393	-	-	-	-	92,393	-	-	-	-	-	-	-	-	92,393
Investment income (loss), net	218,679	-	828,348	75,473	-	1,122,500	-	-	-	166,533	7,969	-	7,969	(150,000)	1,147,002
Administration revenue	191,000	-	-	-	-	191,000	-	-	-	-	-	-	-	(95,000)	96,000
Grant revenue	62,928	-	-	-	-	62,928	-	-	-	-	-	-	-	-	109,171
Legal protection program revenue	88,605	-	-	-	-	88,605	-	-	-	-	-	46,243	46,243	-	88,605
Course revenue	-	-	-	-	-	-	-	-	-	-	51,405	-	51,405	-	51,405
Other revenue	58,219	-	-	-	-	58,219	-	-	-	-	-	-	-	-	58,219
Installment fee income	30,720	-	-	-	-	30,720	-	-	-	-	-	-	-	-	30,720
Contributions of financial assets	32,000	-	-	-	25,675	57,675	-	37,245	37,245	-	184,067	10,176	194,243	(2,500)	286,663
Contributions of nonfinancial assets	-	-	-	-	-	-	-	-	-	-	25,642	5,732	31,374	(20,426)	10,948
Insurance royalty and endorsement fees revenue	339,045	-	-	-	-	339,045	-	-	-	316,176	-	-	-	-	655,221
Net assets released from restrictions	63,292	(11,932)	-	-	(51,360)	-	62	(62)	-	-	66,603	(66,603)	-	-	-
Total operating revenues, gains (losses) and other support	4,553,187	(11,932)	828,348	75,473	(25,685)	5,419,391	62	37,183	37,245	482,709	335,686	(4,452)	331,234	(267,926)	6,002,653
OPERATING EXPENSES															
PROGRAM SERVICE															
Government relations	367,115	-	-	-	-	367,115	-	-	-	-	-	-	-	-	367,115
Public and professional relations	325,291	-	-	-	-	325,291	-	-	-	-	-	-	-	-	325,291
Periodicals	651,149	-	-	-	-	651,149	-	-	-	-	-	-	-	-	651,149
Professional development	376,411	-	-	-	-	376,411	-	-	-	-	208,322	-	208,322	(8,852)	575,881
Professional support services	542,313	-	-	-	-	542,313	-	-	-	-	-	-	-	-	542,313
Personal support services	95,762	-	-	-	-	95,762	-	-	-	-	-	-	-	-	95,762
Professional governance	1,270,276	-	-	-	-	1,270,276	-	-	-	-	-	-	-	-	1,270,276
Total program services	3,628,317	-	-	-	-	3,628,317	-	-	-	-	208,322	-	208,322	(8,852)	3,827,787
MANAGEMENT AND GENERAL															
Administration	1,992,402	-	-	-	-	1,992,402	62	-	62	158,694	82,757	-	82,757	(105,750)	2,128,165
FUNDRAISING															
	-	-	-	-	-	-	-	-	-	-	80,443	-	80,443	(3,324)	77,119
Total operating expenses	5,620,719	-	-	-	-	5,620,719	62	-	62	158,694	371,522	-	371,522	(117,926)	6,033,071
CHANGE IN NET ASSETS BEFORE INCOME TAXES	(1,067,532)	(11,932)	828,348	75,473	(25,685)	(201,328)	-	37,183	37,183	324,015	(35,836)	(4,452)	(40,288)	(150,000)	(30,418)
INCOME TAX EXPENSE	(57,336)	-	-	-	-	(57,336)	-	-	-	(79,280)	-	-	-	-	(136,616)
CHANGE IN NET ASSETS	(1,124,868)	(11,932)	828,348	75,473	(25,685)	(258,664)	-	37,183	37,183	244,735	(35,836)	(4,452)	(40,288)	(150,000)	(167,034)
NET ASSETS - BEGINNING OF YEAR	946,392	48,004	7,731,710	997,986	25,685	9,749,777	-	-	-	1,342,890	213,900	172,057	385,957	150,000	11,628,624
TRANSFERS AND DIVIDENDS	275,000	-	(275,000)	-	-	-	-	-	-	(150,000)	-	-	-	150,000	-
NET ASSETS - END OF YEAR	\$ 96,524	\$ 36,072	\$ 8,285,058	\$ 1,073,459	\$ -	\$ 9,491,113	\$ -	\$ 37,183	\$ 37,183	\$ 1,437,625	\$ 178,064	\$ 167,605	\$ 345,669	\$ 150,000	\$ 11,461,590

NEW YORK STATE DENTAL ASSOCIATION

Schedule III

CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION
YEAR ENDED DECEMBER 31, 2025

	Without Donor Restriction				NYSDA Total	Donor Restricted	Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total	Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund		NYSADAPAC Total	NYSDA Support Services, Inc.	NYS Foundation	NYS Foundation	Total NYS Foundation		
CASH FLOWS FROM OPERATING ACTIVITIES												
Change in net assets	\$ (574,551)	\$ -	\$ 1,412,546	\$ 109,436	\$ 947,431	\$ 341,407	\$ 264,757	\$ 48,859	\$ (17,547)	\$ 31,312	\$ (150,000)	\$ 1,434,907
Adjustments to reconcile change in net assets to net cash used in operating activities:												
Change in allowance	893	-	-	-	893	-	-	-	-	-	-	893
Depreciation and amortization	43,942	-	-	-	43,942	-	-	-	-	-	-	43,942
Deferred tax expense	-	-	-	-	-	-	63,627	-	-	-	-	63,627
Loss on disposal of property and equipment	605	-	-	-	605	-	-	-	-	-	-	605
Net unrealized and realized gains on investments	-	-	(1,193,464)	(409)	(1,193,873)	-	(174,522)	-	-	-	-	(1,368,395)
Changes in:												
Receivables	(47,652)	-	-	-	(47,652)	(68,156)	10,617	(23,619)	21	(23,598)	87,538	(41,251)
Pledges receivable	-	-	-	-	-	-	-	725	6,316	7,041	-	7,041
Prepaid taxes	-	-	-	-	-	-	17,455	-	-	-	-	17,455
Prepaid expenses and other current assets	(1,640)	-	-	-	(1,640)	-	-	(5,518)	4,544	(974)	-	(2,614)
Dues payable	473,480	-	-	-	473,480	-	-	-	-	-	-	473,480
Accounts payable - vendors	(18,955)	-	-	-	(18,955)	(5,230)	(3,128)	(3,128)	2,497	(631)	-	(24,816)
Accounts payable - other	50,815	-	-	-	50,815	-	(3,953)	(3,953)	-	(3,953)	(87,538)	(40,676)
Income taxes payable	15,319	-	-	-	15,319	-	11,587	-	-	-	-	26,906
Unearned membership dues	442,328	-	-	-	442,328	-	-	-	-	-	-	442,328
Other unearned income	19,094	-	-	-	19,094	-	-	750	-	750	-	19,844
Accrued retirement obligations	(104,610)	-	-	-	(104,610)	-	-	12,845	-	12,845	-	(91,765)
Severance payable	(330,913)	-	-	-	(330,913)	-	-	-	-	-	-	(330,913)
Lease liability	(4,743)	-	-	-	(4,743)	-	-	-	-	-	-	(4,743)
Net cash used in (provided by) operating activities	(36,588)	-	219,082	109,027	291,521	273,251	188,291	26,961	(4,169)	22,792	(150,000)	625,855
CASH FLOWS FROM INVESTING ACTIVITIES												
Purchase of property and equipment	(34,588)	-	-	-	(34,588)	-	-	-	-	-	-	(34,588)
Proceeds from sale of investments	-	-	305,000	21,571	326,571	-	-	-	-	-	-	326,571
Purchase of investments	-	-	(249,082)	(109,027)	(358,109)	-	(36,081)	-	-	-	-	(394,190)
Net cash provided by (used in) investing activities	(34,588)	-	55,918	(87,456)	(66,126)	-	(36,081)	-	-	-	-	(102,207)
CASH FLOWS FROM FINANCING ACTIVITIES												
Transfers and dividends	282,571	14,000	(275,000)	(21,571)	-	-	(150,000)	-	-	-	150,000	-
Net cash (used in) provided by financing activities	282,571	14,000	(275,000)	(21,571)	-	-	(150,000)	-	-	-	150,000	-
NET INCREASE (DECREASE) ON CASH, CASH EQUIVALENTS AND RESTRICTED CASH	211,395	14,000	-	-	225,395	273,251	2,210	26,961	(4,169)	22,792	-	523,648
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH:												
Beginning	2,405,068	36,072	-	-	2,441,140	1,261	264,608	150,128	135,591	285,719	-	2,992,728
Ending	\$ 2,616,463	\$ 50,072	\$ -	\$ -	\$ 2,666,535	\$ 274,512	\$ 266,818	\$ 177,089	\$ 131,422	\$ 308,511	\$ -	\$ 3,516,376

The accompanying notes are an integral part of these schedules.

NEW YORK STATE DENTAL ASSOCIATION

Schedule III

CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restriction				Donor Restricted	NYSDA Total	Donor Restricted	Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total	Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund		NYSDAPAC Total	NYSDA Support Services, Inc.	NYSD Foundation	NYSD Foundation	Total NYSD Foundation		
CASH FLOWS FROM OPERATING ACTIVITIES													
Change in net assets	\$ (1,124,868)	\$ (11,932)	\$ 828,348	\$ 75,473	\$ (25,685)	\$ (258,664)	\$ 37,183	\$ 244,735	\$ (35,836)	\$ (4,452)	\$ (40,288)	\$ (150,000)	\$ (167,034)
Adjustments to reconcile change in net assets to net cash used in operating activities:													
Depreciation and amortization	53,240	-	-	-	-	53,240	-	-	-	-	-	-	53,240
Deferred tax expense	-	-	-	-	-	-	-	35,114	-	-	-	-	35,114
Loss on disposal of property and equipment	1,245	-	-	-	-	1,245	-	-	-	-	-	-	1,245
Net unrealized and realized gains on investments	-	-	(636,114)	(28,930)	-	(665,044)	-	(127,687)	-	-	-	-	(792,731)
Changes in:													
Receivables	98,771	12,723	-	-	-	111,494	(35,922)	(19,511)	40,023	29	40,052	35,922	132,035
Pledges receivable	-	-	-	-	-	-	-	-	(225)	8,553	8,328	-	8,328
Prepaid taxes	-	-	-	-	-	-	-	(17,455)	-	-	-	-	(17,455)
Prepaid expenses and other current assets	(9,242)	-	-	-	-	(9,242)	-	-	(238)	(7,793)	(8,031)	-	(17,273)
Dues payable	(926,671)	-	-	-	-	(926,671)	-	-	-	-	-	-	(926,671)
Accounts payable - vendors	(38,694)	-	-	-	-	(38,694)	-	3,464	271	4,410	4,681	-	(30,549)
Accounts payable - other	(225,188)	-	-	-	-	(225,188)	-	250	2,246	(2)	2,244	(35,922)	(258,616)
Income taxes payable	27,993	-	-	-	-	27,993	-	(33,672)	-	-	-	-	(5,679)
Unearned membership dues	(804,703)	-	-	-	-	(804,703)	-	-	-	-	-	-	(804,703)
Other unearned income	(1,477)	-	-	-	-	(1,477)	-	-	(4,196)	-	(4,196)	-	(5,673)
Accrued retirement obligations	22,616	-	-	-	-	22,616	-	-	(20,164)	-	(20,164)	-	2,452
Severance payable	330,913	-	-	-	-	330,913	-	-	-	-	-	-	330,913
Lease liability	(4,743)	-	-	-	-	(4,743)	-	-	-	-	-	-	(4,743)
Net cash used in (provided by) operating activities	(2,600,808)	791	192,234	46,543	(25,685)	(2,386,925)	1,261	85,238	(18,119)	745	(17,374)	(150,000)	(2,467,800)
CASH FLOWS FROM INVESTING ACTIVITIES													
Purchase of property and equipment	(21,571)	-	-	-	-	(21,571)	-	-	-	-	-	-	(21,571)
Proceeds from sale of investments	-	-	305,000	-	-	305,000	-	-	-	-	-	-	305,000
Purchase of investments	-	-	(222,234)	(46,543)	-	(268,777)	-	(29,845)	-	-	-	-	(298,622)
Net cash provided by (used in) investing activities	(21,571)	-	82,766	(46,543)	-	14,652	-	(29,845)	-	-	-	-	(15,193)
CASH FLOWS FROM FINANCING ACTIVITIES													
Transfers and dividends	275,000	-	(275,000)	-	-	-	-	(150,000)	-	-	-	150,000	-
Net cash (used in) provided by financing activities	275,000	-	(275,000)	-	-	-	-	(150,000)	-	-	-	150,000	-
NET INCREASE (DECREASE) ON CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(2,347,379)	791	-	-	(25,685)	(2,372,273)	1,261	(94,607)	(18,119)	745	(17,374)	-	(2,482,993)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH:													
Beginning	4,752,447	35,281	-	-	25,685	4,813,413	-	359,215	168,247	134,846	303,093	-	5,475,721
Ending	\$ 2,405,068	\$ 36,072	\$ -	\$ -	\$ -	\$ 2,441,140	\$ 1,261	\$ 264,608	\$ 150,128	\$ 135,591	\$ 285,719	\$ -	\$ 2,992,728

The accompanying notes are an integral part of these schedules.

NEW YORK STATE DENTAL ASSOCIATION



**CONSOLIDATED FINANCIAL STATEMENTS
AND
CONSOLIDATING INFORMATION**

Years ended December 31, 2024 and 2023

NEW YORK STATE DENTAL ASSOCIATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
New York State Dental Association

Opinion

We have audited the accompanying consolidated financial statements of New York State Dental Association (NYSDA) (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities and changes in net assets, and cash flows for the years then ended and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New York State Dental Association as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of New York State Dental Foundation as of and for the years ended December 31, 2024 and 2023, a component of NYSDA, which statements reflect total assets of \$366,428 and \$424,149 as of December 31, 2024 and 2023, respectively, and total revenues of \$331,234 and \$435,873 for the years then ended, respectively. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for New York State Dental Foundation, is based solely on the report of the other auditors.

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 Consolidated Financial Statements section of our report. We are required to be independent of New York State Dental Association and to meet our other ethical responsibilities in accordance with the 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 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 New York State Dental Association's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's 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 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 consolidated 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 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 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 New York State Dental Association'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 New York State Dental Association'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.

The logo for UHY LLP, featuring the letters 'UHY' in a large, stylized, cursive font, with 'LLP' in a smaller, simpler font to the right.

