

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2020

LEO RILEY & Co.

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Central Wyoming Rescue Mission
dba Wyoming Rescue Mission
Casper, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of Central Wyoming Rescue Mission (a nonprofit organization) dba Wyoming Rescue Mission, which comprise the statements of financial position as of June 30, 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central Wyoming Rescue Mission dba Wyoming Rescue as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Central Wyoming Rescue Mission's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 19, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

NOTICE

The accompanying financial statements and our independent auditors' reports are for the purpose of the various donors in your fund raising efforts, management, and the Board of Directors, and should not be used or relied upon by any other party for any purpose. Additional users of these financial statements and our independent auditors' reports are hereby advised that the liability of Leo Riley & Co., CPAs to third party users who use or rely on this information may be limited pursuant to 1995 Wyo. Sess. Laws, Chapter 155 creating Wyo. Stat. §33-3-201. However, the financial statements and our independent auditors' report on the financial statements are a matter of public record and their distribution is not limited.

Leo Riley & