

**YWCA OF
SWEETWATER COUNTY
FINANCIAL REPORT
JUNE 30, 2022**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1
FINANCIAL STATEMENTS	
Statements of financial position	2
Statements of activities	3-4
Statements of functional expenses	5-6
Statements of cash flows	7
NOTES TO FINANCIAL STATEMENTS	8-19

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
YWCA Sweetwater County
Rock Springs, Wyoming

We have reviewed the accompanying financial statements of YWCA of Sweetwater County (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022, and the related statements of activities, Statements of program service revenues and functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of YWCA of Sweetwater County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on 2021 Financial Statements

The 2021 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated October 15, 2021. Our report stated that the information was fairly stated in all material respects in relation to the financial statements as a whole. We have not performed any auditing procedures on either the financial statements or on the supplementary information since October 15, 2021.

SUMMIT WEST CPA GROUP, P.C.

Summit West CPA Group, P.C.
Lander, Wyoming
December 15, 2022



Financial Statements

YWCA SWEETWATER COUNTY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 (UNAUDITED) AND 2021 (AUDITED)

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 176,789	\$ 263,872
Receivables:		
Accounts receivable from program services, net	42,630	53,663
Grants receivable	79,900	76,331
Other receivables	293	0
Prepaid expenses	12,147	13,453
Total current assets	311,759	407,319
Property and equipment (Note 2)	522,474	484,912
OTHER ASSETS		
Security deposits	3,000	3,000
Beneficial interest in net assets of Wyoming Community Foundation (Note 6 and 10)	113,332	130,313
Total other assets	116,332	133,313
Total Assets	\$ 950,565	\$ 1,025,544
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 20,436	\$ 9,729
Accrued expenses	53,652	75,012
Current maturities of note payable (Note 8)	0	8,894
Total current liabilities	74,088	93,635
LONG-TERM LIABILITIES		
Note payable, net of current portion (Note 8)	0	89,262
Total long-term liabilities	0	89,262
Total Liabilities	74,088	182,897
NET ASSETS		
Without donor restrictions	720,136	724,461
With donor restrictions (Note 11)	156,341	118,186
Total net assets	876,477	842,647
Total Liabilities and Net Assets	\$ 950,565	\$ 1,025,544

See Independent Accountant's Review Report and Notes to the Financial Statements

**YWCA SWEETWATER COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022 (UNAUDITED)**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND GAINS			
Contributions	\$ 42,196	\$ 11,100	\$ 53,296
Special events	46,580	0	46,580
Private grants	6,879	98,900	105,779
Government grants			
Federal grants	171,147	108,260	279,407
State grants	171,862	5,000	176,862
County service contract	238,451	0	238,451
City grants	10,000	0	10,000
United Way support	49,647	0	49,647
In-kind contributions (Note 3)	50,260	0	50,260
Program fees	464,981	0	464,981
Interest income	381	0	381
Miscellaneous	203	0	203
Gain on forgiveness of debt	98,452	0	98,452
Loss on disposal of assets	(1,131)	0	(1,131)
Loss on endowed assets	(20,081)	0	(20,081)
Total Revenues and Gains	<u>1,329,827</u>	<u>223,260</u>	<u>1,553,087</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of purpose restrictions	185,105	(185,105)	0
Total Net Assets Released from Restrictions	<u>185,105</u>	<u>(185,105)</u>	<u>0</u>
EXPENSES			
Program and Functional Services (Note 3)			
Center for Families and Children	510,137	0	510,137
Childcare	697,683	0	697,683
Financial Empowerment	28,445	0	28,445
Management and general	282,992	0	282,992
Total Expenses	<u>1,519,257</u>	<u>0</u>	<u>1,519,257</u>
Change in Net Assets	(4,325)	38,155	33,830
Net Assets, Beginning of Year	<u>724,461</u>	<u>118,186</u>	<u>842,647</u>
Net Assets, End of Year	<u>\$ 720,136</u>	<u>\$ 156,341</u>	<u>\$ 876,477</u>

