CONNECTICUT EDUCATION ASSOCIATION, INC.

Financial Statements

June 30, 2023 and 2022

(With Independent Auditors' Report Thereon)

CONNECTICUT EDUCATION ASSOCIATION, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of Connecticut Education Association, Inc.

Opinion

We have audited the accompanying financial statements of Connecticut Education Association, Inc. (a nonprofit organization; the "Association"), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, 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 Connecticut Education Association, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 the 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 the 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.

Hartford, Connecticut
February 2, 2024

Connecticut Education Association, Inc.

Statements of Financial Position

June 30, 2023 and 2022

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 8,576,488	$ 8,254,860
Marketable securities	19,919,846	19,413,724
Dues receivable	788,115	1,242,286
Other assets	149,788	160,868
Total current assets	29,434,237	29,071,738
Land, buildings and equipment, net	6,988,706	7,678,684
Total assets	$ 36,422,943	$ 36,750,422
LIABILITIES AND NET ASSETS		
Liabilities:		
Current liabilities:		
Accounts payable and other accrued expenses	$ 1,705,029	$ 864,175
Dues payable to National Education Association	1,904,744	1,894,194
Accrued postretirement benefits other than pension, current	992,174	845,100
Accrued postretirement pension benefits, current	2,263,000	2,227,000
Total current liabilities	6,864,947	5,830,469
Long-term liabilities:		
Accrued compensated absences and severance	1,801,679	2,180,037
Accrued postretirement benefits other than pension, net	363,897	2,944,162
Accrued postretirement pension benefits, net	4,074,093	8,536,214
Total long-term liabilities	6,239,669	13,660,413
Total liabilities	13,104,616	19,490,882
Net assets/(deficit) without donor restrictions:		
Operating funds - net current assets	22,569,290	23,241,269
Land, buildings and equipment, net	6,988,706	7,678,684
Retirement benefits	(6,239,669)	(13,660,413)
Total net assets without donor restrictions	23,318,327	17,259,540
Total liabilities and net assets	$ 36,422,943	$ 36,750,422

The accompanying notes are an integral part of the financial statements.

CONNECTICUT EDUCATION ASSOCIATION, INC.

Statements of Activities

For the years ended June 30, 2023 and 2022

	2023	2022
Changes in net assets without donor restrictions:		
Operating revenues:		
Dues	$ 18,757,473	$ 18,706,374
Building rental and garage income	1,784,013	1,749,649
NEA support and reimbursements	1,632,604	1,381,448
Special services and other	637,052	827,088
Total operating revenues	22,811,142	22,664,559
Operating expenses:		
Program	16,702,778	16,161,231
Management and general	6,002,886	5,728,473
Total operating expenses	22,705,664	21,889,704
Change in net assets from operations	105,478	774,855
Other changes in net assets:		
Investment income/(loss), net	506,122	(2,781,903)
Pension changes other than net periodic pension cost	3,219,440	7,408,858
Postretirement benefit changes other than net periodic cost	2,227,747	1,161,266
Total other changes	5,953,309	5,788,221
Change in net assets	6,058,787	6,563,076
Net assets/(deficit), beginning of year	17,259,540	10,696,464
Net assets, end of year	$ 23,318,327	$ 17,259,540

The accompanying notes are an integral part of the financial statements.

Connecticut Education Association, Inc.

Statements of Functional Expenses

For the years ended June 30, 2023 and 2022

	2023		
	Program	Management and General	Total
Personnel	$ 13,125,907	$ 2,619,026	$ 15,744,933
Net periodic pension and postretirement cost	333,196	66,483	399,679
Travel	737,609	27,664	765,273
Property	307,524	3,031,657	3,339,181
Professional services	56,269	201,538	257,807
Office	562,814	23,182	585,996
Equipment	209,024	14,579	223,603
Media	561,502	131	561,633
Other	808,933	18,626	827,559
Total	$ 16,702,778	$ 6,002,886	$ 22,705,664

	2022		
	Program	Management and General	Total
Personnel	$ 13,450,538	$ 2,012,084	$ 15,462,622
Net periodic pension and postretirement cost	102,977	15,405	118,382
Travel	376,277	7,643	383,920
Property	244,739	3,266,237	3,510,976
Professional services	13,909	208,855	222,764
Office	781,743	88,986	870,729
Equipment	212,943	14,643	227,586
Media	415,069	-	415,069
Other	563,036	114,620	677,656
Total	$ 16,161,231	$ 5,728,473	$ 21,889,704

The accompanying notes are an integral part of the financial statements.

