



FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020



Independent Auditors' Report

The Board of Directors
National Health Council
Washington, D.C.

Report on the Financial Statements

We have audited the accompanying financial statements of National Health Council, (the Council) which comprise the statement of financial position as of December 31, 2020 and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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The Board of Directors
National Health Council
Washington, D.C.

Report on the Financial Statements (Continued)

Auditors' Responsibility (Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Health Council, Inc., as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The 2019 financial statements of National Health Council were audited by other auditors whose report dated March 10, 2020, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the 2019 audited financial statements from which it has been derived.



Bethesda, Maryland
June 8, 2021

Certified Public Accountants

National Health Council
Statement of Financial Position
December 31, 2020
With Comparative Totals As of December 31, 2019

	Assets	
	<u>2020</u>	<u>2019</u>
Current Assets		
Cash and Cash Equivalents	\$ 3,731,209	\$ 2,902,909
Investments	567,506	546,037
Pledges Receivable	187,495	454,274
Receivables from Contracts	24,456	127,380
Prepaid Expenses and Other	52,894	34,986
Total Current Assets	<u>4,563,560</u>	<u>4,065,586</u>
Property and Equipment, Net	116,079	163,176
Deferred Compensation Plan Assets	-	42,232
Security Deposits	<u>15,878</u>	<u>15,878</u>
Total Assets	<u>\$ 4,695,517</u>	<u>\$ 4,286,872</u>
	Liabilities and Net Assets	
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 223,044	\$ 250,053
Forgivable Loan - PPP	305,658	-
Deferred Contract Revenues	12,500	72,834
Deferred Membership Dues	698,800	481,200
Deferred Revenue - Other	5,000	-
Deferred Rent - Current Portion	37,414	31,864
Total Current Liabilities	<u>1,282,416</u>	<u>835,951</u>
Long-Term Liabilities		
Deferred Rent	142,182	\$ 179,596
Deferred Compensation Plan Liabilities	-	64,661
Total Long-Term Liabilities	<u>142,182</u>	<u>244,257</u>
Total Liabilities	<u>1,424,598</u>	<u>1,080,208</u>
Net Assets		
Without Donor Restrictions	1,563,859	1,592,929
With Donor Restrictions	1,707,060	1,613,735
Total Net Assets	<u>3,270,919</u>	<u>3,206,664</u>
Total Liabilities and Net Assets	<u>\$ 4,695,517</u>	<u>\$ 4,286,872</u>

See Accompanying Notes to Financial Statements

National Health Council
Statement of Activities
For the Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

	<u>2020</u>			<u>2019</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
Support and Revenues				
Sponsorship Contributions and Grants	\$ -	\$ 2,384,349	\$ 2,384,349	\$ 2,212,276
Membership Dues	1,609,700	-	1,609,700	1,573,600
Contract Services	39,708	-	39,708	180,040
Honoraria	33,245	-	33,245	39,315
Investment Income (Loss) - Net	28,696	-	28,696	24,859
Other	7,088	-	7,088	3,421
Net Assets Released from Restrictions	2,291,024	(2,291,024)	-	-
Total Support and Revenues	<u>4,009,461</u>	<u>93,325</u>	<u>4,102,786</u>	<u>4,033,511</u>
Expenses				
Program Services				
Member Services	1,343,595	-	1,343,595	1,183,372
Special Projects	1,239,368	-	1,239,368	1,155,686
Conferences	646,945	-	646,945	594,728
Publications	9,898	-	9,898	18,667
Total Program Services	<u>3,239,806</u>	<u>-</u>	<u>3,239,806</u>	<u>2,952,453</u>
Supporting Services				
General and Administrative	647,455	-	647,455	562,091
Governance	68,173	-	68,173	128,516
Membership Development	38,920	-	38,920	83,090
Fundraising	44,047	-	44,047	71,740
Strategic Planning	130	-	130	1,389
Total Supporting Services	<u>798,725</u>	<u>-</u>	<u>798,725</u>	<u>846,826</u>
Total Expenses	<u>4,038,531</u>	<u>-</u>	<u>4,038,531</u>	<u>3,799,279</u>
Changes in Net Assets	(29,070)	93,325	64,255	234,232
Net Assets, Beginning of Period	1,592,929	1,613,735	3,206,664	2,972,432
Net Assets, End of Period	<u>\$ 1,563,859</u>	<u>\$ 1,707,060</u>	<u>\$ 3,270,919</u>	<u>\$ 3,206,664</u>