See Independent Accountant's Review Report and Notes to the Financial Statements

**YWCA SWEETWATER COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021 (AUDITED)**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND GAINS			
Contributions	\$ 19,754	\$ 30,512	\$ 50,266
Special events	34,344	0	34,344
Private grants	13,558	58,000	71,558
Government grants			
Federal grants	309,869	0	309,869
State grants	154,824	0	154,824
County service contract	282,387	0	282,387
City grants	10,000	0	10,000
United Way support	49,600	0	49,600
In-kind contributions (Note 3)	50,260	0	50,260
Program fees	440,318	0	440,318
Interest income	268	0	268
Miscellaneous	95	0	95
Gain on forgiveness of debt	99,146	0	99,146
Gain on endowed assets	31,287	0	31,287
Total Revenues and gains	<u>1,495,710</u>	<u>88,512</u>	<u>1,584,222</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of purpose restrictions	90,074	(90,074)	0
Total Net Assets Released from Restrictions	<u>90,074</u>	<u>(90,074)</u>	<u>0</u>
EXPENSES			
Program and Functional Services (Note 3)			
Center for Families and Children	499,621	0	499,621
Childcare	711,602	0	711,602
Financial Empowerment	32,776	0	32,776
Management and general	239,672	0	239,672
Total Expenses	<u>1,483,671</u>	<u>0</u>	<u>1,483,671</u>
Change in Net Assets	102,113	(1,562)	100,551
Net Assets, Beginning of Year	<u>622,348</u>	<u>119,748</u>	<u>742,096</u>
Net Assets, End of Year	<u>\$ 724,461</u>	<u>\$ 118,186</u>	<u>\$ 842,647</u>

See Independent Accountant's Review Report and Notes to the Financial Statements

**YWCA SWEETWATER COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022 (UNAUDITED)**

	Program Services				Management and General	Total Expenses
	Center for Families and Children	Childcare	Financial Empowerment	Total Program Services		
Salaries	\$ 223,253	\$ 430,720	\$ 19,206	\$ 673,179	\$ 180,988	\$ 854,167
Employee benefits	43,937	55,429	3,030	102,396	22,517	124,913
Payroll taxes and associated costs	21,762	44,226	1,923	67,911	16,664	84,575
Professional fees	10,088	16,765	377	27,230	15,166	42,396
Supplies	21,851	16,420	958	39,229	23,790	63,019
Communication	12,293	9,181	0	21,474	659	22,133
Occupancy	17,942	20,984	0	38,926	0	38,926
Rent	41,267	500	0	41,767	0	41,767
Rental and maintenance, equipment	8,094	6,289	0	14,383	13,316	27,699
Printing and publications	6,466	465	1,815	8,746	2,556	11,302
Travel and transportation	5,206	723	173	6,102	886	6,988
Conferences, conventions and meetings	2,012	2,138	27	4,177	1,066	5,243
Assistance to individuals	56,341	0	936	57,277	0	57,277
Membership dues	4,913	4,163	0	9,076	1,370	10,446
Insurance	11,841	9,575	0	21,416	1,560	22,976
In-kind	2,760	47,500	0	50,260	0	50,260
Bad debt expense	0	0	0	0	0	0
Interest expense	0	0	0	0	0	0
Miscellaneous	0	7,400	0	7,400	852	8,252
Total Expenses Before Depreciation	490,026	672,478	28,445	1,190,949	281,390	1,472,339
Depreciation, buildings and equipment	20,111	25,205	0	45,316	1,602	46,918
Total Expenses	\$ 510,137	\$ 697,683	\$ 28,445	\$ 1,236,265	\$ 282,992	\$ 1,519,257