CONNECTICUT EDUCATION ASSOCIATION, INC.

Statements of Cash Flows

For the years ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	$ 6,058,787	$ 6,563,076
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation	816,028	802,601
Realized and unrealized (gains)/losses on investments	(4,660)	3,230,101
Change in assets and liabilities:		
Dues receivable	454,171	40,539
Other assets	11,080	363,226
Accounts payable and other accrued expenses	840,854	(38,021)
Dues payable to National Education Association	10,550	29,934
Accrued compensated absences and severance	(378,358)	(67,758)
Accrued postretirement benefits other than pension	(2,433,191)	(1,418,211)
Accrued postretirement pension benefits	(4,426,121)	(9,360,934)
Net change in cash from operating activities	949,140	144,553
Cash flows from investing activities:		
Purchase of building improvements	(126,050)	-
Purchases of marketable securities	(12,157,509)	(5,614,200)
Sales and maturities marketable securities	11,656,047	5,166,002
Net change in cash from investing activities	(627,512)	(448,198)
Net change in cash	321,628	(303,645)
Cash and cash equivalents, at beginning of year	8,254,860	8,558,505
Cash and cash equivalents, at end of year	$ 8,576,488	$ 8,254,860

The accompanying notes are an integral part of the financial statements.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Connecticut Education Association, Incorporated (the "Association") is a not-for-profit membership organization of approximately 44,200 elementary and secondary public school teachers, students and retired teachers. The Association has approximately 160 local affiliates and is affiliated with the 3 million member National Education Association ("NEA") based in Washington, D.C. The Association provides direct services to each of its local affiliates in the areas of negotiations, grievances, public relations and professional development.

Basis of Accounting - The financial statements of the Association have been prepared on the accrual basis of accounting.

Basis of Presentation - Financial statement presentation follows the Financial Statements for Not-for-Profit Organizations topic of the FASB codification. The Foundation reports information regarding its financial position and activities according to two classes of net assets:

> *Net Assets without Donor Restrictions* – Net assets not subject to donor-imposed stipulations. Funds may be designated by the board.
>
> *Net Assets with Donor Restrictions* – Net assets subject to donor imposed stipulations that may or will be met by actions of the Association and/or the passage of time. The Association had no net assets with donor restrictions at June 30, 2023 and 2022.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements, and 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 investments with an original maturity of three months or less to be cash equivalents.

Marketable Securities - Investments are stated at fair market value. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Revenue Recognition

Dues - The Association's performance obligation is to provide advocacy services to its members. These services are provided over the term of the membership period and accordingly member dues revenue is recognized over that time period, which is generally one year. Dues are paid by members on a bi-weekly basis to local affiliates who then remit payments to the Association. The Association collects dues from state members of the NEA and forwards them to NEA on a regular basis. Dues collected on behalf of NEA are not included in the Association's statements of activities. Dues are not refundable. The Association records accounts receivable for NEA dues not yet collected from the state members and accounts payable for NEA dues not yet forwarded to NEA.

Building rental and garage income - The Association occupies approximately one and one half full floors of Capitol Place and is either currently leasing (or is seeking to lease) the other six floors to unaffiliated third parties. The Association's performance obligation is to provide office space and maintain common areas. Rental income is recognized monthly; prepayments of rent are recorded as deferred income. Leases typically range from five to fifteen years.

NEA support and reimbursements - The Association receives funding from NEA to offset the cost of Unified Service Model ("Uniserv") representatives. The Association's performance obligation is to staff certain positions, and revenue is recognized as direct expenditures are incurred for those positions.

Fair Value Measurements - Financial Accounting Standards Board ("FASB") *Accounting Standards Codification* ("ASC") 820, *Fair Value Measurements*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

> *Level 1* - inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
>
> *Level 2* - inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
>
> *Level 3* - inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

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

The following is a description of the valuation methodologies used for assets measured at fair value.

> *Short-term investments* - Valued at the accounts' closing balance at year end.
>
> *Equities and fixed income* - Valued using observable quoted prices for identical assets in active markets.

There have been no changes in the methodologies used at June 30, 2023 and 2022.

Land, Buildings and Equipment - Land is state at cost. Buildings and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over estimated useful lives ranging from 3 to 40 years. Costs in excess of $5,000 that extend the useful lives of fixed assets are capitalized. Expenditures for normal repairs and maintenance are charged to operations as incurred.

