UNITED WAY OF LARAMIE COUNTY and
UNITED WAY OF LARAMIE COUNTY FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

For the Year Ended December 31, 2022
(with comparative totals for the year ended December 31, 2021)

UNITED WAY OF LARAMIE COUNTY

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CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
United Way of Laramie County
Cheyenne, Wyoming

Opinion

We have audited the accompanying consolidated financial statements of United Way of Laramie County (a nonprofit organization) and United Way of Laramie County Foundation (a nonprofit organization), collectively "the Organization", which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, as promulgated by the Auditing Standards Board, a division of the American Institute of Certified Public Accountants (AICPA), we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

RLR, LLP

Cheyenne, Wyoming
September 18, 2023

UNITED WAY OF LARAMIE COUNTY and
UNITED WAY OF LARAMIE COUNTY FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of December 31, 2022
(with comparative totals for the year ended December 31, 2021)

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	$ 647,709	$ 447,910
Other receivables	13,750	11,250
Pledges receivable, net (Note 2)	159,090	160,624
Prepaid expenses	2,164	3,546
Donated rent receivable, net of discounts, current portion (Note 2)	8,891	8,935
Total current assets	831,604	632,265
Non-Currrent Assets		
Security deposit	2,748	2,748
Cash surrender value of life insurance (Note 9)	94,692	83,537
Donated rent receivable, net of discounts and current portion (Note 2)	8,847	17,738
Right of use asset, net of accumulated amortization (Note 8)	83,986	-
Property and equipment, net of accumulated depreciation (Note 3)	60,475	68,387
Total non-current assets	250,748	172,410
Total assets	$ 1,082,352	$ 804,675
LIABILITIES		
Current Liabilities		
Accounts payable	$ 7,129	$ 35,826
Designations and distributions payable (Note 7)	493,476	415,878
Subgrantee payable (Note 6)	281,250	-
Deferred revenue	39,380	64,885
Operating lease liability, current portion (Note 8)	32,267	-
Accrued expenses, current portion	27,102	9,258
Total current liabilities	880,604	525,847
Non-Current Liabilities		
Operating lease liability, net of current portion (Note 8)	51,719	-
Accrued expenses, net of current portion (Note 9)	80,000	100,000
Total non-current liabilities	131,719	100,000
Total liabilities	1,012,323	625,847
NET ASSETS		
Net assets without donor restrictions	65,242	174,041
Net assets with donor restrictions	4,787	4,787
Total net assets	70,029	178,828
Total liabilities and net assets	$ 1,082,352	$ 804,675

See accompanying notes to the consolidated financial statements.

UNITED WAY OF LARAMIE COUNTY and
UNITED WAY OF LARAMIE COUNTY FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022
(with comparative totals for the year ended December 31, 2021)

	Without Donor Restrictions	With Donor Restrictions	Total	2021 Total
Public support and revenue				
Gross public support	$ 571,194	$ -	$ 571,194	$ 497,845
Donor contributions for specific organizations	(19,385)	-	(19,385)	(10,442)
Adjustment of provision for uncollectible pledges	(18,852)	-	(18,852)	(55,823)
Net campaign revenue	532,957	-	532,957	431,580
Other revenue				
Investment income	301	-	301	1,941
Grants and contracts	51,857	-	51,857	76,999
COVID-19 relief funding	-	-	-	125,015
Other income	79,190	-	79,190	52,311
5th penny overage	98,762	-	98,762	98,762
In-kind income (Note 4)	54,086	-	54,086	43,678
Total other revenue	284,196	-	284,196	398,706
Total public support and revenue	817,153	-	817,153	830,286
Allocations, distributions and expenses				
Funds allocated to the community:				
Gross funds awarded	503,763	-	503,763	441,162
Less amounts designated by donors for specific organizations	(19,385)	-	(19,385)	(10,442)
Total funds allocated to the community	484,378	-	484,378	430,720
Program services				
Community investment	237,503	-	237,503	269,362
Total program services	237,503	-	237,503	269,362
Supporting services				
Organizational administration	48,420	-	48,420	80,564
Fundraising	145,211	-	145,211	141,739
United Way Worldwide dues	10,440	-	10,440	13,200
Total supporting services	204,071	-	204,071	235,503
Total allocations, distributions and expenses	925,952	-	925,952	935,585
Change in net assets	(108,799)	-	(108,799)	(105,299)
Net assets, beginning of year	174,041	4,787	178,828	284,127
Net assets, end of year	$ 65,242	$ 4,787	$ 70,029	$ 178,828

See accompanying notes to the consolidated financial statements.