See Independent Accountant's Review Report and Notes to the Financial Statements

**YWCA SWEETWATER COUNTY
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021 (AUDITED)**

	Program Services				Management and General	Total Expenses
	Center for Families and Children	Childcare	Financial Empowerment	Total Program Services		
Salaries	\$ 220,264	\$ 447,168	\$ 19,273	\$ 686,705	\$ 178,142	\$ 864,847
Employee benefits	43,834	53,030	3,956	100,820	25,351	126,171
Payroll taxes and associated costs	25,018	46,712	2,116	73,846	13,263	87,109
Professional fees	6,706	7,746	138	14,590	1,265	15,855
Supplies	11,203	4,848	1,579	17,630	11,619	29,249
Communication	11,974	8,743	46	20,763	47	20,810
Occupancy	13,386	21,385	0	34,771	23	34,794
Rent	41,100	500	0	41,600	0	41,600
Rental and maintenance, equipment	17,627	22,300	913	40,840	2,211	43,051
Printing and publications	3,105	1,430	1,367	5,902	1,889	7,791
Travel and transportation	6,154	1,421	0	7,575	0	7,575
Conferences, conventions and meetings	2,132	1,035	0	3,167	66	3,233
Assistance to individuals	60,504	0	3,200	63,704	0	63,704
Membership dues	4,973	4,223	0	9,196	1,478	10,674
Insurance	11,141	9,367	188	20,696	1,333	22,029
In-kind	2,760	47,500	0	50,260	0	50,260
Bad debt expense	0	3,160	0	3,160	0	3,160
Interest expense	0	0	0	0	1,140	1,140
Miscellaneous	5	6,309	0	6,314	751	7,065
Total Expenses Before Depreciation	481,886	686,877	32,776	1,201,539	238,578	1,440,117
Depreciation, buildings and equipment	17,735	24,725	0	42,460	1,094	43,554
Total Expenses	\$ 499,621	\$ 711,602	\$ 32,776	\$ 1,243,999	\$ 239,672	\$ 1,483,671

See Independent Accountant's Review Report and Notes to the Financial Statements

**YWCA SWEETWATER COUNTY
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022 (UNAUDITED) AND 2021 (AUDITED)**

	2022	2021
INCREASE (DECREASE) IN CASH		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 1,462,937	\$ 1,446,844
Cash payments for goods and services	(481,180)	(451,567)
Cash paid to employees	(1,000,210)	(984,969)
	(18,453)	10,308
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(85,611)	(34,118)
Proceeds from issuance of long-term debt	0	98,156
Contribution to Wyoming Community Foundation	(3,100)	(3,037)
(Gain)/Loss on endowed assets	20,081	(31,287)
	(68,630)	29,714
NET CHANGE IN CASH	(87,083)	40,022
CASH - BEGINNING OF YEAR	263,872	223,850
CASH - END OF YEAR	\$ 176,789	\$ 263,872
 RECONCILIATION OF OPERATING INCOME TO NET CASH USED IN OPERATING ACTIVITIES		
Operating income (loss)	\$ 33,830	\$ 100,551
Adjustments to reconcile operating income to net cash used for operating activities		
Depreciation	46,918	43,554
Loss on disposal of assets	1,131	0
Gain of forgiveness of debt	(98,452)	(99,146)
Interest on forgiven debt	358	1,140
(Increase) decrease in receivables	7,171	(39,278)
(Increase) decrease in prepaid expenses	1,306	(1,361)
Increase (decrease) in accounts payable	10,707	(1,107)
Increase (decrease) in accrued expenses	(21,298)	5,955
	(18,329)	10,308
Net Cash Used in Operating Activities	\$ (18,329)	\$ 10,308

See Independent Accountant's Review Report and Notes to the Financial Statements

Notes to Financial Statements

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

The YWCA of Sweetwater County (the "YWCA") is a nonprofit corporation organized under the laws of the State of Wyoming for the purpose of helping families. The YWCA operates primarily in Rock Springs, Wyoming and offers all of the following programs:

Childcare - The YWCA Childcare Program provides care for children from birth through twelve years of age. Developmentally appropriate activities are provided in a caring and supportive atmosphere. Located in Rock Springs, the center is state certified by the Department of Family Services. Financial assistance is available for those whose income qualifies, and a sliding fee scale makes the services more affordable for parents.