Federal and State Income Taxes - The Association is a 501(c)(5) tax-exempt organization, which is exempt from federal and state income tax under the Internal Revenue Code. However, income from certain activities not directly related to the Association's tax-exempt purpose is subject to taxation as unrelated business income. Taxes paid are included in other expenses.

Generally Accepted Accounting Principles (GAAP) requires management to evaluate tax positions taken and to recognize a tax liability (or asset) if the Association has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Association, and has concluded that as of June 30, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Association is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes that it is no longer subject to income tax examinations for years prior to 2020.

Note 1 - Organization and Summary of Significant Accounting Policies *(continued)*

Functional Expenses - The costs of providing programs and support have been reported on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs and other expenses are allocated based on actual time and effort. Property costs are allocated based on square footage. All other costs are directly charged to the appropriate functional categories.

Subsequent Events Measurement Date - The Association monitored and evaluated any subsequent events for footnote disclosures or adjustments required in its financial statements for fiscal year ended June 30, 2023 through February 2, 2024, the date on which the financial statements were available to be issued.

Note 2 – Liquidity and Availability

The following represents the Association's financial assets available to meet general expenditures over the next twelve months at June 30,:

	2023	2022
Cash and cash equivalents	$ 8,576,488	$ 8,254,860
Marketable securities	19,919,846	19,413,724
Dues receivable	788,115	1,242,286
Total financial assets	29,284,449	28,910,870
Less reserve funds designated by board by-laws	(16,422,109)	(16,485,355)
Total financial assets available to meet general expenditures within twelve months	$ 12,862,340	$ 12,425,515

The Association maintains internal funds which are board-designated for potential contingencies, which can only be spent in accordance with its by-laws.

Note 3 - Marketable Securities

Marketable securities consist of the following and are measured at fair value using Level 1 inputs at June 30,:

	2023	2022
Short term investments	$ 1,507,489	$ 1,082,162
Corporate bonds	4,814,146	4,991,726
Municipal bonds	2,730,176	2,796,621
Preferred security bonds	419,285	470,740
U.S. agency bonds	2,178,722	742,658
Fixed income mutual funds	850,013	856,821
Total fixed income	10,992,342	9,858,566
Equities mutual funds	648,960	1,925,126
Equities stocks	6,771,055	6,547,870
Total equities	7,420,015	8,472,996
Total	$ 19,919,846	$ 19,413,724

NOTE 3 - MARKETABLE SECURITIES *(CONTINUED)*

The reconciliation of the Association's marketable securities is as follows at June 30,:

	2023	2022
Marketable securities, beginning of year	$ 19,413,724	$ 22,195,627
Investment return:		
Interest and dividends	625,978	586,222
Realized gains/(losses)	(964,690)	588,491
Unrealized gains/(losses)	969,350	(3,818,592)
Asset management fees	(124,516)	(138,024)
	506,122	(2,781,903)
Marketable securities, end of year	$ 19,919,846	$ 19,413,724

NOTE 4 - DUES RECEIVABLE

The balances of accounts receivable and liabilities relating to contracts with customers were as follows:

	Dues Receivable	Contract Liabilities
July 1, 2021	$ 1,282,825	$ -
June 30, 2022	1,242,286	-
June 30, 2023	788,115	-

NOTE 5 - LAND, BUILDINGS AND EQUIPMENT

The following is a summary of land, buildings and equipment at June 30,:

	2023	2022
Land	$ 430,276	$ 430,276
Buildings and improvements	29,241,674	29,115,624
Furniture and equipment	787,827	787,827
Total	30,459,777	30,333,727
Less accumulated depreciation	(23,471,071)	(22,655,043)
Land, buildings, and equipment, net	$ 6,988,706	$ 7,678,684

NOTE 6 - CONCENTRATIONS

Two unions subject to collective bargaining agreements represent approximately 80% of the Association's employees for the years ended June 30, 2023 and 2022, respectively. The collective bargaining agreement for professional staff expires June 30, 2027 and the agreement for the associate staff expires on June 30, 2024.

The Association maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. The Association has not experienced any losses in any cash accounts and believes it is not exposed to significant credit risk on cash.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

The Association is, from time to time, subject to legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to any outstanding actions will not materially affect the financial position of the Association.