See Accompanying Notes to Financial Statements

National Health Council

**Statement of Functional Expenses
For the Year Ended December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019**

	2020										2019
	Program Services				Supporting Services						Total
	Member Services	Special Projects	Conferences	Publications	General and Administrative	Governance	Membership Development	Fundraising	Strategic Planning	Total	Total
Personnel Costs	\$ 914,577	\$ 849,950	\$ 383,418	\$ 4,507	\$ 152,940	\$ 59,375	34,998	\$ 39,645	\$ 118	\$ 2,439,528	\$ 2,236,357
Professional Fees	274,030	272,034	129,001	4,940	451,113	742	-	315	-	1,132,175	930,442
Meetings and Conferences	2,002	31,065	90,401	-	9,373	1,382	392	-	-	134,615	257,254
Travel	178	670	3,485	-	175	13	19	-	-	4,540	23,846
Office Expense	1,656	191	1,832	-	9,207	728	26	127	-	13,767	44,999
Occupancy	104,036	63,122	28,475	335	11,367	4,410	2,590	2,944	9	217,288	224,250
Insurance	5,801	5,391	2,432	29	970	377	221	251	1	15,473	19,564
Depreciation	17,657	16,409	7,402	87	2,955	1,146	674	765	2	47,097	28,317
Dues and Subscriptions	16,061	500	-	-	1,365	-	-	-	-	17,926	26,569
Advertising and Promotion	7,388	-	499	-	300	-	-	-	-	8,187	865
Interest and Fees	209	36	-	-	7,690	-	-	-	-	7,935	6,815
Total Expenses	\$ 1,343,595	\$ 1,239,368	\$ 646,945	\$ 9,898	\$ 647,455	\$ 68,173	\$ 38,920	\$ 44,047	\$ 130	\$ 4,038,531	\$ 3,799,278

See Accompanying Notes to Financial Statements

National Health Council
Statement of Cash Flows
For the Year Ending December 31, 2020
With Comparative Totals For the Year Ended December 31, 2019

	2020	2019
Cash Flows from Operating Activities		
Change in Net Assets	\$ 64,255	\$ 234,232
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by (Used in) Operating Activities		
Depreciation	47,097	28,317
Net (Gains) Losses on Investments	(8,930)	(11,813)
Deferred Rent	(31,864)	(23,759)
<u>(Increase) Decrease in Assets</u>		
Pledges Receivable	266,779	53,651
Receivables from Contracts	102,924	(5,797)
Prepaid Expenses and Other	(17,908)	10,879
Deferred Compensation Plan Assets	42,232	(21,703)
<u>Increase (Decrease) in Liabilities</u>		
Accounts Payable and Accrued Expenses	(27,009)	(67,537)
Deferred Contract Revenues	(60,334)	72,834
Deferred Membership Dues	217,600	19,600
Deferred Revenue - Other	5,000	-
Deferred Compensation Plan Liabilities	(64,661)	22,507
Net Cash Provided by (Used in) Operating Activities	535,181	311,411
Cash Flows from Investing Activities		
Purchases of Investments	(12,539)	(11,764)
Purchases of Property and Equipment	-	(69,560)
Net Cash Provided By (Used) in Investing Activities	(12,539)	(81,324)
Cash Flows from Financing Activities		
Proceeds from Forgivable Loan - PPP	305,658	-
Net Cash Provided By (Used) in Financing Activities	305,658	-
Net Increase (Decrease) in Cash and Cash Equivalents	828,300	230,087
Cash and Cash Equivalents, Beginning of Period	2,902,909	2,672,822
Cash and Cash Equivalents, End of Period	\$ 3,731,209	\$ 2,902,909

See Accompanying Notes to Financial Statements

National Health Council

Notes to Financial Statements December 31, 2020

1. ORGANIZATION AND PURPOSE

The National Health Council, Inc. (the Council) is a not-for-profit organization that provides national focus for sharing common concerns, evaluating needs, and pooling ideas and resources for national organizations in the health field.