UNITED WAY OF LARAMIE COUNTY and
UNITED WAY OF LARAMIE COUNTY FOUNDATION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2022
(with comparative totals for the year ended December 31, 2021)

	Funds Allocated to the Community	Community Investment	Organizational Administration	Fund Raising	United Way Worldwide Dues	Total	2021 Total
Funds allocated to the community	$ 484,378	$ -	$ -	$ -	$ -	$ 484,378	$430,720
United Way Worldwide dues		-	-	-	10,440	10,440	13,200
Credit card fees	-	-	-	1,478	-	1,478	732
Depreciation	-	12,104	1,399	7,052	-	20,555	18,659
Dues and fees	-	-	1,183	-	-	1,183	1,173
Equipment maintenance	-	5,829	674	3,396	-	9,899	8,867
Events	-	-	-	2,156	-	2,156	1,454
Insurance	-	310	35	181	-	526	407
Marketing	-	-	-	14,325	-	14,325	13,862
Miscellaneous	-	614	70	369	-	1,053	3,188
Payroll taxes and benefits	-	18,247	1,704	8,593	-	28,544	66,937
Postage	-	-	265	1,431	-	1,696	4,242
Printing	-	-	578	5,603	-	6,181	5,642
Professional fees	-	-	20,909	-	-	20,909	16,719
Rent	-	27,009	3,121	15,733	-	45,863	42,387
Salaries and wages	-	167,389	15,801	79,648	-	262,838	295,405
Software	-	4,598	1,625	3,802	-	10,025	8,284
Supplies	-	-	785	531	-	1,316	1,025
Telephone	-	1,403	271	913	-	2,587	2,682
Total expenses	$ 484,378	$ 237,503	$ 48,420	$ 145,211	$ 10,440	$ 925,952	$ 935,585

See accompanying notes to the consolidated financial statements.

UNITED WAY OF LARAMIE COUNTY and
UNITED WAY OF LARAMIE COUNTY FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022
(with comparative totals for the year ended December 31, 2021)

	2022	2021
Cash flows from operating activities:		
Change in net assets	$ (108,799)	$ (105,299)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	20,555	18,659
Amortization of right of use asset	31,853	-
Donated equipment	(12,643)	-
Decrease in pledges receivable and donated rent receivable	10,469	135,772
(Increase) decrease in other receivables	(2,500)	96,512
Decrease in prepaid expenses	1,382	2,277
(Increase) in cash surrender value of life insurance	(11,155)	(11,910)
(Decrease) in accounts payable	(28,697)	(22,945)
(Decrease) in funds held for others	-	(5,225)
Increase (decrease) in designations and distributions payable	77,598	(175,115)
Increase in subgrantee payable	281,250	-
(Decrease) in deferred revenue	(25,505)	(36,279)
(Decrease) increase in accrued expenses	(2,156)	37,175
(Decrease) in operating lease liability	(31,853)	-
Net cash provided (used) by operating activities	199,799	(66,378)
Cash flows from investing activities:		
Redemption of certificates of deposits	-	210,481
Net cash provided by investing activities	-	210,481
Net increase in cash and cash equivalents	199,799	144,103
Cash and cash equivalents, beginning of year	447,910	303,807
Cash and cash equivalents, end of year	$ 647,709	$ 447,910
Non-cash items		
Donation of materials, facilities, equipment, and services - operating activities	$ 54,086	$ 43,678

See accompanying notes to the consolidated financial statements.

Note 1. Organization Operations and Significant Accounting Policies

Organization Operations

United Way of Laramie County (United Way) (a non-profit organization) was organized for the purpose of uniting and organizing fund-raising campaigns in Laramie County by voluntary, non-profit, charitable, health and welfare organizations and to provide fair, equitable and efficient allocations of the funds collected to the purposes for which such funds were given.

United Way of Laramie County plays a unique role as both a community resource and a non-profit sector leader that builds trust and transparency throughout the community. By uniting people with resources to solve defined problems and improve their quality of life, United Way advances the common good by improving education, helping people achieve financial stability, and promoting healthy lives throughout the community.

The majority of United Way's funds are public support from the campaign and in-kind donations.