NOTE 8 - LEASE COMMITMENTS

Rental Income - Included in buildings and improvements in Note 5 is the Association's property located at 21 Oak Street, Hartford, CT ("Capitol Place"), of which a portion is rented to unrelated third parties. Leases typically range from five to fifteen years. The estimated committed rental income from leases is a follows for the years ending June 30:

2024	$ 1,400,226
2025	1,045,376
2026	733,236
2027	352,445
2028	166,716
Thereafter	985,785
Total	$ 4,683,784

NOTE 9 - RELATED PARTY TRANSACTIONS

Connecticut Education Association Political Action Committee's ("CEA-PAC") Board of Directors is made up of CEA board members and staff. CEA-PAC disburses contributions to support local politicians.

Connecticut Education Foundation (the "Foundation") board of directors is made up of CEA board members and staff. The Foundation is a separately incorporated group established by donations from the Association. Income is used to provide emergency aid to members of the Association, scholarships for those entering the teaching profession and assistance to children.

NOTE 10 - RETIREMENT PLAN

The Association offers a 401(k) retirement plan to eligible employees. Employees who are twenty-one years of age, work full time and are employed for one-year with the Association are eligible to receive employer-matching contributions. Connecticut Education Association Professional Staff Organization ("CEAPSO") employees are paid out to the 403(b) retirement plan equal to 2.5 days of their severance at the time of their anniversary with the Association. Total employer contributions for the years ended June 30, 2023 and 2022 were $428,968 and $344,287, respectively.

NOTE 11 - PENSION PLAN AND OTHER POSTRETIREMENT BENEFITS

The Association has a defined benefit pension plan covering substantially all employees. The pension plan is contributory at 4% of pay for new CAPSO and managerial employees hired after June 30, 2004 and for ASOCEA and confidential employees hired after June 30, 2005. The pension plan is noncontributory for all other employees. Pension benefits are based on years of credited service and employees' average annual earnings, as defined in the Plan. The Association's funding policy is to make the minimum annual contribution required by applicable regulations. Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future. Expected Association contributions for the year ending June 30, 2023 are $2,962,000.

The Association also provides postretirement health care benefits for employees who retire and immediately commence pension benefits after reaching retirement age. The plan is non-contributory for employees hired prior to June 30, 1994. For employees hired subsequent to this date, contribution rates vary by employment classification, date of hire, and years of service at retirement. During the year ended June 30, 2002, the Association established a voluntary employees' beneficiary association ("VEBA") and began funding postretirement health care benefits. Expected Association contributions for the year ending June 30, 2023 are $992,000.

The annual measurement date is June 30 for the pension benefits and other postretirement benefits. The following tables provide further information about the Association's pension and postretirement benefit plans.

	2023	2022	2023	2022
Change in Projected Benefit Obligation:				
Projected benefit obligation, beginning of year	$ 49,743,207	$ 64,031,997	$ 20,540,318	$ 24,425,322
Service cost	1,397,109	2,279,956	517,572	758,840
Interest cost	2,241,416	1,736,398	903,715	659,905
Actuarial gain/loss	(2,213,516)	(14,380,185)	(1,790,279)	(4,549,550)
Benefits disbursed from plan assets	(2,836,694)	(4,250,407)	(811,385)	(754,199)
Employee contributions	344,319	325,448	-	-
Projected benefit obligation, end of year	$ 48,675,841	$ 49,743,207	$ 19,359,941	$ 20,540,318
Change in Plan Assets:				
Total fair value of plan assets, beginning of year	$ 38,979,993	$ 43,907,849	$ 16,751,056	$ 19,217,849
Actual return on plan assets	2,939,130	(5,614,897)	1,252,814	(2,466,793)
Employer contributions	2,912,000	4,612,000	811,385	754,199
Employee contributions	344,319	325,448	-	-
Benefits disbursed from plan assets	(2,836,694)	(4,250,407)	(811,385)	(754,199)
Total fair value of plan assets, end of year	$ 42,338,748	$ 38,979,993	$ 18,003,870	$ 16,751,056
Funded Status:				
Actuarial present value of projected obligation	$ (48,675,841)	$ (49,743,207)	$ (19,359,941)	$ (20,540,318)
Plan assets at fair value	42,338,748	38,979,993	18,003,870	16,751,056
Unfunded status	(6,337,093)	(10,763,214)	(1,356,071)	(3,789,262)
Liability for pension benefits	$ (6,337,093)	$ (10,763,214)	$ (1,356,071)	$ (3,789,262)
Components of Net Periodic Pension Benefits Cost:				
Service cost	$ 1,397,109	$ 2,279,956	$ 517,572	$ 758,840
Interest cost	2,241,416	1,736,398	903,715	659,905
Expected return on plan assets	(2,762,467)	(3,117,757)	(1,167,645)	(1,357,893)
Amortization of unrecognized net loss	832,361	1,761,327	352,299	436,402
Net periodic pension benefit cost	$ 1,708,419	$ 2,659,924	$ 605,941	$ 497,254