The coronavirus (COVID-19) outbreak in the United States commenced prior to the Council's fiscal year-end and has directly impacted its operations since early spring 2020. The COVID-19 pandemic caused a broad and negative impact on commerce and financial markets around the world including travel restrictions and limits on in-person gatherings.

Accordingly, the extent to which COVID-19 may impact the Council's financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

The financial statements of the Council have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires the Council to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Council. These net assets may be used at the discretion of management and the Board of Directors.

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

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Accordingly, actual results could differ from those estimates.

National Health Council

Notes to Financial Statements December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents

The Council considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Investments and Fair Value Measurements

Investments in marketable securities with readily determinable fair values are stated at fair value. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Pledges and Contracts Receivable

Pledges receivable represent sponsorships pledged but not yet received. Contracts receivables represent amounts billed but not yet collected. These items, which are uncollateralized, are stated at the amount management expects to collect from balances outstanding at year-end. All pledges are expected to be collected within one year. Based on management's assessment of the payment history of members with outstanding balances and management's current relationships with those members, management has concluded that realization losses, if any, on balances outstanding at year-end would be immaterial.

Property and Equipment

Property and equipment is recorded at cost. The Council capitalizes assets whose costs are in excess of \$2,000. Depreciation is computed using the straight-line method over estimated useful lives of three to ten years. Amortization of leasehold improvements is taken over the term of the lease. Expenditures for maintenance and repairs are charged to expense as incurred.

When property and equipment is retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts with any resulting gain or loss reflected in income or expense.

Revenue Recognition

In accordance with Financial Accounting Standards Board's Accounting Standards Update 2014-09, Revenue from Contracts with Customers (Topic 606), the Council recognizes revenues from contracts with customers when control of the promised goods or services is transferred to its customers and members in an amount that reflects the consideration the Council expects to be entitled to in exchange for those goods or services.

The Council's membership includes both national and international organizations, though the majority of organizations are based in the United States. The coalition of members is a broad-based network of various organizations which promote the well-being, and provide services to, the overall patient community. Contracts with members are implied based on a publicized listing of membership benefits. Since membership payments are required in advance, the uncertainty of payment is generally low. Contracts for other services are local in nature and uncertainty of payment is mitigated through progress payments as tasks are completed.

National Health Council

Notes to Financial Statements December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Performance obligations for membership benefits are satisfied over time during the calendar year. All members have a calendar year membership period. Membership dues are generally required to be paid in full at the beginning of the calendar year.

The nature of membership services provided by the Council include opportunities to participate in the policy-making process, access to policy resources and expertise on a broad range of complex issues, conferences and meetings, among other benefits.

Member dues are recognized over a calendar year period for all members. Dues collected in advance are considered contract liabilities and recorded as deferred revenue in the statements of financial position.

Performance obligations for contract services are satisfied over time during the respective contract periods. Payments are received according to agreed-upon schedules based on the performance of tasks. The nature of contract services includes consulting expertise, research, and forums assembled for gathering data and furthering best practices.

Revenue from contracts with customers is recognized when control of the promised goods or services is transferred, in the amount that reflects the consideration the Council expects to be entitled to in exchange for those goods and services. Revenue from contracts with customers is disaggregated between memberships and other contract services in the statements of activities. The performance obligations are satisfied over time.

Revenue from grants that are considered conditional contributions are recorded in the statements of activities as part of sponsorship contributions and grants when the conditions have been met.

Contributions are recognized as revenue at the earlier of when they are received or when the Council has received an unconditional promise to give a specific amount. The Council reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

During the year ended December 31, 2020, the Council received a \$305,658 forgivable loan from the Small Business Administration's (SBA) Paycheck Protection Program (PPP). The forgivable loan is a conditional contribution that can be recognized as revenue when the underlying conditions are met. The Council has elected to treat the forgiveness of the loan as the condition. As of December 31, 2020, the Council had a forgivable loan liability of \$305,658.