Albany, New York
June 23, 2025

**NEW YORK STATE DENTAL ASSOCIATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<u>December 31,</u>	
	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, unrestricted	\$ 2,129,162	\$ 3,685,484
Restricted cash	863,566	1,790,237
Receivables	173,766	253,816
Pledges receivable, current portion	10,725	10,500
Prepaid expenses and other current assets	167,549	150,276
Total current assets	<u>3,344,768</u>	<u>5,890,313</u>
INVESTMENTS	<u>10,735,751</u>	<u>9,949,398</u>
PROPERTY AND EQUIPMENT, net		
Leasehold improvements	516,866	511,378
Furniture and equipment	605,376	611,364
Total	1,122,242	1,122,742
Less accumulated depreciation	<u>1,034,199</u>	<u>1,001,785</u>
Property and equipment, net	<u>88,043</u>	<u>120,957</u>
OTHER ASSETS		
Pledges receivable, due after one year	18,010	26,563
Right of use asset - lease	<u>507,631</u>	<u>668,499</u>
Total assets	<u><u>\$ 14,694,203</u></u>	<u><u>\$ 16,655,730</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Dues payable to American Dental Association	\$ 863,566	\$ 1,790,237
Accounts payable - vendors	62,346	76,536
Accounts payable - other	201,915	424,905
Taxes payable, net	11,681	34,815
Unearned membership dues	565,483	1,370,186
Other unearned income	211,566	217,239
Accrued retirement obligations	328,677	326,225
Severance payable	330,913	-
Lease liability, current portion	<u>169,713</u>	<u>165,610</u>
Total current liabilities	2,745,860	4,405,753
OTHER LIABILITIES		
Deferred tax liability	134,606	99,492
Lease liability, net of current portion	<u>352,147</u>	<u>521,861</u>
Total liabilities	<u>3,232,613</u>	<u>5,027,106</u>
NET ASSETS		
Without donor restriction	11,256,802	11,430,882
With donor restriction	<u>204,788</u>	<u>197,742</u>
Total net assets	<u>11,461,590</u>	<u>11,628,624</u>
Total liabilities and net assets	<u><u>\$ 14,694,203</u></u>	<u><u>\$ 16,655,730</u></u>

See notes to consolidated financial statements.

NEW YORK STATE DENTAL ASSOCIATION
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

	Years Ended December 31,					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES, GAINS AND OTHER SUPPORT						
Membership dues	\$ 3,376,306	\$ -	\$ 3,376,306	\$ 3,377,099	\$ -	\$ 3,377,099
Publication revenue	92,393	-	92,393	128,948	-	128,948
Investment income	1,147,002	-	1,147,002	1,400,931	1	1,400,932
Administration revenue	96,000	-	96,000	91,500	-	91,500
Grant revenue	62,928	46,243	109,171	183,141	36,463	219,604
Legal protection plan revenue	88,605	-	88,605	94,230	-	94,230
Course revenue	51,405	-	51,405	54,725	-	54,725
Other revenue	58,219	-	58,219	64,080	-	64,080
Installment fee income	30,720	-	30,720	29,340	-	29,340
Contributions of financial assets	213,567	73,096	286,663	245,342	51,470	296,812
Contributions of nonfinancial assets	5,216	5,732	10,948	1,400	-	1,400
Insurance royalty and endorsement fees revenue	655,221	-	655,221	603,675	-	603,675
Net assets released from restrictions:						
Satisfaction of restrictions	118,025	(118,025)	-	30,628	(30,628)	-
Total operating revenues, gains and other support	<u>5,995,607</u>	<u>7,046</u>	<u>6,002,653</u>	<u>6,305,039</u>	<u>57,306</u>	<u>6,362,345</u>
EXPENSES						
Program services						
Government relations	367,115	-	367,115	399,910	-	399,910
Public and professional relations	325,291	-	325,291	470,115	-	470,115
Periodicals	651,149	-	651,149	652,183	-	652,183
Professional development	575,881	-	575,881	395,518	-	395,518
Professional support services	599,649	-	599,649	630,369	-	630,369
Personal support services	95,762	-	95,762	135,883	-	135,883
Professional governance	1,270,276	-	1,270,276	1,292,521	-	1,292,521
Total program services	<u>3,885,123</u>	<u>-</u>	<u>3,885,123</u>	<u>3,976,499</u>	<u>-</u>	<u>3,976,499</u>
Management and general	2,064,471	-	2,064,471	1,384,674	-	1,384,674
Fundraising	77,119	-	77,119	18,261	-	18,261
Other - Support Services, Inc.	142,974	-	142,974	137,318	-	137,318
Total operating expenses	<u>6,169,687</u>	<u>-</u>	<u>6,169,687</u>	<u>5,516,752</u>	<u>-</u>	<u>5,516,752</u>
Change in net assets	(174,080)	7,046	(167,034)	788,287	57,306	845,593
NET ASSETS, beginning	<u>11,430,882</u>	<u>197,742</u>	<u>11,628,624</u>	<u>10,642,595</u>	<u>140,436</u>	<u>10,783,031</u>
NET ASSETS, ending	<u>\$11,256,802</u>	<u>\$ 204,788</u>	<u>\$11,461,590</u>	<u>\$11,430,882</u>	<u>\$ 197,742</u>	<u>\$11,628,624</u>

See notes to consolidated financial statements.

NEW YORK STATE DENTAL ASSOCIATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (167,034)	\$ 845,593
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	53,240	50,006
Deferred tax expense	35,114	3,076
Loss on disposal	1,245	2,126
Net unrealized and realized gains on investments	(792,731)	(1,157,925)
Changes in:		
Receivables	132,035	(24,575)
Pledges receivable	8,328	(37,063)
Prepaid taxes	(17,455)	21,415
Prepaid expenses and other current assets	(17,273)	(31,512)
Dues payable	(926,671)	(258,724)
Accounts payable - vendors	(30,549)	31,964
Accounts payable - other	(258,616)	(13,343)
Income taxes payable	(5,679)	(908)
Unearned membership dues	(804,703)	(81,388)
Other unearned income	(5,673)	11,187
Accrued retirement obligations	2,452	65,559
Severance payable	330,913	-
Lease liability	(4,743)	(4,743)
Net cash used in operating activities	(2,467,800)	(579,255)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(21,571)	(65,770)
Proceeds from sale of investments	305,000	1,699,528
Purchase of investments	(298,622)	(1,811,598)
Net cash used in investing activities	(15,193)	(177,840)
Net change in cash, cash equivalents, and restricted cash	(2,482,993)	(757,095)
Cash, cash equivalents, and restricted cash:		
Beginning	5,475,721	6,232,816
Ending	\$ 2,992,728	\$ 5,475,721
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for income and unrelated business income taxes	\$ 124,636	\$ 95,358
RECONCILIATION OF CASH AND RESTRICTED CASH TO THE STATEMENTS OF FINANCIAL POSITION:		
Cash and cash equivalents, unrestricted	\$ 2,129,162	\$ 3,685,484
Restricted cash	863,566	1,790,237
	\$ 2,992,728	\$ 5,475,721

See notes to consolidated financial statements.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Operations

New York State Dental Association (“NYSDA”) is an association of members of the dental profession. The objectives of NYSDA are to encourage the improvement of the health of the public, to promote the art and science of dentistry, and to represent the interests of the members of the profession and the public which it serves.

Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of NYSDA, NYSDA's wholly-owned for-profit subsidiary, NYSDA Support Services, Inc. (“Support Services”), the New York State Dental Association Political Action Committee (“NYSDAPAC”) and the New York State Dental Foundation (“Foundation”) and are collectively referred to as the “Association.” NYSDAPAC and the Foundation operate as related but separate entities for which NYSDA provides contributions of both financial and nonfinancial assets. The Board of Trustees of NYSDA has significant oversight of NYSDAPAC and the Foundation, thereby requiring NYSDAPAC and the Foundation to be consolidated.

All significant intercompany accounts and transactions have been eliminated in consolidation.

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 disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Association considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash

Restricted cash represents dues collected by NYSDA on behalf of the American Dental Association (“ADA”) and Association Districts (“Districts”) that have not yet been remitted to the ADA or Districts. Amounts not yet remitted to the ADA or Districts are reported as dues payable in the consolidated statements of financial position.

Investments

Investments, consisting principally of equity securities and shares in mutual funds, are carried at fair value as determined by quoted prices in active markets. Investment income is comprised primarily of interest, dividends and unrealized and realized gains or losses and is reported in the consolidated statements of activities and changes in net assets.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Receivables

Receivables represent amounts due from publication revenue, course revenue, grants, royalty and endorsement fees and other activities.

Income Taxes

The primary income tax position taken by the Association for any years open under the various statutes of limitations are that NYSDA, NYSDAPAC and the Foundation continue to be exempt from income taxes with the exception of unrelated business income (“UBI”) and income generated through Support Services, both of which are subject to income taxes.

The Association follows guidance issued by the Financial Accounting Standards Board (“FASB”) regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the consolidated financial statements and applies to all income tax positions. Each income tax position is assessed using a two-step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the consolidated financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement.

Income taxes are provided for the tax effects of transactions reported in the consolidated financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of investments in Support Services’ for financial and income tax reporting. Deferred taxes represent the future tax return consequences of those differences, which will either be deductible or taxable when the assets and liabilities are recovered or settled. The primary difference between taxable income and net income is attributable to recognition of unrealized gains (losses) on investments for financial accounting purposes.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. The Association has a capitalization policy of \$2,000. Any property and equipment purchased under this capitalization policy threshold are expensed. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are charged to expenses as incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Leasehold improvements	Lesser of lease term or 10 years
Furniture and equipment	3 - 7 years

Depreciation expense was \$53,240 and \$50,006 for the years ended December 31, 2024 and 2023, respectively.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Net Assets

The Association is required to report information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restriction – Net assets resulting from revenues whose use by NYSDA, NYSDAPAC or the Foundation is not subject to donor-imposed restrictions and includes retained earnings of Support Services.

Net assets with donor restriction – Net assets resulting from revenues whose use by NYSDA, NYSDAPAC or the Foundation is limited by donor-imposed stipulations that either expire by passage of time or when the stipulations have been fulfilled.

When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the consolidated statements of activities and changes in net assets as net assets released from restriction.

The net assets with donor restriction of NYSDA, NYSDAPAC and the Foundation include the following:

Campaign Fund – NYSDA maintains a segregated Campaign Fund to support NYSDA members who are candidates for ADA elective office. Contributions to support a NYSDA member's candidacy for ADA elective office are time and purpose restricted until such time as campaign expenses are incurred.

NYSDAPAC – The assets of NYSDAPAC contain time and purpose restrictions to strengthen connections between NYSDA members and the New York State Legislature and support legislative and advocacy efforts.

New York State Dental Foundation – Time and purpose restricted assets of the Foundation are available for programs that help to provide underprivileged children with access to dental care and provide financial assistance to dentists in need of specific medical care. In addition, certain assets are restricted for the Access to Care program.

Revenue Recognition

Membership Dues:

Membership dues are generally remitted to NYSDA on an annual basis. NYSDA also receives annual dues for the ADA and Districts which are subsequently remitted to these entities. NYSDA's performance obligations include providing bundled services to members, including advocacy, professional governance, professional guidance, peer review, making available professional online resources, and facilitating product and service discounts. Membership dues are recognized as income during the membership year, which ends on December 31. Dues received in advance for the following year are reflected as unearned membership dues in the accompanying consolidated statements of financial position. ADA and District dues are not recognized as revenues.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Insurance Royalty and Endorsement Fees:

In the recognition of revenue derived from royalty fees, the Association's primary performance obligation is to provide outside organizations with access to their members. These organizations then sell products or provide services (such as business enterprise, insurance, staffing, payment services, financing, web design, dental products and water solutions) from which the Association derives royalty fees in accordance with terms of agreements with each organization. The Association apply the sales or usage-based royalty exception available under Accounting Standards Codification ("ASC") 606. The exception requires the Association to recognize sales- or usage-based royalties at the later of when the sales or usage occurs, or the performance obligation is satisfied or partially satisfied rather than estimate the royalties subject to the variable consideration guidance and recognize revenue as the performance obligations are satisfied. Amounts collected which apply to subsequent periods are deferred.

Contributions and Grants:

The Association follows the guidance under Accounting Standards Update ("ASU") 2018-08 which provides a framework for evaluating whether grants should be accounted for as exchange transactions (for example, as "contracts with customers" under ASC 606) or as nonexchange transactions. For nonexchange transactions, the guidance clarifies the contribution accounting model's guidance regarding whether arrangements are conditional (and thus, revenue or expense recognition must be deferred until the condition(s) are met) or unconditional (in which case revenue or expense is immediately recognized).

Risks and Uncertainties

Cash

The Association maintains cash balances in financial institutions that may exceed federal depository insurance corporation ("FDIC") limits. Cash balances exceeding FDIC limits totaled approximately \$1,911,000 at December 31, 2024.

Investments

The Association holds investments in mutual funds. Investment securities are exposed to various risks, including interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the financial statements.

Credit

The Association extends unsecured trade credit in connection with the subscriptions for its dental journal.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Reclassifications

Certain items in the prior year financial statements have been reclassified to conform with the current year presentation.

Subsequent Events

The Association has evaluated subsequent events for potential recognition and/or disclosure through June 23, 2025, the date the financial statements were available to be issued.

NOTE 2 — INVESTMENTS

Generally accepted accounting principles defines fair value and provides a framework for measuring fair value using a fair value hierarchy for valuation inputs used in measuring fair value. Level 1 inputs are quoted prices in active markets for identical assets. Investments are measured at fair value on a recurring basis and at December 31, 2024 and 2023, are valued using Level 1 inputs.

Investments consist of the following at December 31:

	2024		2023	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Mutual Funds	<u>\$ 10,735,751</u>	<u>\$ 8,390,941</u>	<u>\$ 9,949,398</u>	<u>\$ 8,265,543</u>

The change in net unrealized and realized gains consists of the following for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Realized gains, net	\$ 131,776	\$ 98,004
Unrealized gains, net	<u>660,955</u>	<u>1,059,921</u>
Total change in unrealized and realized gains, net	<u>\$ 792,731</u>	<u>\$ 1,157,925</u>

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 3 — NET ASSETS

Net assets with donor restrictions consist of the following at December 31:

	<u>2024</u>	<u>2023</u>
Campaign Fund	\$ -	\$ 25,685
NYSDAPAC	37,183	-
Foundation Programs	<u>167,605</u>	<u>172,057</u>
	<u>\$ 204,788</u>	<u>\$ 197,742</u>

Net assets without donor restrictions include board designations for various programs and consist of the following at December 31:

	<u>2024</u>	<u>2023</u>
NYSDA Reserve Fund	\$ 8,285,058	\$ 7,731,710
NYSDA Building Fund	1,073,459	997,986
NYSDA Campaign Fund	36,072	48,004
Undesignated	<u>1,862,213</u>	<u>2,653,182</u>
	<u>\$ 11,256,802</u>	<u>\$ 11,430,882</u>

NOTE 4 — LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Association's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	<u>December 31, 2024</u>
Cash, unrestricted	\$ 2,129,162
Receivables expected to be collected within one year	173,766
Pledges receivable, current portion	10,725
Investments convertible to cash within one year	10,735,751
Less donor-restricted net assets	(204,788)
Less board designations for various programs	<u>(9,394,589)</u>
Total financial assets available to meet general expenditures within one year	<u>\$ 3,450,027</u>

All cash is held in banks and on hand at December 31, 2024. Investments are held in mutual funds. In addition to financial assets currently available, the Association anticipates collecting sufficient revenue to cover any general expenditures not covered by donor-restricted resources.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 5 — RETIREMENT PLAN

NYSDA sponsors a defined contribution retirement plan covering substantially all NYSDA and Foundation employees. NYSDA and the Foundation's contributions to the plan are based on a percentage of employee eligible compensation and relative age, and totaled approximately \$353,000 and \$349,000 for the years ended December 31, 2024 and 2023, respectively. Such amounts are accrued at each year end and are paid in the subsequent year.