Center for Families and Children - The Center for Families and Children is a help center for victims and survivors of all types of family violence including: domestic violence, sexual assault, stalking, human trafficking, and elder abuse. The Center assistance includes a safe place to stay (emergency shelter), transportation to resources, accompaniment to court proceedings, protection orders, advocacy and a 24-hour crisis line. In addition, the program offers public education to schools, organizations and media sources. The goal is to help keep victims/survivors and their family safe and empower them with resources and services.

Financial Empowerment - The YWCA Financial Empowerment Program provides both individual and group classes with a specific focus to provide basic financial education information to as many groups and individuals as possible.

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis in conformity with accounting principles generally accepted in the United States of America (US GAAP).

Basis of Presentation

The YWCA has adopted the Not-for-Profit Entities Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), as the basis of presentation of its financial statements. This topic, being ASC 958, establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories according to externally (donor) imposed restrictions. It also requires the YWCA to distinguish between contributions received for each net asset category in accordance with donor-imposed conditions. Descriptions of the two net asset categories are as follows:

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (cont.)

Basis of Presentation (cont.)

Net assets without donor restrictions – Net assets are not subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the YWCA and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restriction. Additionally, there are net assets subject to donor-imposed stipulations that are maintained permanently by the YWCA. The donors of these assets permit the use of all or part of the income earned on related investments for general or specific purposes.

Cash and Cash Equivalents

For purposes of reporting cash flows, the YWCA considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable includes amounts owed to the YWCA from third parties for childcare services. Management reviews individual accounts receivable balances each month for collectability. Management assessed receivable collection as of June 30, 2022 and deemed all receivables to be fully collectable and recognized no allowance for bad debts. YWCA had \$23,044 and \$19,197 in childcare receivables past due 90 days or more as of June 30, 2022 and 2021, respectively. Of the current year receivables past 90 days, 100% are due from the Department of Family Services and the Community Services Block Grant. 0% are due from parents.

Contributions

Gifts of cash and other assets are presented as revenues and gains with donor restriction 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 Statements of Activities as Net Assets Released from Restrictions.

Gifts of land, buildings, and equipment are presented as revenues and gains without donor restriction, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenues and gains with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the YWCA reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service as the assets are used in the YWCA's activities.

Revenue Recognition

Contributions are recognized as revenue when the donor makes a promise to give to the YWCA that is unconditional.

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (cont.)

Revenue Recognition (cont.)

All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as Net Assets Released from Restrictions.

The value of donated services is not recognized in the accompanying financial statements because no objective basis is available to measure the value of such services.

Grant revenue is recognized when services are performed. Deferred revenue is recognized for grants that are advanced before service is performed.

Revenue for services is recognized when services are performed.

Property and Equipment

Expenditures for the acquisition of property and equipment over \$1,000 are capitalized at cost. Donated fixed assets are valued at their estimated fair value as of the date received. Depreciation is computed using the straight-line method over the following useful lives:

	<u>Years</u>
Buildings	5-25
Furniture and Equipment	5-10
Building Improvements	5-25

Income Taxes

The YWCA is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Management evaluated the YWCA's tax positions and concluded that the YWCA had taken no uncertain tax positions that require disclosures in the financial statements. With few exceptions, the YWCA is no longer subject to income tax examinations by the U.S. Federal, State, or Local tax authorities except for the last three years filed.

Paid Time Off

Paid time off (PTO) accrual rates depend on employees' length of service and accumulates up to a maximum of 30 days. Employees will be paid for 75% of their unused PTO at the time of termination of employment. Therefore, 75% of the accrued PTO is recorded as a liability in these financial statements.

Advertising

The YWCA expenses advertising production costs as they are incurred. Advertising expense was \$10,760 and \$7,645 for the years ended June 30, 2022 and 2021, respectively.

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (cont.)