The Council had approximately \$110,000 in unrecognized conditional contributions. The revenue will be recognized upon receipt of the unfunded amount, as payment will be made at the discretion of the funders and, as such, the Council does not consider this to be an unconditional pledge receivable.

National Health Council

Notes to Financial Statements December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

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

Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. A portion of the general and administrative costs that benefit multiple functional areas have been allocated across Program and other Supporting Services and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated include computer fees, advertising fees, supplies, telephone, postage and shipping, rent, equipment rental and maintenance, printing, and depreciation, which are allocated on a time and effort basis.

Risks and Uncertainties

The Council invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Income Tax Status

The Council is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code.

The Council follows the Financial Accounting Standards Board Accounting Standards Codification, which provides guidance on accounting for uncertainty in income taxes recognized in the Council's financial statements, if any. As of December 31, 2020, the Council had no unrecognized tax benefits related to uncertain tax positions in its information return that would qualify for either recognition or disclosure in its financial statements.

The Council's policy would be to recognize interest and penalties on tax positions related to its unrecognized tax benefits in income tax expense in the financial statements. Through December 31, 2020, there have been no matters that would have resulted in an accrual for interest and/or penalties.

Generally, the tax years before 2017 are no longer subject to examination by federal, state, or local taxing authorities.

National Health Council

Notes to Financial Statements December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Pronouncement

In February 2016, the FASB issued ASU 2016-02, *Leases*. The update requires a lessee to recognize a right-of-use asset and lease liability, initially measured at the present value of the lease payments, in its statements of financial position. The guidance also expands the required quantitative and qualitative lease disclosures. The guidance is effective beginning in 2022.

Comparative Information

The financial statements include certain prior-year summarized information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

Subsequent Events

The Council has evaluated subsequent events through June 8, 2021, the date on which the financial statements were available to be issued.

3. CONCENTRATION OF CREDIT RISK

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. As of December 31, 2020, bank balances exceeded the FDIC limit by approximately \$3,480,000. Management believes the risk in these situations to be minimal.

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Council invests cash in excess of its immediate needs in marketable securities, which are reported as an investment in the statements of financial position. Following is a schedule of the investment held at December 31:

	<u>Fair Value</u>	<u>Level 1 Inputs</u>
Principal Investments Short-Term Income Fund	\$ 567,506	\$ 567,506

Fixed-income mutual fund - Securities which are traded on a national securities exchange are valued at the last reported sales price on the last business day of the year.

The Council has categorized its financial instruments based on a three-level fair value hierarchy as follows:

Level 1 – Values are based on quoted prices for identical assets in active markets.

Level 2 – Values are based on quoted prices for similar assets in active or inactive markets.

National Health Council

Notes to Financial Statements December 31, 2020

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 – Value are based on unobservable inputs to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date.

Investment income consisted of the following for the year ended December 31, 2020:

Dividends and Interest	\$ 19,766
Net Gains (Losses)	8,930
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Total	\$ 28,696

Management has evaluated the significance of internal expenses related to the generation of investment income and believes these expenses to be immaterial to the financial statements.

5. PLEDGES RECEIVABLE

Pledges are due as follows at December 31, 2020:

In One Year or Less	\$ 187,495
Between One and Five Years	-
Five Years or More	-
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Total	\$ 187,495

6. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2020:

Furniture, Equipment and Software	\$ 181,397
Leasehold Improvements	153,708
Website	69,560
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Total	404,665
Less Accumulated Depreciation and Amortization	(288,586)
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Property and Equipment, Net	\$ 116,079

Depreciation and amortization expense was \$47,097 for the year ended December 31, 2020.