NOTE 6 — INCOME TAXES

NYSDA is exempt from taxation under Section 501(c)(6), NYSDAPAC is exempt from taxation under Section 527 and the Foundation is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code ("IRC"). NYSDA's wholly-owned subsidiary, Support Services, is not an exempt entity and its income and any income of NYSDA determined to be unrelated business income are subject to federal and state income taxes ("UBIT"). Support Services' income tax expense is included in Other – Support Services, Inc. expenses in the accompanying consolidated statements of activities and changes in net assets.

The components of current and deferred taxes are as follows for the year ended December 31:

	<u>2024</u>	<u>2023</u>
NYSDA		
UBIT		
Federal	\$ 38,979	\$ 27,261
State	18,357	12,539
Support Services		
Current		
Federal	33,370	58,484
State	10,796	17,581
Deferred expense	35,114	3,076
	<u>\$ 136,616</u>	<u>\$ 118,941</u>

Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of Support Services' assets and liabilities. Differences are primarily attributable to unrecognized gains and losses on marketable securities.

Taxes payable (prepaid) and deferred tax liability consist of the following at December 31:

	<u>2024</u>	<u>2023</u>
Current		
State UBIT	\$ 18,356	\$ 13,274
Federal	129	14,364
State	(6,804)	7,177
Deferred tax liability	134,606	99,492
	<u>\$ 146,287</u>	<u>\$ 134,307</u>

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 6 — INCOME TAXES (Continued)

At December 31, 2024, NYSDA has federal net loss carryforwards (“NOLs”) related to its unrelated business activity totaling approximately \$94,300 that may be offset against future UBI, all of which were generated after the 2017 tax year. For tax years beginning after December 31, 2017, net taxable income for each unrelated trade or business activity must be computed separately. Losses from one activity may only be utilized to offset net UBI against the same type of activity and may not be used to reduce taxable income from another activity. The NOLs generated carry forward indefinitely, but may only be applied against 80% of that activity's net income in any given year.

Management has assessed the Association's income tax positions, and determined that they had no unrecognized tax benefits for the years ended December 31, 2024 and 2023.

NOTE 7 — OPERATING LEASE

NYSDA leases office space under an operating arrangement that runs from January 2018 through December 2027. Annual payments for each of the remaining five years approximate \$180,200 and are subject to future annual adjustments for NYSDA's pro-rata share of maintenance and property tax costs over the term of the lease.

NYSDA has elected to use the risk-free interest rate in determining the present value of the future known lease payments (2.45%). The weighted average remaining lease term was 3 years and 4 years at December 31, 2024 and 2023, respectively. Office lease expense for the years ended December 31, 2024 and 2023 approximated \$175,500 and is included in building and occupancy expense (see Note 9 – Functional Expenses). Accordingly, a Right-of-Use (“ROU”) Asset was recorded for the present value of the future known lease payments and a related lease liability. Obligations under this lease are as follows as of December 31:

<u>Years Ending December 31</u>	<u>Operating</u>
2025	\$ 180,234
2026	180,234
2027	<u>180,234</u>
Total undiscounted cash flows	540,702
Less: present value discount	<u>(18,842)</u>
Total	<u><u>\$ 521,860</u></u>

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 8 — PAYCHECK PROTECTION PROGRAM

In March 2021, NYSDA received loan proceeds of \$394,968 under the Small Business Administration’s (“SBA”) Paycheck Protection Program (“PPP”). NYSDA used the proceeds for purposes consistent with the PPP guidelines and the loan was forgiven in full in August 2021.

According to the rules of the SBA, NYSDA is required to retain PPP loan documentation for six years after the date the loan is forgiven or repaid in full, and permit authorized representatives of the SBA, including representatives of its Office of Inspector General, to access such files upon request. Should the SBA conduct such a review and reject all or some of NYSDA’s judgments pertaining to satisfying PPP loan eligibility or forgiveness conditions, NYSDA may be required to adjust previously reported amounts and disclosures in the financial statements.

NOTE 9 — FUNCTIONAL EXPENSES

Expenses are reported to each program and support function based on actual expense incurred, and are as follows:

	Year Ended December 31, 2024				
	Total Expenses	Program Service Expense	Management and General Expenses	Fundraising	Other
Payroll and benefits	\$ 3,732,619	\$ 2,239,299	\$ 1,449,422	\$ 43,898	\$ -
Travel	659,143	544,298	101,144	13,701	-
Building and occupancy	225,281	149,641	75,640	-	-
Printing and postage	117,476	95,613	19,124	2,739	-
Lobbying	90,000	90,000	-	-	-
Office supplies and equipment	246,894	203,280	36,939	6,675	-
Honoraria	151,088	126,638	24,450	-	-
Contributions	54,787	34,499	20,288	-	-
Miscellaneous	90,311	83,093	7,218	-	-
Legal protection plan	22,430	22,430	-	-	-
Professional services	280,353	126,740	150,330	3,283	-
Business insurance	52,879	37,043	14,679	1,157	-
Promotion	90,331	68,896	16,021	5,414	-
Credit card processing fees	155,785	6,317	149,216	252	-
Income taxes	57,336	57,336	-	-	-
Other - Support Services	142,974	-	-	-	142,974
Total Functional Expenses	<u>\$ 6,169,687</u>	<u>\$ 3,885,123</u>	<u>\$ 2,064,471</u>	<u>\$ 77,119</u>	<u>\$ 142,974</u>

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 9 — FUNCTIONAL EXPENSES (Continued)

	Year Ended December 31, 2023				
	Total Expenses	Program Service Expense	Management and General Expenses	Fundraising	Other
Payroll and benefits	\$ 3,180,669	\$ 2,304,409	\$ 863,244	\$ 13,016	\$ -
Travel	688,256	633,308	54,132	816	-
Building and occupancy	221,377	155,953	64,440	984	-
Printing and postage	157,989	121,714	35,814	461	-
Lobbying	82,700	82,700	-	-	-
Office supplies and equipment	182,327	147,455	33,838	1,034	-
Honoraria	135,584	109,134	26,450	-	-
Contributions	29,958	13,015	16,813	130	-
Miscellaneous	86,801	77,994	8,807	-	-
Legal protection plan	25,868	25,868	-	-	-
Professional services	233,715	159,763	72,426	1,526	-
Business insurance	51,456	37,478	13,778	200	-
Promotion	76,621	61,750	14,871	-	-
Credit card processing fees	186,313	6,158	180,061	94	-
Income taxes	39,800	39,800	-	-	-
Other - Support Services	137,318	-	-	-	137,318
Total Functional Expenses	<u>\$ 5,516,752</u>	<u>\$ 3,976,499</u>	<u>\$ 1,384,674</u>	<u>\$ 18,261</u>	<u>\$ 137,318</u>

Management utilizes certain methods to allocate expenses to the various functional categories. The direct allocation is the preferred method when it is reasonably efficient and management assigns each expense to a functional category based on direct usage. All other expenses are considered management and general expenses. Salaries are allocated based on estimates of employee time spent. Occupancy costs are allocated based on square footage. For other natural expense categories, costs are allocated based on an estimate of the activity within each function.



INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATING INFORMATION

To the Board of Trustees
New York State Dental Association

We have audited the consolidated financial statements of the New York State Dental Association as of and for the year ended December 31, 2024 and 2023, and our report thereon dated June 23, 2025, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules 1, 2 and 3 is presented for the purpose of additional analysis of the consolidated financial statements and it 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 consolidating information has been subjected to the auditing procedures applied in the audit 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 consolidating information, which insofar as it relates to New York State Dental Foundation, is based on the report of other auditors, is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

UHY LLP

Albany, New York
June 23, 2025

CONSOLIDATING INFORMATION

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 1 - CONSOLIDATING FINANCIAL POSITION INFORMATION
December 31, 2024

	Without Donor Restrictions				Donor Restricted		Donor Restricted	Without Donor	Without Donor	Donor Restricted	Total	Adjustments /	
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund	NYSDA Total	NYSDAPAC Total	Restriction NYSDA Support Services, Inc.	Restriction NYSD Foundation	Restriction NYSD Foundation	NYSD Foundation	Eliminations	Consolidated
ASSETS													
CURRENT ASSETS													
Cash and cash equivalents	\$ 1,541,502	\$ 36,072	\$ -	\$ -	\$ -	\$ 1,577,574	\$ 1,261	\$ 264,608	\$ 150,128	\$ 135,591	\$ 285,719	\$ -	\$ 2,129,162
Restricted cash	863,566	-	-	-	-	863,566	-	-	-	-	-	-	863,566
Receivables	84,427	-	-	-	-	84,427	35,922	99,531	37,691	621	38,312	(84,426)	173,766
Pledges receivable, current portion	-	-	-	-	-	-	-	-	725	10,000	10,725	-	10,725
Prepaid taxes	-	-	-	-	-	-	-	17,455	-	-	-	(17,455)	-
Prepaid expenses and other current assets	153,889	-	-	-	-	153,889	-	-	5,867	7,793	13,660	-	167,549
Total current assets	<u>2,643,384</u>	<u>36,072</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,679,456</u>	<u>37,183</u>	<u>381,594</u>	<u>194,411</u>	<u>154,005</u>	<u>348,416</u>	<u>(101,881)</u>	<u>3,344,768</u>
INVESTMENTS	<u>1,000</u>	<u>-</u>	<u>8,285,058</u>	<u>1,073,459</u>	<u>-</u>	<u>9,359,517</u>	<u>-</u>	<u>1,377,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>	<u>10,735,751</u>
PROPERTY AND EQUIPMENT, net													
Leasehold improvements	516,866	-	-	-	-	516,866	-	-	-	-	-	-	516,866
Furniture and equipment	570,376	-	-	-	-	570,376	-	-	35,000	-	35,000	-	605,376
Total	1,087,242	-	-	-	-	1,087,242	-	-	35,000	-	35,000	-	1,122,242
Less accumulated depreciation	999,199	-	-	-	-	999,199	-	-	35,000	-	35,000	-	1,034,199
Total property and equipment	<u>88,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,043</u>
OTHER ASSETS													
Pledges receivable	-	-	-	-	-	-	-	-	-	18,010	18,010	-	18,010
Right of use asset - lease	507,631	-	-	-	-	507,631	-	-	-	-	-	-	507,631
Total assets	<u>\$ 3,240,058</u>	<u>\$ 36,072</u>	<u>\$ 8,285,058</u>	<u>\$ 1,073,459</u>	<u>\$ -</u>	<u>\$ 12,634,647</u>	<u>\$ 37,183</u>	<u>\$ 1,758,828</u>	<u>\$ 194,411</u>	<u>\$ 172,015</u>	<u>\$ 366,426</u>	<u>\$ (102,881)</u>	<u>\$ 14,694,203</u>
LIABILITIES AND NET ASSETS													
CURRENT LIABILITIES													
Dues payable	\$ 863,566	\$ -	\$ -	\$ -	\$ -	\$ 863,566	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 863,566
Accounts payable - vendors	40,335	-	-	-	-	40,335	-	11,847	5,754	4,410	10,164	-	62,346
Accounts payable - other	258,638	-	-	-	-	258,638	-	23,750	3,953	-	3,953	(84,426)	201,915
Taxes payable	29,136	-	-	-	-	29,136	-	-	-	-	-	(17,455)	11,681
Unearned membership dues	565,483	-	-	-	-	565,483	-	-	-	-	-	-	565,483
Other unearned income	211,066	-	-	-	-	211,066	-	-	500	-	500	-	211,566
Accrued retirement obligations	322,537	-	-	-	-	322,537	-	-	6,140	-	6,140	-	328,677
Severance payable	330,913	-	-	-	-	330,913	-	-	-	-	-	-	330,913
Dividends payable	-	-	-	-	-	-	-	150,000	-	-	-	(150,000)	-
Lease liability - current portion	169,713	-	-	-	-	169,713	-	-	-	-	-	-	169,713
Total current liabilities	<u>2,791,387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,791,387</u>	<u>-</u>	<u>185,597</u>	<u>16,347</u>	<u>4,410</u>	<u>20,757</u>	<u>(251,881)</u>	<u>2,745,860</u>
OTHER LIABILITIES													
Deferred tax liability	-	-	-	-	-	-	-	134,606	-	-	-	-	134,606
Lease liability	352,147	-	-	-	-	352,147	-	-	-	-	-	-	352,147
Total liabilities	<u>3,143,534</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,143,534</u>	<u>-</u>	<u>320,203</u>	<u>16,347</u>	<u>4,410</u>	<u>20,757</u>	<u>(251,881)</u>	<u>3,232,613</u>
CAPITAL STOCK													
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>
NET ASSETS													
Without donor restriction	96,524	36,072	8,285,058	1,073,459	-	9,491,113	-	1,437,625	178,064	-	178,064	150,000	11,256,802
With donor restriction	-	-	-	-	-	-	37,183	-	-	167,605	167,605	-	204,788
Total net assets	<u>96,524</u>	<u>36,072</u>	<u>8,285,058</u>	<u>1,073,459</u>	<u>-</u>	<u>9,491,113</u>	<u>37,183</u>	<u>1,437,625</u>	<u>178,064</u>	<u>167,605</u>	<u>345,669</u>	<u>150,000</u>	<u>11,461,590</u>
Total liabilities and net assets	<u>\$ 3,240,058</u>	<u>\$ 36,072</u>	<u>\$ 8,285,058</u>	<u>\$ 1,073,459</u>	<u>\$ -</u>	<u>\$ 12,634,647</u>	<u>\$ 37,183</u>	<u>\$ 1,758,828</u>	<u>\$ 194,411</u>	<u>\$ 172,015</u>	<u>\$ 366,426</u>	<u>\$ (102,881)</u>	<u>\$ 14,694,203</u>

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 1 - CONSOLIDATING FINANCIAL POSITION INFORMATION
December 31, 2023