United Way of Laramie County Foundation (the Foundation) is a non-profit corporation organized under the laws of the State of Wyoming. The purpose of the Foundation is to provide additional resources to enhance the ability of United Way of Laramie County to assist individuals in Laramie County through community programs focused on its mission. The Foundation encourages and grows resources to support the future sustainability of United Way of Laramie County through a variety of giving opportunities.

Principles of Consolidation and Change in Reporting Entity

During the year ended December 31, 2021, the Foundation was established to be operated, managed, and governed by United Way management and the board of directors. United Way has determined that consolidation of the Foundation is required in accordance with Accounting Standards Codification (ASC) 810-10-25, *Consolidation of Variable Interest Entities*. The consolidated financial statements include the accounts of United Way and the Foundation (collectively the Organization). All material intercompany accounts and transactions have been eliminated in consolidation.

New Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842), which requires a lessee to recognize assets and liabilities for leases with lease terms of more than twelve months. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a financing or operating lease. Topic 842 requires both financing and operating leases to be recognized on the statement of financial position. Various subsequent accounting standards have been issued by the FASB that clarify, modify, or expand the guidance for Topic 842.

- Cumulative Effect of ASC Topic 842 Adoption and Policy Elections— United Way elected the optional transition method and adopted ASU No. 2016-02 as of January 1, 2022, using the modified retrospective method permitted under ASU No. 2018-11 for all existing leases, which does not include retrospectively adjusting prior periods presented in the financial statements. As allowed under the new accounting standard, United Way elected to apply practical expedients to carry forward the original lease determinations, leases classifications and accounting of initial direct costs for all asset classes at the time of adoptions. United Way also elected not to separate lease components from non-lease components and to exclude short-term leases from its Statement of Financial Position.

Note 1. Organization Operations and Significant Accounting Policies (continued)

New Accounting Pronouncements (continued)

- United Way's adoption of the new standard resulted in the recognition of right-of-use assets of $115,839 and liabilities of $115,839, with no material cumulative effect adjustment to net assets as of the date of adoption. Adoption of the new standard did not have a material impact on United Way's Statement of Activities or Cash Flows. See Note 8 Operating Leases for additional information.

In September 2020, FASB issued ASU No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The objective of this ASU is to increase transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this ASU apply to NFPs that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The amendments in this ASU will improve financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets for NFPs, including additional disclosure requirements for recognized contributed services. The amendments will not change the recognition and measurement requirements. United Way has implemented ASU 2020-07 and has adjusted the presentation in these financial statements accordingly. The amendments have been applied retrospectively to all periods presented. There is no effect on United Way's previously reported net assets.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization and/or the passage of time. There was $4,787 of net assets with donor restrictions as of December 31, 2022 for the Emerging Leaders program.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor-imposed purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from donor restrictions.

Cash and Cash Equivalents

For purposes of financial statement presentation, the Organization considers all investments with an original maturity of three months or less from the time of purchase to be cash equivalents.

The Organization maintains its cash balances at several financial institutions which, at times, may exceed federally insured limits. The Organization has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on cash accounts.

Note 1. Organization Operations and Significant Accounting Policies (continued)

Contributions

Contributions received and unconditional promises to give are measured at fair value and are reported as an increase in net assets. The Organization 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 or if they are designated as support for future periods.

When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

The Organization reports gifts of goods as unrestricted support 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 and other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

In accordance with ASC 958-605, when a donor specifically designates an organization other than the Organization to receive his or her campaign contribution, the Organization is not permitted to include these designated pledges in campaign revenue. Designated pledges are deducted from gross campaign results on the statement of activities to arrive at net campaign revenue.

Donated Goods and Services

The Organization's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

Donated services and materials are reflected as contributions in the accompanying financial statements at their estimated fair values at the date of receipt determined using Level 3 inputs of the fair value hierarchy. Contributions of services are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteer services are not recorded in the financial statements as these contributions do not meet the requirements to be recorded as revenue and expense.

Property and Equipment

Property and equipment is carried at cost. Repairs and maintenance, which neither materially add to the value of the property nor appreciably prolong its life, are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included in income. Donated equipment is recorded as a contribution at its estimated fair value at the date of donation.