Functional Allocation of Expenses

The costs of providing programs and supporting services have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

Management uses estimates and assumptions in preparing the financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Agency Endowment Fund

The YWCA applies guidance from Financial Accounting Standards Board (FASB) ASC 958 *Not-for-Profit Entities* to account for the YWCA of Sweetwater County Agency Endowment Fund. The assets held by Wyoming Community Foundation are held for the purpose of supporting the YWCA and the YWCA accounts for this fund as a beneficial interest in the net assets of Wyoming Community Foundation.

New Accounting Pronouncements

On February 25, 2016, the FASB released Accounting Standards Update No. 2016-02, *Leases (Topic 842)* (the Update). Previous lease accounting guidance has long been criticized for not addressing the needs of financial statement users and FASB has spent several years on this project to address the concerns of users. The key difference between the previous guidance and the Update is the recognition of a right-to-use asset and lease liability on the statement of financial position for those leases previously classified as operating leases under the old guidance. Previously, the recognition, measurement, and presentation of expenses and cash flows arising from a lease for lessees primarily depended on its classification as a finance (capital) lease or operating lease. But unlike current U.S. Generally Accepted Accounting Principles (GAAP), which requires only capital leases to be recognized on the balance sheet, the new standard requires companies to include both types of leases on their books. A modified retrospective approach will be used for implementation. The approach includes optional practical expedients primarily focused on leases that commenced before the effective date of the Update, including continuing to account for leases that commenced before the effective date in accordance with previous guidance, unless the lease is modified. The Update is effective for the Organization for fiscal years beginning after Dec. 15, 2021. Management is evaluating its effects.

In August of 2018, the Financial Accounting Standards Board (FASB) released Accounting Standards Update No. 2018-15, *Intangibles – Goodwill and Other – Internal-Use Software (Topic 350-40)* (the Update). The amendments in this Update align the capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The accounting for the service element of a hosting arrangement that is a service contract is not affected by the amendments in this Update. The Update is effective for the Organization for fiscal years beginning after December 15, 2021. Management is evaluating its effects.

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 2 - Property and Equipment

Property and Equipment balances for the years ended June 30, 2022 and 2021 were as follows:

	2022	2021
Land	\$ 67,700	\$ 67,700
Buildings	438,218	429,570
Furniture and Equipment	121,173	140,630
Building Improvements	383,063	320,964
	<u>1,010,154</u>	<u>958,864</u>
Less Accumulated Depreciation	(487,680)	(473,952)
	<u>\$ 522,474</u>	<u>\$ 484,912</u>

Depreciation charged against revenues was \$46,918 and \$43,554 for the years ended June 30, 2022 and 2021, respectively.

Note 3 - Cooperative Agreements/Rent Expense

The YWCA owns their main building and the City owns the land. The City has granted the YWCA a non-exclusive easement of the ingress and egress to its property. The term of the agreement is 25 years. The City of Rock Springs also provides a facility for the infant/toddler daycare program. The YWCA pays the city \$500 per year to lease the facility. The lease is renewable annually and considered short term.

The YWCA has a lease agreement with the Western Wyoming Community College for Green River office space used by the Center for Families and Children (CFC). The YWCA is required to make monthly payments of \$100. The lease originally expired on December 31, 2018 but renews on a year-to-year basis up to a maximum of ten years. The fair value of the CFC office at Western Wyoming Community College is estimated by management at \$3,960 for the years ended June 30, 2022 and 2021. The difference in the rent payments and the fair market value is presented as in-kind donations to the YWCA.

The YWCA has a 20-year lease for the CFC program on another facility. The lease was entered into May 1, 2017 and expires in 2037. The YWCA is required to make monthly payments of \$3,325.

The balance of the estimated fair values for the use of the facilities is recorded as in-kind contributions in the financial statements.

The YWCA has estimated that the fair rental value of the CFC facilities was \$43,860 for the years ended June 30, 2022 and 2021, respectively. The fair rental value of the infant/toddler daycare facility is \$48,000 for the years ended June 30, 2022 and 2021, respectively.