	Without Donor Restrictions				Donor Restricted			Without Donor Restrictions	Without Donor Restrictions	Donor Restricted	Total	Adjustments /	
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund	NYSDA Eliminations	NYSDA Total	NYSDA Support Services, Inc.	NYS Foundation	NYS Foundation	NYS Foundation	Eliminations	Consolidated
ASSETS													
CURRENT ASSETS													
Cash and cash equivalents	\$ 2,962,210	\$ 35,281	\$ -	\$ -	\$ 25,685	\$ -	\$ 3,023,176	\$ 359,215	\$ 168,247	\$ 134,846	\$ 303,093	\$ -	\$ 3,685,484
Restricted cash	1,790,237	-	-	-	-	-	1,790,237	-	-	-	-	-	1,790,237
Receivables	183,198	12,723	-	-	-	(12,723)	183,198	80,020	77,714	650	78,364	(87,766)	253,816
Pledges receivable, current portion	-	-	-	-	-	-	-	-	500	10,000	10,500	-	10,500
Prepaid expenses	144,647	-	-	-	-	-	144,647	-	5,629	-	5,629	-	150,276
Total current assets	5,080,292	48,004	-	-	25,685	(12,723)	5,141,258	439,235	252,090	145,496	397,586	(87,766)	5,890,313
INVESTMENTS	1,000	-	7,731,710	997,986	-	-	8,730,696	1,219,702	-	-	-	(1,000)	9,949,398
PROPERTY AND EQUIPMENT, net													
Leasehold improvements	511,378	-	-	-	-	-	511,378	-	-	-	-	-	511,378
Furniture and equipment	576,364	-	-	-	-	-	576,364	-	35,000	-	35,000	-	611,364
Total	1,087,742	-	-	-	-	-	1,087,742	-	35,000	-	35,000	-	1,122,742
Less accumulated depreciation	966,785	-	-	-	-	-	966,785	-	35,000	-	35,000	-	1,001,785
Total property and equipment	120,957	-	-	-	-	-	120,957	-	-	-	-	-	120,957
OTHER ASSETS													
Pledges receivable	-	-	-	-	-	-	-	-	-	26,563	26,563	-	26,563
Right of use asset - lease	668,499	-	-	-	-	-	668,499	-	-	-	-	-	668,499
Total assets	\$ 5,870,748	\$ 48,004	\$ 7,731,710	\$ 997,986	\$ 25,685	\$ (12,723)	\$ 14,661,410	\$ 1,658,937	\$ 252,090	\$ 172,059	\$ 424,149	\$ (88,766)	\$ 16,655,730
LIABILITIES AND NET ASSETS													
CURRENT LIABILITIES													
Dues payable	\$ 1,790,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,790,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,790,237
Accounts payable - vendors	79,029	-	-	-	-	(12,723)	66,306	8,383	5,483	-	5,483	(3,636)	76,536
Accounts payable - other	483,826	-	-	-	-	-	483,826	23,500	1,707	2	1,709	(84,130)	424,905
Taxes payable	1,143	-	-	-	-	-	1,143	33,672	-	-	-	-	34,815
Unearned membership dues	1,370,186	-	-	-	-	-	1,370,186	-	-	-	-	-	1,370,186
Other unearned income	212,543	-	-	-	-	-	212,543	-	4,696	-	4,696	-	217,239
Accrued retirement obligations	299,921	-	-	-	-	-	299,921	-	26,304	-	26,304	-	326,225
Dividends payable	-	-	-	-	-	-	-	150,000	-	-	-	(150,000)	-
Lease liability - current portion	165,610	-	-	-	-	-	165,610	-	-	-	-	-	165,610
Total current liabilities	4,402,495	-	-	-	-	(12,723)	4,389,772	215,555	38,190	2	38,192	(237,766)	4,405,753
OTHER LIABILITIES													
Deferred tax liability	-	-	-	-	-	-	-	99,492	-	-	-	-	99,492
Lease liability	521,861	-	-	-	-	-	521,861	-	-	-	-	-	521,861
Total liabilities	4,924,356	-	-	-	-	(12,723)	4,911,633	315,047	38,190	2	38,192	(237,766)	5,027,106
CAPITAL STOCK													
	-	-	-	-	-	-	-	1,000	-	-	-	(1,000)	-
NET ASSETS													
Without donor restriction	946,392	48,004	7,731,710	997,986	-	-	9,724,092	1,342,890	213,900	-	213,900	150,000	11,430,882
With donor restriction	-	-	-	-	25,685	-	25,685	-	-	172,057	172,057	-	197,742
Total net assets	946,392	48,004	7,731,710	997,986	25,685	-	9,749,777	1,342,890	213,900	172,057	385,957	150,000	11,628,624
Total liabilities and net assets	\$ 5,870,748	\$ 48,004	\$ 7,731,710	\$ 997,986	\$ 25,685	\$ (12,723)	\$ 14,661,410	\$ 1,658,937	\$ 252,090	\$ 172,059	\$ 424,149	\$ (88,766)	\$ 16,655,730

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 2 - CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS INFORMATION
Year Ended December 31, 2024

	Without Donor Restriction				Donor Restricted	NYSDA Total	Without Donor Restriction	Donor Restricted	NYSADAPAC Total	Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total NYSD Foundation	Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund		NYSADAPAC	NYSADAPAC		NYSAD Support Services, Inc.	NYSD Foundation	NYSD Foundation			
OPERATING REVENUES, GAINS AND OTHER SUPPORT															
Membership dues	\$ 3,376,306	\$ -	\$ -	\$ -	\$ -	\$ 3,376,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,376,306
Publication revenue	92,393	-	-	-	-	92,393	-	-	-	-	-	-	-	-	92,393
Investment income (loss), net	218,679	-	828,348	75,473	-	1,122,500	-	-	-	166,533	7,969	-	7,969	(150,000)	1,147,002
Administration revenue	191,000	-	-	-	-	191,000	-	-	-	-	-	-	-	(95,000)	96,000
Grant revenue	62,928	-	-	-	-	62,928	-	-	-	-	-	-	-	-	109,171
Legal protection program revenue	88,605	-	-	-	-	88,605	-	-	-	-	-	46,243	46,243	-	88,605
Course revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51,405
Other revenue	58,219	-	-	-	-	58,219	-	-	-	-	-	-	-	-	58,219
Installment fee income	30,720	-	-	-	-	30,720	-	-	-	-	-	-	-	-	30,720
Contributions of financial assets	32,000	-	-	-	25,675	57,675	-	37,245	37,245	-	184,067	10,176	194,243	(2,500)	286,663
Contributions of nonfinancial assets	-	-	-	-	-	-	-	-	-	-	25,642	5,732	31,374	(20,426)	10,948
Insurance royalty and endorsement fees revenue	339,045	-	-	-	-	339,045	-	-	-	316,176	-	-	-	-	655,221
Net assets released from restrictions:															
Satisfaction of restrictions	63,292	(11,932)	-	-	(51,360)	-	62	(62)	-	-	66,603	(66,603)	-	-	-
Total operating revenues, gains (losses) and other support	4,553,187	(11,932)	828,348	75,473	(25,685)	5,419,391	62	37,183	37,245	482,709	335,686	(4,452)	331,234	(267,926)	6,002,653
OPERATING EXPENSES															
PROGRAM SERVICE															
Government relations	367,115	-	-	-	-	367,115	-	-	-	-	-	-	-	-	367,115
Public and professional relations	325,291	-	-	-	-	325,291	-	-	-	-	-	-	-	-	325,291
Periodicals	651,149	-	-	-	-	651,149	-	-	-	-	-	-	-	-	651,149
Professional development	376,411	-	-	-	-	376,411	-	-	-	-	208,322	-	208,322	(8,852)	575,881
Professional support services	599,649	-	-	-	-	599,649	-	-	-	-	-	-	-	-	599,649
Personal support services	95,762	-	-	-	-	95,762	-	-	-	-	-	-	-	-	95,762
Professional governance	1,270,276	-	-	-	-	1,270,276	-	-	-	-	-	-	-	-	1,270,276
Total program services	3,685,653	-	-	-	-	3,685,653	-	-	-	-	208,322	-	208,322	(8,852)	3,885,123
MANAGEMENT AND GENERAL															
Administration	1,992,402	-	-	-	-	1,992,402	62	-	62	-	82,757	-	82,757	(10,750)	2,064,471
FUNDRAISING															
	-	-	-	-	-	-	-	-	-	-	80,443	-	80,443	(3,324)	77,119
OTHER															
NYSDA Support Services, Inc.	-	-	-	-	-	-	-	-	-	237,974	-	-	-	(95,000)	142,974
Total operating expenses	5,678,055	-	-	-	-	5,678,055	62	-	62	237,974	371,522	-	371,522	(117,926)	6,169,687
CHANGE IN NET ASSETS	(1,124,868)	(11,932)	828,348	75,473	(25,685)	(258,664)	-	37,183	37,183	244,735	(35,836)	(4,452)	(40,288)	(150,000)	(167,034)
NET ASSETS - BEGINNING OF YEAR	946,392	48,004	7,731,710	997,986	25,685	9,749,777	-	-	-	1,342,890	213,900	172,057	385,957	150,000	11,628,624
TRANSFERS AND DIVIDENDS	275,000	-	(275,000)	-	-	-	-	-	-	(150,000)	-	-	-	150,000	-
NET ASSETS - END OF YEAR	\$ 96,524	\$ 36,072	\$ 8,285,058	\$ 1,073,459	\$ -	\$ 9,491,113	\$ -	\$ 37,183	\$ 37,183	\$ 1,437,625	\$ 178,064	\$ 167,605	\$ 345,669	\$ 150,000	\$ 11,461,590

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 2 - CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS INFORMATION
Year Ended December 31, 2023

	Without Donor Restriction				Donor Restricted	NYSDA Total	Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total NYSD Foundation	Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund		NYSDA Support Services, Inc.	NYSD Foundation	NYSD Foundation			
OPERATING REVENUES, GAINS AND OTHER SUPPORT												
Membership dues	\$ 3,377,099	\$ -	\$ -	\$ -	\$ -	\$ 3,377,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,377,099
Publication revenue	128,948	-	-	-	-	128,948	-	-	-	-	-	128,948
Investment income (loss), net	186,959	3	1,052,319	121,403	-	1,360,684	189,629	618	1	619	(150,000)	1,400,932
Administration revenue	185,500	-	-	-	-	185,500	-	100,000	-	100,000	(194,000)	91,500
Grant revenue	183,141	-	-	-	-	183,141	-	-	36,463	36,463	-	219,604
Legal protection program revenue	94,230	-	-	-	-	94,230	-	-	-	-	-	94,230
Course revenue	-	-	-	-	-	-	-	54,725	-	54,725	-	54,725
Other revenue	64,032	-	-	-	-	64,032	-	48	-	48	-	64,080
Installment fee income	29,340	-	-	-	-	29,340	-	-	-	-	-	29,340
Contributions of financial assets	44,210	-	-	-	37,950	82,160	-	201,132	13,520	214,652	-	296,812
Contributions of nonfinancial assets	-	-	-	-	-	-	-	29,366	-	29,366	(27,966)	1,400
Insurance royalty and endorsement fees revenue	314,244	-	-	-	-	314,244	289,431	-	-	-	-	603,675
Net assets released from restrictions:												
Satisfaction of restrictions	14,265	(2,000)	-	-	(12,265)	-	-	18,363	(18,363)	-	-	-
Total operating revenues, gains (losses) and other support	<u>4,621,968</u>	<u>(1,997)</u>	<u>1,052,319</u>	<u>121,403</u>	<u>25,685</u>	<u>5,819,378</u>	<u>479,060</u>	<u>404,252</u>	<u>31,621</u>	<u>435,873</u>	<u>(371,966)</u>	<u>6,362,345</u>
OPERATING EXPENSES												
PROGRAM SERVICE												
Government relations	399,910	-	-	-	-	399,910	-	-	-	-	-	399,910
Public and professional relations	470,115	-	-	-	-	470,115	-	-	-	-	-	470,115
Periodicals	652,183	-	-	-	-	652,183	-	-	-	-	-	652,183
Professional development	271,656	-	-	-	-	271,656	-	240,325	-	240,325	(116,463)	395,518
Professional support services	630,369	-	-	-	-	630,369	-	-	-	-	-	630,369
Personal support services	135,883	-	-	-	-	135,883	-	-	-	-	-	135,883
Professional governance	1,292,521	-	-	-	-	1,292,521	-	-	-	-	-	1,292,521
Total program services	<u>3,852,637</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,852,637</u>	<u>-</u>	<u>240,325</u>	<u>-</u>	<u>240,325</u>	<u>(116,463)</u>	<u>3,976,499</u>
MANAGEMENT AND GENERAL												
Administration	1,268,019	-	-	-	-	1,268,019	-	128,158	-	128,158	(11,503)	1,384,674
FUNDRAISING												
	-	-	-	-	-	-	-	18,261	-	18,261	-	18,261
OTHER												
NYSDA Support Services, Inc.	-	-	-	-	-	-	231,318	-	-	-	(94,000)	137,318
Total operating expenses	<u>5,120,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,120,656</u>	<u>231,318</u>	<u>386,744</u>	<u>-</u>	<u>386,744</u>	<u>(221,966)</u>	<u>5,516,752</u>
CHANGE IN NET ASSETS	(498,688)	(1,997)	1,052,319	121,403	25,685	698,722	247,742	17,508	31,621	49,129	(150,000)	845,593
NET ASSETS - BEGINNING OF YEAR	1,619,975	45,666	6,454,391	931,023	-	9,051,055	1,245,148	196,392	140,436	336,828	150,000	10,783,031
TRANSFERS AND DIVIDENDS	(174,895)	4,335	225,000	(54,440)	-	-	(150,000)	-	-	-	150,000	-
NET ASSETS - END OF YEAR	<u>\$ 946,392</u>	<u>\$ 48,004</u>	<u>\$ 7,731,710</u>	<u>\$ 997,986</u>	<u>\$ 25,685</u>	<u>\$ 9,749,777</u>	<u>\$ 1,342,890</u>	<u>\$ 213,900</u>	<u>\$ 172,057</u>	<u>\$ 385,957</u>	<u>\$ 150,000</u>	<u>\$11,628,624</u>

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 3 - CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION
Year Ended December 31, 2024

	Without Donor Restrictions				Donor Restricted	NYSDA Total	Donor Restricted	Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total NYSD Foundation	Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund		NYSDAPAC Total	NYSDA Support Services, Inc.	NYSD Foundation	NYSD Foundation			
CASH FLOWS FROM OPERATING ACTIVITIES													
Change in net assets	\$(1,124,868)	\$ (11,932)	\$ 828,348	\$ 75,473	\$ (25,685)	\$ (258,664)	\$ 37,183	\$ 244,735	\$ (35,836)	\$ (4,452)	\$ (40,288)	\$ (150,000)	\$ (167,034)
Adjustments to reconcile change in net assets to net cash used in operating activities:													
Depreciation and amortization	53,240	-	-	-	-	53,240	-	-	-	-	-	-	53,240
Deferred tax expense	-	-	-	-	-	-	-	35,114	-	-	-	-	35,114
Loss on disposal of property and equipment	1,245	-	-	-	-	1,245	-	-	-	-	-	-	1,245
Net unrealized and realized gains on investments	-	-	(636,114)	(28,930)	-	(665,044)	-	(127,687)	-	-	-	-	(792,731)
Changes in:													
Receivable	98,771	12,723	-	-	-	111,494	(35,922)	(19,511)	40,023	29	40,052	35,922	132,035
Pledges receivable	-	-	-	-	-	-	-	-	(225)	8,553	8,328	-	8,328
Prepaid taxes	-	-	-	-	-	-	-	(17,455)	-	-	-	-	(17,455)
Prepaid expenses and other current assets	(9,242)	-	-	-	-	(9,242)	-	-	(238)	(7,793)	(8,031)	-	(17,273)
Dues payable	(926,671)	-	-	-	-	(926,671)	-	-	-	-	-	-	(926,671)
Accounts payable - vendors	(38,694)	-	-	-	-	(38,694)	-	3,464	271	4,410	4,681	-	(30,549)
Accounts payable - other	(225,188)	-	-	-	-	(225,188)	-	250	2,246	(2)	2,244	(35,922)	(258,616)
Income taxes payable	27,993	-	-	-	-	27,993	-	(33,672)	-	-	-	-	(5,679)
Unearned membership dues	(804,703)	-	-	-	-	(804,703)	-	-	-	-	-	-	(804,703)
Other unearned income	(1,477)	-	-	-	-	(1,477)	-	-	(4,196)	-	(4,196)	-	(5,673)
Accrued retirement obligations	22,616	-	-	-	-	22,616	-	-	(20,164)	-	(20,164)	-	2,452
Severance payable	330,913	-	-	-	-	330,913	-	-	-	-	-	-	330,913
Lease liability	(4,743)	-	-	-	-	(4,743)	-	-	-	-	-	-	(4,743)
Net cash used in (provided by) operating activities	<u>(2,600,808)</u>	<u>791</u>	<u>192,234</u>	<u>46,543</u>	<u>(25,685)</u>	<u>(2,386,925)</u>	<u>1,261</u>	<u>85,238</u>	<u>(18,119)</u>	<u>745</u>	<u>(17,374)</u>	<u>(150,000)</u>	<u>(2,467,800)</u>
CASH FLOWS FROM INVESTING ACTIVITIES													
Purchase of property and equipment	(21,571)	-	-	-	-	(21,571)	-	-	-	-	-	-	(21,571)
Proceeds from sale of investments	-	-	305,000	-	-	305,000	-	-	-	-	-	-	305,000
Purchase of investments	-	-	(222,234)	(46,543)	-	(268,777)	-	(29,845)	-	-	-	-	(298,622)
Net cash provided by (used in) investing activities	<u>(21,571)</u>	<u>-</u>	<u>82,766</u>	<u>(46,543)</u>	<u>-</u>	<u>14,652</u>	<u>-</u>	<u>(29,845)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,193)</u>
CASH FLOWS FROM FINANCING ACTIVITIES													
Transfers and dividends	275,000	-	(275,000)	-	-	-	-	(150,000)	-	-	-	150,000	-
Net cash (used in) provided by financing activities	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	<u>(2,347,379)</u>	<u>791</u>	<u>-</u>	<u>-</u>	<u>(25,685)</u>	<u>(2,372,273)</u>	<u>1,261</u>	<u>(94,607)</u>	<u>(18,119)</u>	<u>745</u>	<u>(17,374)</u>	<u>-</u>	<u>(2,482,993)</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH:													
Beginning	4,752,447	35,281	-	-	25,685	4,813,413	-	359,215	168,247	134,846	303,093	-	5,475,721
Ending	<u>\$ 2,405,068</u>	<u>\$ 36,072</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,441,140</u>	<u>\$ 1,261</u>	<u>\$ 264,608</u>	<u>\$ 150,128</u>	<u>\$ 135,591</u>	<u>\$ 285,719</u>	<u>\$ -</u>	<u>\$ 2,992,728</u>