Depreciation and amortization of property and equipment are provided on the straight–line method over the following estimated useful lives:

Equipment	5 – 7 years
Software	3 – 4 years
Leasehold improvements	10 years

Note 1. Organization Operations and Significant Accounting Policies (continued)

Accounts and Pledges Receivable

The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. Pledges receivable represent pledges made by donors which have not yet been received in cash. The Organization estimates the amounts of pledges which will not be paid by donors and provides a collection allowance for uncollectible pledges. Factors which impact the allowance for uncollectible pledges include historical collection experience, local economic conditions, and various attributes pertaining to the donor base.

Deferred Revenue

The Organization considers payments received on grant agreements, conditional contributions, and service contracts in advance of the services being performed or conditions being satisfied to be deferred revenue. Revenue relating to grant agreements and service contracts is recognized as the terms of the agreements are met or as services outlined in contracts are performed. There was $39,380 in deferred revenue as of December 31, 2022.

Income Taxes

The Organization is a nonprofit corporation and qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision is made in these financial statements for income taxes.

The Organization has adopted the recognition requirements for uncertainty in income taxes as required by ASC 740-10. The standard prescribes a comprehensive model for how an organization should recognize, measure, present and disclose in the financial statements uncertainty in income taxes of the organization. The Organization's income tax filings are subject to audit by various taxing authorities.

In evaluating the Organization's tax provisions and accruals, interpretations and tax planning strategies are considered. The Organization believes their estimates are appropriate based on current facts and circumstances and has not recorded any reserves or related accruals for interest and penalties for uncertainty in income taxes at December 31, 2022.

Fair Value

Fair value is the price that would be received from the sale of an asset or settlement of a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities which are required to be recorded at fair value, the Organization considers the principal or most advantageous market in which a hypothetical sale or transfer would take place and consider assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of non-performance.

The fair value hierarchy is made up of three levels of inputs which may be used to measure fair value: Level 1—observable inputs such as quoted prices for identical instruments in active markets; Level 2—observable inputs such as quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model derived valuations in which all significant inputs are observable in active markets; and Level 3—unobservable inputs for which there is little or no market data and which require us to develop our own assumptions. The Organization categorizes fair value measurements within the fair value hierarchy based upon the lowest level of the most significant inputs used to determine such fair value measurement.

Note 1. Organization Operations and Significant Accounting Policies (continued)

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs including fundraising activities and support services by estimating the relative attention and effort exerted towards specific functional areas. The allocated expenses include compensation, occupancy, and certain other expenses. Other expenses and support services that can be identified with a specific function are allocated directly according to their natural expenditure classification.

Advertising

Advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2022 was $14,325. Included in this amount was in-kind advertising contributions of $12,148 for the year ended December 31, 2022.

Annual Sponsorships

Annual sponsorships are funds from corporate sponsors to cover fundraising costs and events. Annual sponsorships for year ended December 31, 2022 were $78,360, and is included in other income on the statement of activities.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through September 18, 2023 the date on which the financial statements were available to be issued.

Note 2. Pledges Receivable and Donated Rent Receivable

Campaign pledges receivable on December 31, 2022 are related to the Fall 2022 campaign.

The donated rent receivable relates to the commitment by the landlord of the leased property, which is a multi-year pledge commitment that began in 2016. The unconditional promise to give due in more than one year is reflected at the present value of estimated future cash flows using a discount rate of 0.48%.

	2022
Campaign pledges:	
Pledges receivable in less than one year	$ 204,090
Less: allowance for uncollectible pledges	(45,000)
	$ 159,090
Donated Rent:	
Donated rent receivable in less than one year	$ 9,200
Donated rent receivable in one year or more	9,200
Less: unamortized discount to present value	(662)
	$ 17,738

Note 3. Property and Equipment

Property and equipment consisted of the following at December 31:

	2022
Equipment	$ 18,871
Software	9,999
Leasehold improvements	171,797
	200,667
Less accumulated depreciation	(140,192)
	$ 60,475

Note 4. Donated Goods and Services

Donated goods and services are reported at fair value using Level 3 inputs of the fair value hierarchy. The following in-kind gifts are included in the financial statements:

	2022
Marketing	$ 12,148
Professional fees	200
Events	350
Rent	13,152
Printing	3,016
Telephone	830
Funds allocated to the community	11,747
Property and equipment	12,643
	$ 54,086

Note 5. Pension Plan

The Organization has a defined contribution pension plan, which covers substantially all of its employees. Employees are eligible for participation upon reaching 21 years of age and meeting certain other employment requirements. Effective January 1, 2016, the Organization offers an employer match up to 3% of employee wages. During the year ended December 31, 2022 the Organization's contributions to the plan totaled $5,754.