Total rent expense recorded by the YWCA is as follows:

	2022	2021
Rent paid for Center for Families and Children	\$ 41,100	\$ 41,100
Rent paid for Infant/Toddler	500	500
Total Rent Paid	<u>41,600</u>	<u>41,600</u>
In-kind rent Center for Families and Children	2,760	2,760
In-kind rent Infant/Toddler	47,500	47,500
Total Rent Expense	<u>\$ 91,860</u>	<u>\$ 91,860</u>

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 3 - Cooperative Agreements/Rent Expense (cont.)

Future minimum lease payments are as follows for the years ended June 30:

2023	\$	40,500
2024		39,900
2025		39,900
2026		39,900
2027		39,900
Thereafter		399,000
	\$	<u>599,100</u>

Note 4 - Concentrations

The YWCA receives a substantial amount of its support from local governments. A significant reduction in the level of this support may have an adverse effect on the YWCA's programs and activities.

YWCA places no limit on the amount the Organization may invest in any one issuer. The Organization minimizes the concentration of credit risk by diversification so that the impact of potential losses from any one type of deposit and or issuer will be minimized.

For the year ended June 30, 2022 and 2021, YWCA had deposits in three financial institutions. Two of those institutions held approximately 99% of the Organization's total deposits.

Bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per account type held in the Organization's name at each financial institution in which the Organization deposits funds. For the years ended June 30, 2022 and 2021, all deposits were fully insured.

YWCA was due amounts for child care services provided to customers. For the years ended June 30, 2022 and 2021, approximately 61% and 76%, respectively, of accounts receivable from program services was due from child care services from the Wyoming Department of Family Services and Community Services Block Grant.

Note 5 - The YWCA Pension Plan

The YWCA contributes to a multiple-employer cash balance defined benefit pension plan under the terms of the YWCA Membership Agreement that covers all YWCA employees. The risks of participating in this multiemployer plan are different from single-employer plans in the following aspects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the YWCA chooses to stop participating in the multiemployer plan, the YWCA may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 5 - The YWCA Pension Plan (cont.)

The YWCA's Retirement Fund, Inc. (the Fund) is a multiple-employer cash balance defined benefit pension plan. Each participant has a cash balance account, which is a hypothetical account to which contribution and interest credits are made monthly. Contributions of a specific percentage of gross compensation are made by participating employers on behalf of eligible plan participants. Besides contributions and interest credits, other components of a participant's account consist of Fund matching contributions and optional employee after-tax contributions, only if the employee qualifies and chooses to make them. The optional after-tax contribution rate is currently limited to ten percent of gross compensation. The Fund is governed by a written plan document (copies available upon request), constitution, and by-laws. The Fund is subject to the provisions of the Employee Retirement Income Security Act (ERISA) of 1974, as amended, and is qualified under Section 401(a) of the Internal Revenue Code.

The YWCA's participation in this plan for the years ended June 30, 2022 and 2021 is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number. The most recent Pension Protection Act (PPA) zone status available in 2022 is for the plan's year-end at December 31, 2021. The most recent Pension Protection Act (PPA) zone status available in 2021 is for the plan's year-end at December 31, 2020. The zone status is based on information that the YWCA received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. This agreement renews every period for which the YWCA remains a member of the national entity. There have been no significant changes that affect the comparability of the plan within the YWCA for the years ended June 30, 2022 and 2021. The YWCA does not provide more than 5% for the total contributions for the plan according to the plan's annual report for the years ended December 31, 2021 and 2020. YWCA is required to make a contribution rate equal to 7.5% of the employee's wage.

Pension Fund	EIN/Pension Plan Number	Pension Protection	FIP/RP Status	Contributions	Surcharge Imposed
		Zone Status 2021	Pending/ Implemented	of YWCA 2022	
YWCA Retirement Fund	13-1624231	Green	N/A	\$ 68,135	No

Pension Fund	EIN/Pension Plan Number	Pension Protection	FIP/RP Status	Contributions	Surcharge Imposed
		Zone Status 2020	Pending/ Implemented	of YWCA 2021	
YWCA Retirement Fund	13-1624231	Green	N/A	\$ 70,012	No

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 6 - Fair Value Measurements

The YWCA reports its beneficial interest in the net assets of Wyoming Community Foundation at the fair market value of the invested assets held by the Foundation.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2022 and 2021 are detailed below. The allocation of the beneficial interest in the net assets of Wyoming Community Foundation are approximate and based on information provided by management of the Wyoming Community Foundation.