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 3 - CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION
Year Ended December 31, 2023

	Without Donor Restriction				Donor	NYSDA	NYSDA	Without	Without	Donor	Total	Eliminations	Consolidated
	General	Campaign	Reserve	Building	Restricted			Restriction	Restriction	Restricted			
	Fund	Fund	Fund	Fund	Campaign	Eliminations	Total	NYSDA Support	NYSD	NYSD	Foundation	Eliminations	
					Fund			Services, Inc.	Foundation	Foundation			
CASH FLOWS FROM OPERATING ACTIVITIES													
Change in net assets	\$ (498,688)	\$ (1,997)	\$ 1,052,319	\$ 121,403	\$ 25,685	\$ -	\$ 698,722	\$ 247,742	\$ 17,508	\$ 31,621	\$ 49,129	\$ (150,000)	\$ 845,593
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:													
Depreciation and amortization	50,006	-	-	-	-	-	50,006	-	-	-	-	-	50,006
Deferred tax expense	-	-	-	-	-	-	-	3,076	-	-	-	-	3,076
Loss on disposal	2,126	-	-	-	-	-	2,126	-	-	-	-	-	2,126
Net unrealized and realized gains on investments	-	-	(897,936)	(101,411)	-	-	(999,347)	(158,578)	-	-	-	-	(1,157,925)
Changes in:													
Receivable	2,494	(12,723)	-	-	-	12,723	2,494	(16,188)	(14,731)	3,850	(10,881)	-	(24,575)
Pledges receivable	-	-	-	-	-	-	-	-	(500)	(36,563)	(37,063)	-	(37,063)
Prepaid taxes	-	-	-	-	-	-	-	21,415	-	-	-	-	21,415
Prepaid expenses	(29,988)	-	-	-	-	-	(29,988)	-	(1,524)	-	(1,524)	-	(31,512)
Dues payable	(258,724)	-	-	-	-	-	(258,724)	-	-	-	-	-	(258,724)
Accounts payable - vendors	51,217	-	-	-	-	(12,723)	38,494	(5,508)	(531)	(491)	(1,022)	-	31,964
Accounts payable - other	(2,320)	-	-	-	-	-	(2,320)	-	(11,023)	-	(11,023)	-	(13,343)
Income taxes payable	(34,580)	-	-	-	-	-	(34,580)	33,672	-	-	-	-	(908)
Unearned membership dues	(81,388)	-	-	-	-	-	(81,388)	-	-	-	-	-	(81,388)
Other unearned income	11,487	-	-	-	-	-	11,487	-	(300)	-	(300)	-	11,187
Accrued retirement obligations	75,269	-	-	-	-	-	75,269	-	(9,710)	-	(9,710)	-	65,559
Lease liability	(4,743)	-	-	-	-	-	(4,743)	-	-	-	-	-	(4,743)
Net cash provided by (used in) operating activities	(717,832)	(14,720)	154,383	19,992	25,685	-	(532,492)	125,631	(20,811)	(1,583)	(22,394)	(150,000)	(579,255)
CASH FLOWS FROM INVESTING ACTIVITIES													
Purchase of property and equipment	(65,770)	-	-	-	-	-	(65,770)	-	-	-	-	-	(65,770)
Proceeds from sale of investments	-	-	1,107,944	54,440	-	-	1,162,384	537,144	-	-	-	-	1,699,528
Purchase of investments	-	-	(1,487,327)	(19,992)	-	-	(1,507,319)	(304,279)	-	-	-	-	(1,811,598)
Net cash (used in) provided by investing activities	(65,770)	-	(379,383)	34,448	-	-	(410,705)	232,865	-	-	-	-	(177,840)
CASH FLOWS FROM FINANCING ACTIVITIES													
Transfers and dividends	(174,895)	4,335	225,000	(54,440)	-	-	-	(150,000)	-	-	-	150,000	-
Net cash (used in) provided by financing activities	(174,895)	4,335	225,000	(54,440)	-	-	-	(150,000)	-	-	-	150,000	-
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(958,497)	(10,385)	-	-	25,685	-	(943,197)	208,496	(20,811)	(1,583)	(22,394)	-	(757,095)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH:													
Beginning	5,710,944	45,666	-	-	-	-	5,756,610	150,719	189,058	136,429	325,487	-	6,232,816
Ending	\$ 4,752,447	\$ 35,281	\$ -	\$ -	\$ 25,685	\$ -	\$ 4,813,413	\$ 359,215	\$ 168,247	\$ 134,846	\$ 303,093	\$ -	\$ 5,475,721

NEW YORK STATE DENTAL ASSOCIATION



**CONSOLIDATED FINANCIAL STATEMENTS
AND
CONSOLIDATING INFORMATION**

Years ended December 31, 2023 and 2022

DRAFT

NEW YORK STATE DENTAL ASSOCIATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
New York State Dental Association

Opinion

We have audited the accompanying consolidated financial statements of New York State Dental Association (NYSDA) (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities and changes in net assets, and cash flows for the years then ended and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New York State Dental Association as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of New York State Dental Foundation as of and for the year ended December 31, 2023, a component of NYSDA, which statements reflect total assets of \$424,149 as of December 31, 2023, and total revenues of \$435,873 for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for New York State Dental Foundation, is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are required to be independent of New York State Dental Association and to meet our other ethical responsibilities in accordance with the 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 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 New York State Dental Association's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's 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 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 consolidated 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 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 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 New York State Dental Association '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 New York State Dental Association'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.

Albany, New York
April __, 2024

NEW YORK STATE DENTAL ASSOCIATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, unrestricted	\$ 3,685,484	\$ 4,183,855
Restricted cash	1,790,237	2,048,961
Receivables	253,816	223,981
Pledges receivable, current portion	10,500	-
Prepaid expenses	150,276	118,764
Total current assets	<u>5,890,313</u>	<u>6,575,561</u>
INVESTMENTS	<u>9,949,398</u>	<u>8,679,403</u>
PROPERTY AND EQUIPMENT, net		
Leasehold improvements	511,378	470,061
Furniture and equipment	611,364	597,465
Total	1,122,742	1,067,526
Less accumulated depreciation	1,001,785	960,207
Property and equipment, net	<u>120,957</u>	<u>107,319</u>
OTHER ASSETS		
Pledges receivable	26,563	-
Right of use asset - lease	668,499	825,362
Total assets	<u>\$ 16,655,730</u>	<u>\$ 16,187,645</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Dues payable	\$ 1,790,237	\$ 2,048,961
Accounts payable - vendors	76,536	46,530
Accounts payable - other	424,905	431,030
Taxes payable, net	34,815	14,308
Unearned membership dues	1,370,186	1,451,574
Other unearned income	217,239	206,052
Accrued retirement obligations	326,225	260,666
Lease liability - current portion	165,610	161,606
Total current liabilities	<u>4,405,753</u>	<u>4,620,727</u>
OTHER LIABILITIES		
Deferred tax liability	99,492	96,416
Lease liability	521,861	687,471
Total liabilities	<u>5,027,106</u>	<u>5,404,614</u>
NET ASSETS		
Without donor restriction	11,430,882	10,642,595
With donor restriction	197,742	140,436
Total net assets	<u>11,628,624</u>	<u>10,783,031</u>
Total liabilities and net assets	<u>\$ 16,655,730</u>	<u>\$ 16,187,645</u>

See notes to consolidated financial statements.

NEW YORK STATE DENTAL ASSOCIATION
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

	Years Ended December 31,					
	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES, GAINS AND OTHER SUPPORT						
Membership dues	\$ 3,377,099	\$ -	\$ 3,377,099	\$ 3,385,693	\$ -	\$ 3,385,693
Publication revenue	128,948	-	128,948	162,271	-	162,271
Investment income	1,400,931	1	1,400,932	(1,740,693)	12	(1,740,681)
Administration revenue	91,500	-	91,500	86,250	-	86,250
Grant revenue	183,141	36,463	219,604	171,870	-	171,870
Legal protection plan revenue	94,230	-	94,230	102,783	-	102,783
Course revenue	54,725	-	54,725	37,305	-	37,305
Other revenue	64,080	-	64,080	55,477	-	55,477
Installment fee income	29,340	-	29,340	27,540	-	27,540
Contributions of financial assets	245,342	51,470	296,812	185,591	35,185	220,776
Contributions of nonfinancial assets	1,400	-	1,400	-	2,900	2,900
Insurance royalty and endorsement fees revenue	603,675	-	603,675	546,072	-	546,072
Net assets released from restrictions:						
Satisfaction of restrictions	30,628	(30,628)	-	198,341	(198,341)	-
Total operating revenues, gains and other support	<u>6,305,039</u>	<u>57,306</u>	<u>6,362,345</u>	<u>3,218,500</u>	<u>(160,244)</u>	<u>3,058,256</u>
EXPENSES						
Program service						
Government relations	399,910	-	399,910	420,359	-	420,359
Public and professional relations	470,115	-	470,115	449,341	-	449,341
Periodicals	652,183	-	652,183	575,572	-	575,572
Professional development	395,518	-	395,518	373,483	-	373,483
Professional support services	630,369	-	630,369	558,758	-	558,758
Personal support services	135,883	-	135,883	94,543	-	94,543
Professional governance	1,292,521	-	1,292,521	1,121,551	-	1,121,551
Total program services	<u>3,976,499</u>	<u>-</u>	<u>3,976,499</u>	<u>3,593,607</u>	<u>-</u>	<u>3,593,607</u>
Management and general	1,384,674	-	1,384,674	1,673,547	-	1,673,547
Fundraising	18,261	-	18,261	-	-	-
Other - Support Services, Inc.	137,318	-	137,318	20,190	-	20,190
Total operating expenses	<u>5,516,752</u>	<u>-</u>	<u>5,516,752</u>	<u>5,287,344</u>	<u>-</u>	<u>5,287,344</u>
Change in net assets	788,287	57,306	845,593	(2,068,844)	(160,244)	(2,229,088)
NET ASSETS, beginning	<u>10,642,595</u>	<u>140,436</u>	<u>10,783,031</u>	<u>12,711,439</u>	<u>300,680</u>	<u>13,012,119</u>
NET ASSETS, ending	<u>\$11,430,882</u>	<u>\$ 197,742</u>	<u>\$11,628,624</u>	<u>\$10,642,595</u>	<u>\$ 140,436</u>	<u>\$10,783,031</u>

See notes to consolidated financial statements.

**NEW YORK STATE DENTAL ASSOCIATION
CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<u>Years Ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 845,593	\$ (2,229,088)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	50,006	44,133
Deferred tax expense (benefit)	3,076	(96,414)
Non cash lease expenses	-	4,743
Loss on disposal	2,126	2,175
Net unrealized and realized (gains) losses on investments	(1,157,925)	1,930,653
Changes in:		
Receivables	(24,575)	183,506
Pledges receivable	(37,063)	-
Prepaid taxes	21,415	(21,415)
Prepaid expenses	(31,512)	(11,428)
Dues payable	(258,724)	(379,033)
Accounts payable - vendors	31,964	(41,952)
Accounts payable - other	(13,343)	(95,616)
Grants payable	-	(2,900)
Income taxes payable	(908)	(27,289)
Unearned membership dues	(81,388)	(126,812)
Other unearned income	11,187	5,817
Accrued retirement obligations	65,559	(44,203)
Lease liability	(4,743)	-
Net cash used in operating activities	<u>(579,255)</u>	<u>(905,123)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(65,770)	(8,340)
Proceeds from sale of investments	1,699,528	280,795
Purchase of investments	<u>(1,811,598)</u>	<u>(579,871)</u>
Net cash used in investing activities	<u>(177,840)</u>	<u>(307,416)</u>
Net change in cash, cash equivalents, and restricted cash	(757,095)	(1,212,539)
Cash, cash equivalents, and restricted cash:		
Beginning	<u>6,232,816</u>	<u>7,445,355</u>
Ending	<u>\$ 5,475,721</u>	<u>\$ 6,232,816</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for income and unrelated business income taxes	<u>\$ 95,358</u>	<u>\$ 152,256</u>
RECONCILIATION OF CASH AND RESTRICTED CASH TO THE STATEMENTS OF FINANCIAL POSITION:		
Cash and cash equivalents, unrestricted	<u>\$ 3,685,484</u>	<u>\$ 4,183,855</u>
Restricted cash	<u>1,790,237</u>	<u>2,048,961</u>
	<u>\$ 5,475,721</u>	<u>\$ 6,232,816</u>

See notes to consolidated financial statements.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Operations

New York State Dental Association (“NYSDA”) is an association of members of the dental profession. The objectives of NYSDA are to encourage the improvement of the health of the public, to promote the art and science of dentistry, and to represent the interests of the members of the profession and the public which it serves.

Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of NYSDA, NYSDA's wholly-owned for-profit subsidiary, NYSDA Support Services, Inc. (“Support Services”) and the New York State Dental Foundation (“Foundation”). The Foundation operates as a related but separate entity for which NYSDA provides both cash and in-kind contributions. The Board of Trustees of NYSDA has significant oversight of the Foundation, thereby requiring the Foundation to be consolidated.

All significant intercompany accounts and transactions have been eliminated in consolidation.

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 disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

NYSDA considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash

Restricted cash represents dues collected by NYSDA on behalf of the American Dental Association (“ADA”) and Association Districts (“Districts”) that have not yet been remitted to the ADA or Districts, as well as cash contributed that is restricted by donors for the various programs administered by the Foundation. Amounts not yet remitted to the ADA or Districts are reported as dues payable in the consolidated statements of financial position.