NOTE 10 - PENSION PLAN AND OTHER POSTRETIREMENT BENEFITS *(CONTINUED)*

	Pension Benefits		Other Benefits	
	2023	2022	2023	2022
Discount rate	5.00%	4.50%	5.00%	4.50%
Post retirement interest rate	5.00%	4.50%	4.50%	4.50%
Expected long-term rate of return on plan assets	7.00%	7.00%	7.00%	7.00%
Rate of compensation increase	1.00%	1.00%	N/A	N/A

The reason for the significant gain is related to the change in the discount rate for the period and market returns.

The Association's pension plan and other benefits weighted-average asset allocation were as follows at June 30,:

	Pension Benefits		Other Benefits	
	2023	2022	2023	2022
Cash and cash equivalents	100.0%	5.2%	100.0%	5.2%
Equity securities	0.0%	49.4%	0.0%	57.5%
Fixed income	0.0%	45.4%	0.0%	37.3%
Total	100.00%	100.00%	0.00%	94.84%

Marketable securities consisted of the following at June 30,:

	Pension Benefits		Other Benefits	
	2023	2022	2023	2022
Cash and cash equivalents	$ 42,338,748	$ 2,014,899	$ 18,003,870	$ 864,947
Equity	-	19,248,932	-	9,632,915
Fixed income	-	17,716,162	-	6,253,194
Total	$ 42,338,748	$ 38,979,993	$ 18,003,870	$ 16,751,056

The following tables present investments at fair value on a recurring basis at June 30, 2023:

	Pension Benefits			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 42,338,748	$ -	$ -	$ 42,338,748
Equity	-	-	-	-
Fixed income	-	-	-	-
Total	$ 42,338,748	$ -	$ -	$ 42,338,748

	Other Benefits			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 18,003,870	$ -	$ -	$ 18,003,870
Equity	-	-	-	-
Fixed income	-	-	-	-
Total	$ 18,003,870	$ -	$ -	$ 18,003,870

NOTE 10 - PENSION PLAN AND OTHER POSTRETIREMENT BENEFITS *(CONTINUED)*

The following tables present investments at fair value on a recurring basis at June 30, 2022:

	Pension Benefits			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 2,014,899	$ -	$ -	$ 2,014,899
Equity	19,248,932	-	-	19,248,932
Fixed income	14,954,744	2,761,418	-	17,716,162
Total	$ 36,218,575	$ 2,761,418	$ -	$ 38,979,993

	Other Benefits			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 864,947	$ -	$ -	$ 864,947
Equity	9,632,915	-	-	9,632,915
Fixed income	5,662,576	590,618	-	6,253,194
Total	$ 16,160,438	$ 590,618	$ -	$ 16,751,056

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023 and 2022.

> *Equity and fixed income*: Valued using observable quoted prices for identical assets in active markets.

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

The Association's investment policy is to manage the Plans with long-term objectives; with little concern for high current income or the need to maintain ready-cash reserves beyond those necessary to pay current benefits for the Plans; and with the intent to achieve the highest long-term rate of return practicable without jeopardizing the Association's funding policy or creating undue funding volatility.

The Association's overall investment strategy is to achieve a mix of approximately 50% of investments for long term growth and 50% for near term benefit payments with a diversification of asset types, fund strategies, and fund managers. The potential ranges for total equity exposure is between 40% and 60%, whereas the potential ranges for total bond exposure is between 38% and 58%. Cash or cash equivalents is maintained at 2%. Equity securities include investments in companies located both within and outside the United States. Fixed income securities include domestic and international bonds of companies from diversified industries and U.S. Treasuries.

The following benefits are expected to be paid during the years ending June 30:

	Pension Benefits	Other Benefits
2024	$ 2,263,000	$ 992,174
2025	2,505,000	1,002,609
2026	2,658,000	1,067,082
2027	2,820,000	1,192,221
2028	2,993,000	1,289,334
2029-2033	15,831,000	6,966,564