2022		
Description	Fair Value	Significant Observable Inputs (Level 2)
Beneficial interest in net assets of Wyoming Community Foundation		
Cash Equivalents	\$ 1,122	\$ 1,122
Short-Term Maturities	4,511	4,511
Intermediate Maturities	7,911	7,911
Treasury Inflation Protected Securitiess	4,522	4,522
International Bond Funds	6,052	6,052
Large Cap Value	19,436	19,436
Large Cap Growth	12,761	12,761
International Large Cap Value	7,911	7,911
International Large Cap Growth	6,006	6,006
Domestic Growth Real Estate	5,474	5,474
Global Growth Real Estate	2,233	2,233
Small Cap Value	12,863	12,863
Small Cap Growth	5,905	5,905
International Small Cap	7,015	7,015
Energy	4,963	4,963
Natural Resources	4,647	4,647
Total	<u>\$ 113,332</u>	<u>\$ 113,332</u>

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 6 - Fair Value Measurements (cont.)

2021		
Description	Fair Value	Significant Observable Inputs (Level 2)
Beneficial interest in net assets of Wyoming Community Foundation		
Cash Equivalents	\$ 1,290	\$ 1,290
Short-Term Maturities	4,743	4,743
Intermediate Maturities	4,418	4,418
Treasury Inflation Protected Securities	4,509	4,509
International Bond Funds	6,763	6,763
Large Cap Value	27,757	27,757
Large Cap Growth	14,777	14,777
International Large Cap Value	8,913	8,913
International Large Cap Growth	6,998	6,998
Domestic Growth Real Estate	6,633	6,633
Global Growth Real Estate	2,724	2,724
Small Cap Value	14,986	14,986
Small Cap Growth	6,099	6,099
International Small Cap	8,431	8,431
Energy	5,577	5,577
Natural Resources	5,695	5,695
Total	\$ 130,313	\$ 130,313

The fair value of the YWCA's beneficial interest in the net assets of Wyoming Community Foundation is measured using the percentage of invested assets in the Wyoming Community Foundation's common investment pool. The market value of that pool is determined using the quoted market values of the underlying assets.

Beneficial interest in net assets of Wyoming Community Foundation

	2022	2021
Beginning of year	\$ 130,313	\$ 95,989
Endowment contributions - restricted	3,100	3,037
Change in value of beneficial interest - unrestricted	(20,081)	31,287
End of year	\$ 113,332	\$ 130,313

The change in value of beneficial interest of \$(20,181) and \$31,287 during the years ended June 30, 2022 and 2021, respectively, is attributable to the interest, dividends, realized gains and losses, unrealized gains and losses, and investment fees of the Wyoming Community Foundation's common investment pool during the years ended June 30, 2022 and 2021. The earnings from the beneficial interest in the net assets of Wyoming Community Foundation are unrestricted.

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 7 - Line of Credit

In January 2020, YWCA established a line of credit with Commerce Bank for \$50,000. The line of credit requires monthly interest-only payments at an interest rate of 5.75% and matures in January 2022. The line of credit is collateralized by property and equipment and accounts receivable. The outstanding balance on the line of credit was \$0 as of June 30, 2022 and 2021.

Note 8 - Long-Term Debt

Long-term debt consists of two separate PPP loans with Nebraska Land National Bank. These loans carry an interest rate of one percent and terms of 24-60 months. The loans are eligible for forgiveness based on the use of proceeds to cover expenditures including payroll and payroll related costs, rent, and utilities.