Note 6. Service Contracts

The Organization has a service contract with the Human Services Advisory Council (HSAC), made up of the Laramie County Board of Commissioners, the City of Cheyenne and the Board of Directors of the Organization. The basic purpose of the HSAC is to provide a review and hearing process to assess human service needs and recommend funding priorities for eligible human service agencies. Each entity provides approximately one-third of the financial support to fund staff support for administering the operations of the HSAC. The current agreement will terminate on June 30, 2023.

During the year ended December 31, 2022, the amount the Organization received related to the service contract and owed to the eligible human service agencies at December 31, 2022 was $281,250 and presented as subgrantee payable on the statement of financial position.

Note 7. Commitments

The Board of Directors of the Organization has approved future direct agency allocations and training and community development in the following amounts:

	2022
Direct agency allocations	$ 473,762
Designations payable	19,714
	$ 493,476

These commitments are recorded in the statement of financial position as designations and distributions payable.

Note 8. Operating Lease

During the year ended December 31, 2015, the Organization entered into a 10 year lease agreement for office space. The lease commenced on August 1, 2015 and requires monthly payments of $2,748 through July 2025. Lease expense for the year ending December 31, 2022 was $32,976, and is included in the statement of functional expenses as rent. Included in rent expense on the statement of functional expenses is in-kind rent expense of $13,152, determined using Level 3 inputs of the fair value hierarchy, for the year ending December 31, 2022.

As of December 31, 2022, the Organization has included $115,839 of operating right-of-use assets net of $31,853 of accumulated amortization and $83,986 of lease liability shown on the statement of financial position.

Weighted average lease term and discount rate as of December 31, 2022 were as follows:

Weighted average remaining lease term – operating lease 31 months
Weighted average discount rate – operating leases 1.14%

The maturities of operating lease liabilities as of December 31, 2022 were as follows:

For the Year Ending December 31,		
2023	$	32,976
2024		32,976
2025		19,236
Total lease payments		85,188
Net present value discount		(1,202)
Present value of lease liability	$	83,986

Note 9. Deferred Compensation Agreement

During the year ended December 31, 2013, the Organization entered into a supplemental executive compensation agreement (SECA) with its Executive Director (the Executive). In accordance with the terms of the agreement, the Organization was to pay the Executive a sum of $125,000 in equal annual installments of $25,000 beginning in the year ending December 31, 2025, contingent upon the Executive continuing full-time employment with the Organization until reaching the age of 64.

Note 9. Deferred Compensation Agreement (continued)

During the year ended December 31, 2021, the Executive's employment with the Organization ended prior to becoming eligible for benefits under the SECA. A new agreement was entered into between the two parties reducing the sum to $100,000 to be paid in equal annual installments of $20,000 beginning in the year ending December 31, 2023. Accordingly, the Organization has accrued deferred compensation in the amount of $100,000 included in accrued expenses on the statement of financial position at December 31, 2022.

The Organization has elected to fund the deferred compensation liability, in part, through a life insurance policy purchased during the year ending December 31, 2013. The policy insures the life of the Executive, and the Organization is responsible for all annual premiums and is at all times the owner of the policy. The policy shall in no event be deemed to constitute a fund or collateral security for the benefits to the Executive pursuant to the supplemental executive compensation agreement. At December 31, 2022, the cash surrender value of the life insurance policy was $94,692.

Note 10. Liquidity and Availability of Financial Assets

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Organization has the following financial assets that could readily be made available within one year of the statement of financial position dates to fund expenses without limitations at December 31:

	2022
Cash and cash equivalents	$ 647,709
Pledge receivables, net	159,090
Other receivables	13,750
	$ 820,549

Although not expected to be needed, the Organization also has liquidity in the cash surrender value of life insurance in the amount of $94,692 at December 31, 2022 (Note 9). In addition to financial assets available to meet general expenditures over the year, the Organization operates with a balanced budget and anticipates covering its general expenditures by collecting sufficient contributions and other revenues, and by utilizing donor-restricted resources from current and prior years gifts as needed. The statement of cash flows identifies the sources and uses of the Organization's cash and shows net cash and cash equivalents provided by operations of $199,799 for the year ending December 31, 2022.