National Health Council

Notes to Financial Statements December 31, 2020

7. NET ASSETS

Net assets with donor restrictions for the year ended December 31, 2020 was as follows:

Purpose:	2019	Contributions	Releases	2020
Patient Engagement	\$ 180,895	\$ 180,000	\$ (176,289)	\$ 184,606
FMV Calculator	244,342	50,000	(132,057)	162,285
Patient Exchange Experience	875	-	-	875
Delivery Design & Payment Models	164,598	455,000	(138,886)	480,712
Quality Value	22,263	-	(12,813)	9,450
Value	252,313	212,500	(220,832)	243,981
Clinical Outcomes Assessment	2,234	-	(2,234)	-
Patient Journey Mapping Toolbox	116,963	50,001	(55,240)	111,724
Advocacy Training	33,601	-	(6,835)	26,766
Real World Evidence	21,825	15,000	(24,762)	12,063
Leadership Conference	228,692	120,000	(246,462)	102,230
Washington Reps Retreat	88,610	170,000	(249,875)	8,735
SPES Conference	-	150,000	(150,000)	-
Emerging Issues Fund	44,118	275,250	(230,906)	88,462
Center for Education Excellence	87,500	60,000	(90,244)	57,256
COVID -19	-	225,000	(178,646)	46,354
PCORI - Grant Value	11,369	(9,987)	(1,382)	-
PQA Rubric	4,020	-	(4,020)	-
Center for Patient Driven Value	-	11,456	(3,981)	7,475
Methods & Principles (PhRMA)	50,227	-	(50,227)	-
PCORI Real World Evidence	21,340	178,125	(96,430)	103,035
NPC - MCDA	37,950	70,028	(107,010)	968
Innovative Payment Model - AZ	-	60,042	(35,378)	24,664
RUNX1	-	27,862	(12,881)	14,981
PhRMA VA Good Practice	-	12,000	(9,142)	2,858
IVI Patient RoundTable	-	72,072	(54,492)	17,580
Total	\$ 1,613,735	\$ 2,384,349	\$(2,291,024)	\$ 1,707,060

National Health Council

Notes to Financial Statements December 31, 2020

7. NET ASSETS (CONTINUED)

The 2019 balances were reclassified to the correct purpose restrictions in 2020.

Net assets without donor restrictions for the year ended December 31, 2020 were undesignated.

8. LEASE COMMITMENTS

The Council entered into an office lease extension expiring on November 30, 2024. The lease also call for escalations in lease payments by 2.5% annually on the anniversary of the lease. The lease extension provided for an abatement of rent for the six-month period beginning August 1, 2014 and included a tenant improvement allowance. The lease abatement, scheduled rent increases, and the tenant improvement allowance give rise to a deferred lease obligation, which is amortized over the term of the lease.

Rent expense was \$203,230 for the year ended December 31, 2020.

As of the December 31, 2020, future minimum lease payments are:

2021	\$ 228,149
2022	233,850
2023	239,710
2024	<u>224,932</u>
Total	<u>\$ 926,641</u>

9. RETIREMENT PLANS

The Council maintains a defined contribution retirement plan qualified under Internal Revenue Code Section 403(b) covering substantially all employees. Contributions by the Council are based on fixed percentages of compensation, up to 8%, based on the participants' years of service.

The Council also maintains a deferred compensation plan under Internal Revenue Code Section 457(b). Highly compensated employees with a minimum of six months of service may be eligible to participate. The 457(b) plan assets were distributed in 2020.

Total expense under these plans for the year ended December 31, 2020 was \$83,367.

National Health Council

Notes to Financial Statements December 31, 2020

10. LIQUIDITY AND AVAILABILITY

The following represents the Council's financial assets at December 31, 2020:

Financial Assets at Year End:	
Cash and Cash Equivalents	\$ 3,731,209
Investments	567,506
Pledges Receivable	187,495
Receivables from Contracts	<u>24,456</u>
Total Financial Assets	<u>4,510,666</u>
Less: Restricted Amounts Not Available To Be Used Within One Year:	
Donor-Restricted Amounts - Purpose Restricted	(1,707,060)
Donor-Restricted Amounts To Be Used Over the Next Twelve Months	<u>1,707,060</u>
	<u>-</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 4,510,666</u>

The goal of the Council is to maintain sufficient financial assets to meet between two and six-months (approximately \$1,600,000) of operating expenses. As part of the liquidity plan, cash in excess of monthly operating requirements is invested in a money market account or short-term mutual fund.