At June 30, 2022 and 2021, long-term debt consisted of the following:

	<u>2022</u>	<u>2021</u>
Nebraska Land National Bank 2nd Draw		
SBA PPP Loan	\$ 0	\$ 98,156
Total Long-term Debt	<u>0</u>	<u>98,156</u>
Less current maturities	0	(8,894)
	<u>\$ 0</u>	<u>\$ 89,262</u>

Total interest expense incurred on the line of credit and long-term debt was \$0 and \$1,140 for the years ended June 30, 2022 and 2021, respectively.

The first round SBA PPP loan was forgiven in full on May 10, 2021 in the amount of \$99,146 along with \$1,046 of interest. The second round SBA PPP loan was forgiven in full on July 23, 2021 in the amount of \$98,156 including forgiven interest of \$358. As of June 30, 2022, YWCA has no long-term debt.

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 9 - Contingencies

A. Grants

YWCA received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of YWCA. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the YWCA at June 30, 2022.

B. Litigation

YWCA is contingently liable in respect to lawsuits and claims in the ordinary course of its operations. Should any additional claims prove to be a detriment to YWCA, they will be recorded as expenditure in the period in which a liability is realized.

C. Property and Liability Risk Management

Real and personal property owned and leased by YWCA is subject to loss from natural disasters and actions of others. In addition, The YWCA has the potential to be named as a responsible party in liability claims. The YWCA purchases commercial insurance packages to offset such losses, should they occur.

Note 10 - Net Assets with Donor Restrictions

Net assets with donor restrictions in the amount of \$156,341 as of June 30, 2022, are related to revenue restricted for unspent donor money for childcare STEM equipment in the amount of \$1,400, CFC and Shelter operations in the amount of \$38,274, and \$108,637 in the Y.W.C.A of Sweetwater County Agency Endowment Fund with the Wyoming Community Foundation, and other restrictions of \$8,030. The assets of the endowment are held and managed by the Wyoming Community Foundation and the YWCA has no control over those assets. Earnings are distributed annually and are based on the discretion of the Wyoming Community Foundation.

Net assets with donor restrictions in the amount of \$118,186 as of June 30, 2021 are related to revenue restricted for unspent donor money for Child Care tuition assistance in the amount of \$1,367, CFC and Shelter operations in the amount of \$11,282, and \$105,537 in the Y.W.C.A of Sweetwater County Agency Endowment Fund with the Wyoming Community Foundation. The assets of the endowment are held and managed by the Wyoming Community Foundation and the YWCA has no control over those assets. Earnings are distributed annually and are based on the discretion of the Wyoming Community Foundation.

The interest in the net assets of Wyoming Community Foundation is recorded at fair value. Gains and losses are reported in the statement of activities as gains and losses on endowed assets without donor restriction. Distributions from the Wyoming Community Foundation are recorded as reductions in the beneficial interest in the net assets of Wyoming Community Foundation.

Note 11 - Liquidity and Availability of Financial Assets

The amounts below reflect The YWCA's financial assets available to meet cash needs for general expenditures within one year as of the statement of financial position date. Financial assets are reduced by amounts that are not available for general use due to donor-imposed restrictions or board designations within one year of the statement of financial position date.

**YWCA SWEETWATER COUNTY
NOTES TO FINANCIAL STATEMENTS**

Note 11 - Liquidity and Availability of Financial Assets (cont.)

The following represent the organization's financial assets:

Financial assets at yearend:	2022	2021
Cash	\$ 176,789	\$ 263,872
Accounts and grants receivable	122,823	129,994
Account payable	(20,436)	(9,729)
Accrued expenses	(53,652)	(75,012)
Current portion of long-term debt	0	(8,894)
Total financial assets	225,524	300,231
Less amounts unavailable for general expenditures due to:		
Restricted by donor with time or purpose restrictions	(47,704)	(12,649)
Total financial assets available to meet cash needs for general expenditures within one year	\$ 177,820	\$ 287,582

Note 12 - Subsequent events

Management has evaluated subsequent events through December 15, 2022, the date the financial statements were available for issue, none were noted.