Investments

Investments, consisting principally of equity securities and shares in mutual funds, are carried at fair value as determined by quoted prices in active markets. Investment income is comprised primarily of interest, dividends and unrealized and realized gains or losses and is reported in the consolidated statements of activities and changes in net assets.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Receivables

Receivables represent amounts due from publication revenue, course revenue, grants, royalty and endorsement fees and other activities.

Income Taxes

The primary income tax position taken by NYSDA for any years open under the various statutes of limitations are that NYSDA and the Foundation continue to be exempt from income taxes with the exception of unrelated business income ("UBI") and income generated through Support Services, both of which are subject to income taxes.

NYSDA follows guidance issued by the Financial Accounting Standards Board ("FASB") regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the consolidated financial statements and applies to all income tax positions. Each income tax position is assessed using a two-step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the consolidated financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement.

Income taxes are provided for the tax effects of transactions reported in the consolidated financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of investments in Support Services' for financial and income tax reporting. Deferred taxes represent the future tax return consequences of those differences, which will either be deductible or taxable when the assets and liabilities are recovered or settled. The primary difference between taxable income and net income is attributable to recognition of unrealized gains (losses) on investments for financial accounting purposes.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. NYSDA has a capitalization policy of \$2,000. Any property and equipment purchased under this capitalization policy threshold are expensed. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are charged to expenses as incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Leasehold improvements	Lesser of lease term or 10 years
Furniture and equipment	3 - 7 years

Depreciation expense was \$50,006 and \$44,133 for the years ended December 31, 2023 and 2022, respectively.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Net Assets

NYSDA is required to report information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restriction – Net assets resulting from revenues whose use by NYSDA or the Foundation is not subject to donor-imposed restrictions and includes retained earnings of Support Services.

Net assets with donor restriction – Net assets resulting from revenues whose use by NYSDA or the Foundation is limited by donor-imposed stipulations that either expire by passage of time or when the stipulations have been fulfilled.

When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the consolidated statements of activities and changes in net assets as net assets released from restriction.

The net assets with donor restriction of NYSDA and the Foundation include the following:

Campaign Fund – NYSDA maintains a segregated Campaign Fund to support NYSDA members who are candidates for ADA elective office. Contributions to support a NYSDA member's candidacy for ADA elective office are time and purpose restricted until such time as campaign expenses are incurred.

New York State Dental Foundation – Time and purpose restricted assets of the Foundation are available for programs that help to provide underprivileged children with access to dental care and provide financial assistance to dentists in need of specific medical care. In addition, certain assets are restricted for the Access to Care program.

Membership Dues

Membership dues are generally remitted to NYSDA on an annual basis. NYSDA also receives annual dues for the ADA and Districts which are subsequently remitted to these entities. Membership dues are recognized as income during the membership year which ends on December 31. Dues received in advance for the following year are reflected as unearned membership dues in the accompanying consolidated statements of financial position. ADA and District dues are not recognized as revenues.

Contributions and Grants

NYSDA follows the guidance under Accounting Standards Update ("ASU") 2018-08 which provides a framework for evaluating whether grants should be accounted for as exchange transactions (for example, as "contracts with customers" under Accounting Standards Codification ("ASC") 606) or as nonexchange transactions. For nonexchange transactions, the guidance clarifies the contribution accounting model's guidance regarding whether arrangements are conditional (and thus, revenue or expense recognition must be deferred until the condition(s) are met) or unconditional (in which case revenue or expense is immediately recognized).

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 — DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Risks and Uncertainties

Cash

NYSDA maintains cash balances in financial institutions that may exceed federal depository insurance corporation ("FDIC") limits. Cash balances exceeding FDIC limits totaled approximately \$4,256,000 at December 31, 2023.

Investments

NYSDA holds various types of investment securities, including equity securities and mutual funds. Investment securities are exposed to various risks, including interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the financial statements.

Credit

NYSDA extends unsecured trade credit in connection with the subscriptions for its dental journal to a diversified customer base.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments- Credit Losses, which requires financial assets (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. ASU 2016-13 also requires credit losses relating to accounts receivable to be recorded through an allowance for credit losses. ASU 2016-13 was effective for NYSDA on January 1, 2023. The adoption of ASU 2016-13 did not have a material impact on NYSDA's financial statements.

Reclassifications

Certain items in the prior year financial statements have been reclassified to conform with the current year presentation.

Subsequent Events

NYSDA has evaluated subsequent events for potential recognition and/or disclosure through April __, 2024, the date the financial statements were available to be issued.

NOTE 2 — INVESTMENTS

Generally accepted accounting principles defines fair value and provides a framework for measuring fair value using a fair value hierarchy for valuation inputs used in measuring fair value. Level 1 inputs are quoted prices in active markets for identical assets. Investments are measured at fair value on a recurring basis and at December 31, 2023 and 2022, are valued using Level 1 inputs.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 2 — INVESTMENTS (Continued)

Investments consist of the following at December 31:

	2023		2022	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Mutual Funds	<u>\$ 9,949,398</u>	<u>\$ 8,265,543</u>	<u>\$ 8,679,403</u>	<u>\$ 8,055,468</u>

The change in net unrealized and realized gains (losses) consists of the following for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Realized gains, net	\$ 98,004	\$ 66,312
Unrealized gains (losses), net	<u>1,059,921</u>	<u>(1,996,965)</u>
Total change in unrealized and realized gains (losses), net	<u>\$ 1,157,925</u>	<u>\$ (1,930,653)</u>

NOTE 3 — NET ASSETS

Net assets with donor restrictions consist of the following at December 31:

	<u>2023</u>	<u>2022</u>
Campaign Fund	\$ 25,685	\$ -
Foundation Programs	<u>172,057</u>	<u>140,436</u>
	<u>\$ 197,742</u>	<u>\$ 140,436</u>

Net assets without donor restrictions include board designations for various programs and consist of the following at December 31:

	<u>2023</u>	<u>2022</u>
NYSDA Reserve Fund	\$ 7,731,710	\$ 6,454,391
NYSDA Building Fund	997,986	931,023
NYSDA Campaign Fund	48,004	45,666
Foundation Access to Care	-	100,801
Undesignated	<u>2,653,182</u>	<u>3,110,714</u>
	<u>\$ 11,430,882</u>	<u>\$ 10,642,595</u>

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 4 — LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

NYSDA’s financial assets available within one year of the balance sheet date for general expenditures are as follows:

	December 31, 2023
Cash, unrestricted	\$ 3,685,484
Receivables expected to be collected within one year	253,816
Pledges receivable, current portion	10,500
Investments convertible to cash within one year	9,949,398
Less donor-restricted net assets	(197,742)
Less board designations for various programs	<u>(8,777,700)</u>
Total financial assets available to meet general expenditures within one year	<u>\$4,923,756</u>

All cash is held in banks and on hand at December 31, 2023. Investments are held in mutual funds. In addition to financial assets currently available, NYSDA anticipates collecting sufficient revenue to cover any general expenditures not covered by donor-restricted resources.

NOTE 5 — RETIREMENT PLAN

NYSDA sponsors a defined contribution retirement plan covering substantially all NYSDA employees. NYSDA's contributions to the plan are based on a percentage of employee eligible compensation and relative age, and totaled approximately \$349,000 and \$281,000 for the years ended December 31, 2023 and 2022, respectively. Such amounts are accrued at each year end and are paid in the subsequent year.

NOTE 6 — INCOME TAXES

NYSDA is exempt from taxation under Section 501(c)(6) and the Foundation is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (“IRC”). NYSDA's wholly-owned subsidiary, Support Services, is not an exempt entity and its income and any income of NYSDA determined to be unrelated business income are subject to federal and state income taxes (“UBIT”). Support Services income tax expense is included in Other – Support Services, Inc. expenses in the accompanying consolidated statements of activities and changes in net assets.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 6 — INCOME TAXES (Continued)

The components of current and deferred taxes are as follows for the year ended December 31:

	<u>2023</u>	<u>2022</u>
NYSDA		
UBIT		
Federal	\$ 27,261	\$ 41,238
State	12,539	19,421
Support Services		
Current		
Federal	58,484	32,495
State	17,581	10,398
Deferred expense (benefit)	<u>3,076</u>	<u>(96,414)</u>
	<u>\$ 118,941</u>	<u>\$ 7,138</u>

Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of Support Services' assets and liabilities. Differences are primarily attributable to unrecognized gains and losses on marketable securities.

Taxes payable (prepaid) and deferred tax liability consist of the following at December 31:

	<u>2023</u>	<u>2022</u>
Current		
State UBIT	\$ 13,274	\$ 19,441
Federal	14,364	660
State	7,177	(5,793)
Deferred tax liability	<u>99,492</u>	<u>96,416</u>
	<u>\$ 134,307</u>	<u>\$ 110,724</u>

At December 31, 2023, NYSDA has federal net loss carryforwards ("NOLs") related to its unrelated business activity totaling approximately \$82,900 that may be offset against future UBI, all of which were generated after the 2017 tax year. For tax years beginning after December 31, 2017, net taxable income for each unrelated trade or business activity must be computed separately. Losses from one activity may only be utilized to offset net UBI against the same type of activity and may not be used to reduce taxable income from another activity. The NOLs generated carry forward indefinitely, but may only be applied against 80% of that activity's net income in any given year.

Management has assessed NYSDA's, the Foundation's and Support Services' income tax positions, and determined that they had no unrecognized tax benefits for the years ended December 31, 2023 and 2022.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 7 — OPERATING LEASE

NYSDA leases office space under an operating arrangement that runs from January 2018 through December 2027. Annual payments for the remaining five years approximate \$180,200 and are subject to future annual adjustments for NYSDA's pro-rata share of maintenance and property tax costs over the term of the lease.

NYSDA has elected to use the risk-free interest rate in determining the present value of the future known lease payments (2.45%). The weighted average remaining lease term was 4 years and 5 years at December 31, 2023 and 2022, respectively. Office lease expense for the years ended December 31, 2023 and 2022 approximated \$175,500 and is included in building and occupancy expense (see Note 9 – Functional Expenses). Accordingly, a Right-of-Use (“ROU”) Asset was recorded for the present value of the future known lease payments and a related lease liability. Obligations under this lease are as follows as of December 31:

<u>Year Ending December 31</u>	<u>Operating</u>
2024	\$ 180,234
2025	180,234
2026	180,234
2027	<u>180,234</u>
Total undiscounted cash flows	720,936
Less: present value discount	<u>(33,465)</u>
Total	<u><u>\$ 687,471</u></u>

NOTE 8 — PAYCHECK PROTECTION PROGRAM

In March 2021, NYSDA received loan proceeds of \$394,968 under the Small Business Administration’s (“SBA”) Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. Generally, the PPP loan and related accrued interest are forgivable, as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains certain payroll levels. NYSDA used the proceeds for purposes consistent with the PPP guidelines and the loan was forgiven in full in August 2021.

According to the rules of the SBA, NYSDA is required to retain PPP loan documentation for six years after the date the loan is forgiven or repaid in full, and permit authorized representatives of the SBA, including representatives of its Office of Inspector General, to access such files upon request. Should the SBA conduct such a review and reject all or some of NYSDA’s judgments pertaining to satisfying PPP loan eligibility or forgiveness conditions, NYSDA may be required to adjust previously reported amounts and disclosures in the financial statements.

NEW YORK STATE DENTAL ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 9 — FUNCTIONAL EXPENSES

Expenses are reported to each program and support function based on actual expense incurred, and are as follows:

	Years Ended December 31,								
	2023					2022			
	Total Expenses	Program Service Expense	Management and General Expenses	Fundraising	Other	Total Expenses	Program Service Expense	Management and General Expenses	Other
Payroll and benefits	\$ 3,180,669	\$ 2,304,409	\$ 863,244	\$ 13,016	\$ -	\$ 2,799,278	\$ 1,904,532	\$ 894,746	\$ -
Travel	688,256	633,308	54,132	816	-	547,188	459,881	87,307	-
Building and occupancy	221,377	155,953	64,440	984	-	220,425	154,591	65,834	-
Printing and postage	157,989	121,714	35,814	461	-	149,746	120,110	29,636	-
Lobbying	82,700	82,700	-	-	-	224,304	224,304	-	-
Office supplies and equipment	182,327	147,455	33,838	1,034	-	186,523	142,222	44,301	-
Honoraria	135,584	109,134	26,450	-	-	135,588	110,838	24,750	-
Contributions	29,958	13,015	16,813	130	-	128,352	34,752	93,600	-
Miscellaneous	86,801	77,994	8,807	-	-	93,168	81,289	11,879	-
Legal protection plan	25,868	25,868	-	-	-	37,265	37,265	-	-
Professional services	233,715	159,763	72,426	1,526	-	375,548	163,434	212,114	-
Business insurance	51,456	37,478	13,778	200	-	52,841	34,586	18,255	-
Promotion	76,621	61,750	14,871	-	-	81,552	58,717	22,835	-
Credit card processing fees	186,313	6,158	180,061	94	-	174,717	6,427	168,290	-
Income taxes	39,800	39,800	-	-	-	60,659	60,659	-	-
Other - Support Services	137,318	-	-	-	137,318	20,190	-	-	20,190
Total Functional Expenses	\$ 5,516,752	\$ 3,976,499	\$ 1,384,674	\$ 18,261	\$ 137,318	\$ 5,287,344	\$ 3,593,607	\$ 1,673,547	\$ 20,190

Management utilizes certain methods to allocate expenses to the various functional categories. The direct allocation is the preferred method when it is reasonably efficient and management assigns each expense to a functional category based on direct usage. All other expenses are considered management and general expenses. Salaries are allocated based on estimates of employee time spent. Occupancy costs are allocated based on square footage. For other natural expense categories, costs are allocated based on an estimate of the activity within each function.

**INDEPENDENT AUDITOR'S REPORT
ON CONSOLIDATING INFORMATION**

To the Board of Trustees
New York State Dental Association

We have audited the consolidated financial statements of the New York State Dental Association as of and for the year ended December 31, 2023 and 2022, and our report thereon dated April __, 2024, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules 1, 2 and 3 is presented for the purpose of additional analysis of the consolidated financial statements and it 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 consolidating information has been subjected to the auditing procedures applied in the audit 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 consolidating information, which insofar as it relates to New York State Dental Foundation, is based on the report of other auditors, is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Albany, New York
April __, 2024

CONSOLIDATING INFORMATION

DRAFT

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 1 - CONSOLIDATING FINANCIAL POSITION INFORMATION
December 31, 2023

	Without Donor Restrictions				Donor Restricted Campaign Fund	NYSDA Eliminations	NYSDA Total	Without Donor Restriction NYSDA Support Services, Inc.	Without Donor Restriction NYSD Foundation	Donor Restricted NYSD Foundation	Total NYSD Foundation	Adjustments / Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund									
ASSETS													
CURRENT ASSETS													
Cash and cash equivalents	\$ 2,962,210	\$ 35,281	\$ -	\$ -	\$ 25,685	\$ -	\$ 3,023,176	\$ 359,215	\$ 168,247	\$ 134,846	\$ 303,093	\$ -	\$ 3,685,484
Restricted cash	1,790,237	-	-	-	-	-	1,790,237	-	-	-	-	-	1,790,237
Receivables	183,198	12,723	-	-	-	(12,723)	183,198	80,020	77,714	650	78,364	(87,766)	253,816
Pledges receivable, current portion	-	-	-	-	-	-	-	-	500	10,000	10,500	-	10,500
Prepaid expenses	144,647	-	-	-	-	-	144,647	-	5,629	-	5,629	-	150,276
Total current assets	<u>5,080,292</u>	<u>48,004</u>	<u>-</u>	<u>-</u>	<u>25,685</u>	<u>(12,723)</u>	<u>5,141,258</u>	<u>439,235</u>	<u>252,090</u>	<u>145,496</u>	<u>397,586</u>	<u>(87,766)</u>	<u>5,890,313</u>
INVESTMENTS	<u>1,000</u>	<u>-</u>	<u>7,731,710</u>	<u>997,986</u>	<u>-</u>	<u>-</u>	<u>8,730,696</u>	<u>1,219,702</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>	<u>9,949,398</u>
PROPERTY AND EQUIPMENT, net													
Leasehold improvements	511,378	-	-	-	-	-	511,378	-	-	-	-	-	511,378
Furniture and equipment	576,364	-	-	-	-	-	576,364	-	35,000	-	35,000	-	611,364
Total	1,087,742	-	-	-	-	-	1,087,742	-	35,000	-	35,000	-	1,122,742
Less accumulated depreciation	966,785	-	-	-	-	-	966,785	-	35,000	-	35,000	-	1,001,785
Total property and equipment	<u>120,957</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,957</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,957</u>
OTHER ASSETS													
Pledges receivable	-	-	-	-	-	-	-	-	-	26,563	26,563	-	26,563
Right of use asset - lease	668,499	-	-	-	-	-	668,499	-	-	-	-	-	668,499
Total assets	<u>\$ 5,870,748</u>	<u>\$ 48,004</u>	<u>\$ 7,731,710</u>	<u>\$ 997,986</u>	<u>\$ 25,685</u>	<u>\$ (12,723)</u>	<u>\$ 14,661,410</u>	<u>\$ 1,658,937</u>	<u>\$ 252,090</u>	<u>\$ 172,059</u>	<u>\$ 424,149</u>	<u>\$ (88,766)</u>	<u>\$ 16,655,730</u>
LIABILITIES AND NET ASSETS													
CURRENT LIABILITIES													
Dues payable	\$ 1,790,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,790,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,790,237
Accounts payable - vendors	79,029	-	-	-	-	(12,723)	66,306	8,383	5,483	-	5,483	(3,636)	76,536
Accounts payable - other	483,826	-	-	-	-	-	483,826	23,500	1,707	2	1,709	(84,130)	424,905
Taxes payable	1,143	-	-	-	-	-	1,143	33,672	-	-	-	-	34,815
Unearned membership dues	1,370,186	-	-	-	-	-	1,370,186	-	-	-	-	-	1,370,186
Other unearned income	212,543	-	-	-	-	-	212,543	-	4,696	-	4,696	-	217,239
Accrued retirement obligations	299,921	-	-	-	-	-	299,921	-	26,304	-	26,304	-	326,225
Dividends payable	-	-	-	-	-	-	-	150,000	-	-	-	(150,000)	-
Lease liability - current portion	165,610	-	-	-	-	-	165,610	-	-	-	-	-	165,610
Total current liabilities	<u>4,402,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,723)</u>	<u>4,389,772</u>	<u>215,555</u>	<u>38,190</u>	<u>2</u>	<u>38,192</u>	<u>(237,766)</u>	<u>4,405,753</u>
OTHER LIABILITIES													
Deferred tax liability	-	-	-	-	-	-	-	99,492	-	-	-	-	99,492
Lease liability	521,861	-	-	-	-	-	521,861	-	-	-	-	-	521,861
Total liabilities	<u>4,924,356</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,723)</u>	<u>4,911,633</u>	<u>315,047</u>	<u>38,190</u>	<u>2</u>	<u>38,192</u>	<u>(237,766)</u>	<u>5,027,106</u>
CAPITAL STOCK													
	-	-	-	-	-	-	-	1,000	-	-	-	(1,000)	-
NET ASSETS													
Without donor restriction	946,392	48,004	7,731,710	997,986	-	-	9,724,092	1,342,890	213,900	-	213,900	150,000	11,430,882
With donor restriction	-	-	-	-	25,685	-	25,685	-	-	172,057	172,057	-	197,742
Total net assets	<u>946,392</u>	<u>48,004</u>	<u>7,731,710</u>	<u>997,986</u>	<u>25,685</u>	<u>-</u>	<u>9,749,777</u>	<u>1,342,890</u>	<u>213,900</u>	<u>172,057</u>	<u>385,957</u>	<u>150,000</u>	<u>11,628,624</u>
Total liabilities and net assets	<u>\$ 5,870,748</u>	<u>\$ 48,004</u>	<u>\$ 7,731,710</u>	<u>\$ 997,986</u>	<u>\$ 25,685</u>	<u>\$ (12,723)</u>	<u>\$ 14,661,410</u>	<u>\$ 1,658,937</u>	<u>\$ 252,090</u>	<u>\$ 172,059</u>	<u>\$ 424,149</u>	<u>\$ (88,766)</u>	<u>\$ 16,655,730</u>

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 1 - CONSOLIDATING FINANCIAL POSITION INFORMATION
December 31, 2022

	Without Donor Restrictions					Without Donor Restrictions	Without Donor Restrictions	Donor Restricted	Total	Adjustments /	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	NYSDA Total	Restrictions NYSDA Support Services, Inc.	Restrictions NYSD Foundation	NYSD Foundation	NYSD Foundation	Eliminations	
ASSETS											
CURRENT ASSETS											
Cash and cash equivalents	\$ 3,661,983	\$ 45,666	\$ -	\$ -	\$ 3,707,649	\$ 150,719	\$ 189,058	\$ 136,429	\$ 325,487	\$ -	\$ 4,183,855
Restricted cash	2,048,961	-	-	-	2,048,961	-	-	-	-	-	2,048,961
Receivables	185,692	-	-	-	185,692	63,832	62,983	4,500	67,483	(93,026)	223,981
Prepaid taxes	-	-	-	-	-	21,415	-	-	-	(21,415)	-
Prepaid expenses	114,659	-	-	-	114,659	-	4,105	-	4,105	-	118,764
Total current assets	<u>6,011,295</u>	<u>45,666</u>	<u>-</u>	<u>-</u>	<u>6,056,961</u>	<u>235,966</u>	<u>256,146</u>	<u>140,929</u>	<u>397,075</u>	<u>(114,441)</u>	<u>6,575,561</u>
INVESTMENTS	<u>1,000</u>	<u>-</u>	<u>6,454,391</u>	<u>931,023</u>	<u>7,386,414</u>	<u>1,293,989</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>	<u>8,679,403</u>
PROPERTY AND EQUIPMENT, net											
Leasehold improvements	470,061	-	-	-	470,061	-	-	-	-	-	470,061
Furniture and equipment	562,465	-	-	-	562,465	-	35,000	-	35,000	-	597,465
Total	1,032,526	-	-	-	1,032,526	-	35,000	-	35,000	-	1,067,526
Less accumulated depreciation	925,207	-	-	-	925,207	-	35,000	-	35,000	-	960,207
Total property and equipment	<u>107,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,319</u>
RIGHT OF USE ASSET - LEASE	<u>825,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>825,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>825,362</u>
Total assets	<u>\$ 6,944,976</u>	<u>\$ 45,666</u>	<u>\$ 6,454,391</u>	<u>\$ 931,023</u>	<u>\$ 14,376,056</u>	<u>\$ 1,529,955</u>	<u>\$ 256,146</u>	<u>\$ 140,929</u>	<u>\$ 397,075</u>	<u>\$ (115,441)</u>	<u>\$ 16,187,645</u>
LIABILITIES AND NET ASSETS											
CURRENT LIABILITIES											
Dues payable	\$ 2,048,961	\$ -	\$ -	\$ -	\$ 2,048,961	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,048,961
Accounts payable - vendors	27,812	-	-	-	27,812	13,891	6,014	493	6,507	(1,680)	46,530
Accounts payable - other	486,146	-	-	-	486,146	23,500	12,730	-	12,730	(91,346)	431,030
Taxes payable	35,723	-	-	-	35,723	-	-	-	-	(21,415)	14,308
Unearned membership dues	1,451,574	-	-	-	1,451,574	-	-	-	-	-	1,451,574
Other unearned income	201,056	-	-	-	201,056	-	4,996	-	4,996	-	206,052
Accrued retirement obligations	224,652	-	-	-	224,652	-	36,014	-	36,014	-	260,666
Dividends payable	-	-	-	-	-	150,000	-	-	-	(150,000)	-
Lease liability - current portion	161,606	-	-	-	161,606	-	-	-	-	-	161,606
Total current liabilities	<u>4,637,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,637,530</u>	<u>187,391</u>	<u>59,754</u>	<u>493</u>	<u>60,247</u>	<u>(264,441)</u>	<u>4,620,727</u>
OTHER LIABILITIES											
Deferred tax liability	-	-	-	-	-	96,416	-	-	-	-	96,416
Lease liability	687,471	-	-	-	687,471	-	-	-	-	-	687,471
Total liabilities	<u>5,325,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,325,001</u>	<u>283,807</u>	<u>59,754</u>	<u>493</u>	<u>60,247</u>	<u>(264,441)</u>	<u>5,404,614</u>
CAPITAL STOCK	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>
NET ASSETS											
Without donor restriction	1,619,975	45,666	6,454,391	931,023	9,051,055	1,245,148	196,392	-	196,392	150,000	10,642,595
With donor restriction	-	-	-	-	-	-	-	140,436	140,436	-	140,436
Total net assets	<u>1,619,975</u>	<u>45,666</u>	<u>6,454,391</u>	<u>931,023</u>	<u>9,051,055</u>	<u>1,245,148</u>	<u>196,392</u>	<u>140,436</u>	<u>336,828</u>	<u>150,000</u>	<u>10,783,031</u>
Total liabilities and net assets	<u>\$ 6,944,976</u>	<u>\$ 45,666</u>	<u>\$ 6,454,391</u>	<u>\$ 931,023</u>	<u>\$ 14,376,056</u>	<u>\$ 1,529,955</u>	<u>\$ 256,146</u>	<u>\$ 140,929</u>	<u>\$ 397,075</u>	<u>\$ (115,441)</u>	<u>\$ 16,187,645</u>

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 2 - CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS INFORMATION
Year Ended December 31, 2023

	Without Donor Restriction				Donor Restricted		Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total		
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund	NYSDA Total	NYSDA Support Services, Inc.	NYSD Foundation	NYSD Foundation	NYSD Foundation	Eliminations	Consolidated
OPERATING REVENUES, GAINS AND OTHER SUPPORT												
Membership dues	\$ 3,377,099	\$ -	\$ -	\$ -	\$ -	\$ 3,377,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,377,099
Publication revenue	128,948	-	-	-	-	128,948	-	-	-	-	-	128,948
Investment income (loss), net	186,959	3	1,052,319	121,403	-	1,360,684	189,629	618	1	619	(150,000)	1,400,932
Administration revenue	185,500	-	-	-	-	185,500	-	100,000	-	100,000	(194,000)	91,500
Grant revenue	183,141	-	-	-	-	183,141	-	-	36,463	36,463	-	219,604
Legal protection program revenue	94,230	-	-	-	-	94,230	-	-	-	-	-	94,230
Course revenue	-	-	-	-	-	-	-	54,725	-	54,725	-	54,725
Other revenue	64,032	-	-	-	-	64,032	-	48	-	48	-	64,080
Installment fee income	29,340	-	-	-	-	29,340	-	-	-	-	-	29,340
Contributions of financial assets	44,210	-	-	-	37,950	82,160	-	201,132	13,520	214,652	-	296,812
Contributions of nonfinancial assets	-	-	-	-	-	-	-	29,366	-	29,366	(27,966)	1,400
Insurance royalty and endorsement fees revenue	314,244	-	-	-	-	314,244	289,431	-	-	-	-	603,675
Net assets released from restrictions:												
Satisfaction of restrictions	14,265	(2,000)	-	-	(12,265)	-	-	18,363	(18,363)	-	-	-
Total operating revenues, gains (losses) and other support	<u>4,621,968</u>	<u>(1,997)</u>	<u>1,052,319</u>	<u>121,403</u>	<u>25,685</u>	<u>5,819,378</u>	<u>479,060</u>	<u>404,252</u>	<u>31,621</u>	<u>435,873</u>	<u>(371,966)</u>	<u>6,362,345</u>
OPERATING EXPENSES												
PROGRAM SERVICE												
Government relations	399,910	-	-	-	-	399,910	-	-	-	-	-	399,910
Public and professional relations	470,115	-	-	-	-	470,115	-	-	-	-	-	470,115
Periodicals	652,183	-	-	-	-	652,183	-	-	-	-	-	652,183
Professional development	271,656	-	-	-	-	271,656	-	240,325	-	240,325	(116,463)	395,518
Professional support services	630,369	-	-	-	-	630,369	-	-	-	-	-	630,369
Personal support services	135,883	-	-	-	-	135,883	-	-	-	-	-	135,883
Professional governance	1,292,521	-	-	-	-	1,292,521	-	-	-	-	-	1,292,521
MANAGEMENT AND GENERAL												
Administration	1,268,019	-	-	-	-	1,268,019	-	128,158	-	128,158	(11,503)	1,384,674
FUNDRAISING												
OTHER												
NYSDA Support Services, Inc.	-	-	-	-	-	-	231,318	-	-	-	(94,000)	137,318
Total operating expenses	<u>5,120,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,120,656</u>	<u>231,318</u>	<u>386,744</u>	<u>-</u>	<u>386,744</u>	<u>(221,966)</u>	<u>5,516,752</u>
CHANGE IN NET ASSETS	(498,688)	(1,997)	1,052,319	121,403	25,685	698,722	247,742	17,508	31,621	49,129	(150,000)	845,593
NET ASSETS - BEGINNING OF YEAR	1,619,975	45,666	6,454,391	931,023	-	9,051,055	1,245,148	196,392	140,436	336,828	150,000	10,783,031
TRANSFERS AND DIVIDENDS	(174,895)	4,335	225,000	(54,440)	-	-	(150,000)	-	-	-	150,000	-
NET ASSETS - END OF YEAR	<u>\$ 946,392</u>	<u>\$ 48,004</u>	<u>\$ 7,731,710</u>	<u>\$ 997,986</u>	<u>\$ 25,685</u>	<u>\$ 9,749,777</u>	<u>\$ 1,342,890</u>	<u>\$ 213,900</u>	<u>\$ 172,057</u>	<u>\$ 385,957</u>	<u>\$ 150,000</u>	<u>\$ 11,628,624</u>

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 2 - CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS INFORMATION
Year Ended December 31, 2022

	Without Donor Restriction				Donor Restricted	NYSDA Total	Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total NYSD Foundation	Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund		NYSDA Support Services, Inc.	NYSD Foundation	NYSD Foundation			
OPERATING REVENUES, GAINS AND OTHER SUPPORT												
Membership dues	\$ 3,385,693	\$ -	\$ -	\$ -	\$ -	\$ 3,385,693	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,385,693
Publication revenue	162,271	-	-	-	-	162,271	-	-	-	-	-	162,271
Investment income (loss), net	150,234	3	(1,273,334)	(186,333)	-	(1,309,430)	(281,437)	174	12	186	(150,000)	(1,740,681)
Administration revenue	180,250	-	-	-	-	180,250	-	150,000	-	150,000	(244,000)	86,250
Grant revenue	171,870	-	-	-	-	171,870	-	-	-	-	-	171,870
Legal protection program revenue	102,783	-	-	-	-	102,783	-	-	-	-	-	102,783
Course revenue	-	-	-	-	-	-	-	37,305	-	37,305	-	37,305
Other revenue	54,977	-	-	-	-	54,977	500	-	-	-	-	55,477
Installment fee income	27,540	-	-	-	-	27,540	-	-	-	-	-	27,540
Contributions of financial assets	16,800	-	-	-	16,450	33,250	-	168,791	18,735	187,526	-	220,776
Contributions of nonfinancial assets	-	-	-	-	-	-	-	34,865	2,900	37,765	(34,865)	2,900
Insurance royalty and endorsement fees revenue	309,842	-	-	-	-	309,842	236,230	-	-	-	-	546,072
Net assets released from restrictions:												
Satisfaction of restrictions	64,544	(1,942)	-	-	(62,602)	-	-	135,739	(135,739)	-	-	-
Total operating revenues, gains (losses) and other support	<u>4,626,804</u>	<u>(1,939)</u>	<u>(1,273,334)</u>	<u>(186,333)</u>	<u>(46,152)</u>	<u>3,119,046</u>	<u>(44,707)</u>	<u>526,874</u>	<u>(114,092)</u>	<u>412,782</u>	<u>(428,865)</u>	<u>3,058,256</u>
OPERATING EXPENSES												
PROGRAM SERVICE												
Government relations	420,359	-	-	-	-	420,359	-	-	-	-	-	420,359
Public and professional relations	449,341	-	-	-	-	449,341	-	-	-	-	-	449,341
Periodicals	575,572	-	-	-	-	575,572	-	-	-	-	-	575,572
Professional development	246,884	-	-	-	-	246,884	-	276,767	-	276,767	(150,168)	373,483
Professional support services	558,758	-	-	-	-	558,758	-	-	-	-	-	558,758
Personal support services	94,543	-	-	-	-	94,543	-	-	-	-	-	94,543
Professional governance	1,121,551	-	-	-	-	1,121,551	-	-	-	-	-	1,121,551
MANAGEMENT AND GENERAL												
Administration	1,462,082	-	-	-	-	1,462,082	-	246,162	-	246,162	(34,697)	1,673,547
OTHER												
NYSDA Support Services, Inc.	-	-	-	-	-	-	114,190	-	-	-	(94,000)	20,190
Total operating expenses	<u>4,929,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,929,090</u>	<u>114,190</u>	<u>522,929</u>	<u>-</u>	<u>522,929</u>	<u>(278,865)</u>	<u>5,287,344</u>
CHANGE IN NET ASSETS	(302,286)	(1,939)	(1,273,334)	(186,333)	(46,152)	(1,810,044)	(158,897)	3,945	(114,092)	(110,147)	(150,000)	(2,229,088)
NET ASSETS - BEGINNING OF YEAR	2,141,784	47,605	7,502,725	1,122,833	46,152	10,861,099	1,554,045	192,447	254,528	446,975	150,000	13,012,119
TRANSFERS AND DIVIDENDS	(219,523)	-	225,000	(5,477)	-	-	(150,000)	-	-	-	150,000	-
NET ASSETS - END OF YEAR	<u>\$ 1,619,975</u>	<u>\$ 45,666</u>	<u>\$ 6,454,391</u>	<u>\$ 931,023</u>	<u>\$ -</u>	<u>\$ 9,051,055</u>	<u>\$ 1,245,148</u>	<u>\$ 196,392</u>	<u>\$ 140,436</u>	<u>\$ 336,828</u>	<u>\$ 150,000</u>	<u>\$ 10,783,031</u>

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 3 - CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION
Year Ended December 31, 2023

	Without Donor Restrictions				Donor Restricted	NYSDA Eliminations	NYSDA Total	Without Donor	Without Donor	Donor Restricted	Total NYSD Foundation	Eliminations	Consolidated
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund			Restriction NYSDA Support Services, Inc.	Restriction NYSD Foundation	Restricted NYSD Foundation			
CASH FLOWS FROM OPERATING ACTIVITIES													
Change in net assets	\$ (498,688)	\$ (1,997)	\$ 1,052,319	\$ 121,403	\$ 25,685	\$ -	\$ 698,722	\$ 247,742	\$ 17,508	\$ 31,621	\$ 49,129	\$ (150,000)	\$ 845,593
Adjustments to reconcile change in net assets to net cash used in operating activities:													
Depreciation and amortization	50,006	-	-	-	-	-	50,006	-	-	-	-	-	50,006
Deferred tax expense	-	-	-	-	-	-	-	3,076	-	-	-	-	3,076
Non cash lease expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal	2,126	-	-	-	-	-	2,126	-	-	-	-	-	2,126
Net unrealized and realized gains on investments	-	-	(897,936)	(101,411)	-	-	(999,347)	(158,578)	-	-	-	-	(1,157,925)
Changes in:													
Receivable	2,494	(12,723)	-	-	-	12,723	2,494	(16,188)	(14,731)	3,850	(10,881)	-	(24,575)
Pledges receivable	-	-	-	-	-	-	-	-	(500)	(36,563)	(37,063)	-	(37,063)
Prepaid taxes	-	-	-	-	-	-	-	21,415	-	-	-	-	21,415
Prepaid expenses	(29,988)	-	-	-	-	-	(29,988)	-	(1,524)	-	(1,524)	-	(31,512)
Dues payable	(258,724)	-	-	-	-	-	(258,724)	-	-	-	-	-	(258,724)
Accounts payable - vendors	51,217	-	-	-	-	(12,723)	38,494	(5,508)	(531)	(491)	(1,022)	-	31,964
Accounts payable - other	(2,320)	-	-	-	-	-	(2,320)	-	(11,023)	-	(11,023)	-	(13,343)
Income taxes payable	(34,580)	-	-	-	-	-	(34,580)	33,672	-	-	-	-	(908)
Unearned membership dues	(81,388)	-	-	-	-	-	(81,388)	-	-	-	-	-	(81,388)
Other unearned income	11,487	-	-	-	-	-	11,487	-	(300)	-	(300)	-	11,187
Accrued retirement obligations	75,269	-	-	-	-	-	75,269	-	(9,710)	-	(9,710)	-	65,559
Lease liability	(4,743)	-	-	-	-	-	(4,743)	-	-	-	-	-	(4,743)
Net cash used in operating activities	(717,832)	(14,720)	154,383	19,992	25,685	-	(532,492)	125,631	(20,811)	(1,583)	(22,394)	(150,000)	(579,255)
CASH FLOWS FROM INVESTING ACTIVITIES													
Purchase of property and equipment	(65,770)	-	-	-	-	-	(65,770)	-	-	-	-	-	(65,770)
Proceeds from sale of investments	-	-	1,107,944	54,440	-	-	1,162,384	537,144	-	-	-	-	1,699,528
Purchase of investments	-	-	(1,487,327)	(19,992)	-	-	(1,507,319)	(304,279)	-	-	-	-	(1,811,598)
Net cash (used in) provided by investing activities	(65,770)	-	(379,383)	34,448	-	-	(410,705)	232,865	-	-	-	-	(177,840)
CASH FLOWS FROM FINANCING ACTIVITIES													
Transfers and dividends	(174,895)	4,335	225,000	(54,440)	-	-	-	(150,000)	-	-	-	150,000	-
Net cash (used in) provided by financing activities	(174,895)	4,335	225,000	(54,440)	-	-	-	(150,000)	-	-	-	150,000	-
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(958,497)	(10,385)	-	-	25,685	-	(943,197)	208,496	(20,811)	(1,583)	(22,394)	-	(757,095)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH:													
Beginning	5,710,944	45,666	-	-	-	-	5,756,610	150,719	189,058	136,429	325,487	-	6,232,816
Ending	\$ 4,752,447	\$ 35,281	\$ -	\$ -	\$ 25,685	\$ -	\$ 4,813,413	\$ 359,215	\$ 168,247	\$ 134,846	\$ 303,093	\$ -	\$ 5,475,721

NEW YORK STATE DENTAL ASSOCIATION
SCHEDULE 3 - CONSOLIDATING STATEMENTS OF CASH FLOWS INFORMATION
Year Ended December 31, 2022

	Without Donor Restriction				Donor Restricted		Without Donor Restriction	Without Donor Restriction	Donor Restricted	Total		
	General Fund	Campaign Fund	Reserve Fund	Building Fund	Campaign Fund	NYSDA Total	NYSDA Support Services, Inc.	NYS Foundation	NYS Foundation	NYS Foundation	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES												
Change in net assets	\$ (302,286)	\$ (1,939)	\$ (1,273,334)	\$ (186,333)	\$ (46,152)	\$ (1,810,044)	\$ (158,897)	\$ 3,945	\$ (114,092)	\$ (110,147)	\$ (150,000)	\$ (2,229,088)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:												
Depreciation and amortization	44,133	-	-	-	-	44,133	-	-	-	-	-	44,133
Deferred tax expense	-	-	-	-	-	-	(96,414)	-	-	-	-	(96,414)
Non cash lease expense	4,743	-	-	-	-	4,743	-	-	-	-	-	4,743
Loss on disposal	2,175	-	-	-	-	2,175	-	-	-	-	-	2,175
Net unrealized and realized losses on investments	-	-	1,390,850	222,430	-	1,613,280	317,373	-	-	-	-	1,930,653
Changes in:												
Receivable	137,579	-	-	-	350	137,929	27,574	18,003	-	18,003	-	183,506
Prepaid taxes	-	-	-	-	-	-	(21,415)	-	-	-	-	(21,415)
Prepaid expenses	(14,710)	-	-	-	-	(14,710)	1,000	2,282	-	2,282	-	(11,428)
Dues payable	(374,533)	-	-	-	-	(374,533)	-	-	(4,500)	(4,500)	-	(379,033)
Accounts payable - vendors	(21,897)	-	-	-	(26,633)	(48,530)	6,132	(47)	493	446	-	(41,952)
Accounts payable - other	(91,831)	-	-	-	-	(91,831)	1,000	(4,785)	-	(4,785)	-	(95,616)
Grants payable	-	-	-	-	-	-	-	(2,900)	-	(2,900)	-	(2,900)
Income taxes payable	15,162	-	-	-	-	15,162	(42,451)	-	-	-	-	(27,289)
Unearned membership dues	(126,812)	-	-	-	-	(126,812)	-	-	-	-	-	(126,812)
Other unearned income	5,017	-	-	-	-	5,017	-	800	-	800	-	5,817
Accrued retirement obligations	(45,418)	-	-	-	-	(45,418)	-	1,215	-	1,215	-	(44,203)
Net cash provided by (used in) operating activities	(768,678)	(1,939)	117,516	36,097	(72,435)	(689,439)	33,902	18,513	(118,099)	(99,586)	(150,000)	(905,123)
CASH FLOWS FROM INVESTING ACTIVITIES												
Purchase of property and equipment	(8,340)	-	-	-	-	(8,340)	-	-	-	-	-	(8,340)
Proceeds from sale of investments	-	-	165,376	5,477	-	170,853	109,942	-	-	-	-	280,795
Purchase of investments	-	-	(507,892)	(36,097)	-	(543,989)	(35,882)	-	-	-	-	(579,871)
Net cash (used in) provided by investing activities	(8,340)	-	(342,516)	(30,620)	-	(381,476)	74,060	-	-	-	-	(307,416)
CASH FLOWS FROM FINANCING ACTIVITIES												
Transfers and dividends	(219,523)	-	225,000	(5,477)	-	-	(150,000)	-	-	-	150,000	-
Net cash (used in) provided by financing activities	(219,523)	-	225,000	(5,477)	-	-	(150,000)	-	-	-	150,000	-
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(996,541)	(1,939)	-	-	(72,435)	(1,070,915)	(42,038)	18,513	(118,099)	(99,586)	-	(1,212,539)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH:												
Beginning	6,707,485	47,605	-	-	72,435	6,827,525	192,757	170,545	254,528	425,073	-	7,445,355
Ending	\$ 5,710,944	\$ 45,666	\$ -	\$ -	\$ -	\$ 5,756,610	\$ 150,719	\$ 189,058	\$ 136,429	\$ 325,487	\$ -	\$ 6,232,816

Board Audit Committee Report – April 22, 2026

Virtual Teams Meeting

Attendance:

- Members: Drs. Demas (Chair), Ramjattansingh, Greenberg, Samuels
- Officers: Drs. Jacobo, Stacy
- Financial Staff: Dr. Leary (Secretary-Treasurer), Mr. Herrmann, and Ms. Armao
- Audit Staff: Mr. Kevin Testo, Partner, and Ms. Chevy Drew, Manager, Bonadio Group

- The Board Committee on Audit met virtually on April 22, 2026 with the Secretary-Treasurer, pertinent NYSDA staff, and representatives from the audit firm, The Bonadio Group.
- Dr. Demas welcomed the group and then asked Ms. Armao to review the audited 2025 financial statements with the Committee.
- Ms. Armao led the Committee through a review of these statements and explained any significant variances with the previous year. The Committee members asked various questions about the Association statements as well as the results of the related companies.
- Ms. Armao pointed out that the General Fund recorded a 2025 deficit in the audit report of \$574,551. Yet, in our own internal statements, that deficit is \$299,551. The difference is the \$275,000 that we annually transfer from our Reserve Fund to support our budget. Accounting standards do not recognize such transfers as true income and therefore exclude this money from the audit report net income calculation. Ms. Armao brought attention to the fact that the general fund is showing a deficit of \$195k in the net assets for the 2025 year and that while the association is cash rich currently collecting the 2026 dues, that in September/October that may not be the case and the Association may need to request monies from the reserve.
- Staff did a further review of the more detailed statements of the General Fund that compare the actual results to the budget. Staff explained significant budgetary variances and answered related questions from the Committee.
- Mr. Testo and Ms. Drew then explained the audit process, the firm's responsibilities and the opinion of the firm. Mr. Testo pointed out that they have issued an unmodified opinion (formally known as a clean opinion), meaning they feel that the statements are an accurate representation of the financial activity and condition of the Association. They had no reservations or issues with how the financial records were kept nor how the financial statements were constructed.
- Mr. Testo and Ms. Drew then explained a few items they believe could strengthen the internal control process. Another set of eyes on the journal entries (with sign off) was recommended as well as formally drafting contracts for the administration fees we charge NYSDA Support Services, Inc.'s and New York State Society of Oral & Maxillofacial Surgeons (NYSSOMS). The audit committee will look to implement these in the next fiscal year.
- Mr. Testo and Ms. Drew looked at some ratios and did mention that unrestricting some of the reserves could improve some of the ratios but they are board restricted monies, not donor restricted so are not a huge concern as the board can unrestrict them at any point.

- Before the meeting adjourned, the NYSDA staff and Dr. Leary (Secretary-Treasurer) excused themselves from the meeting and the Committee had discussions directly with the audit firm representatives.
- The Committee accepted the audit and is forwarding it to the Board with a recommendation to accept. The Committee also recommends that management formalize the review of the journal entries and that we create formal documented agreements governing the management service administration income.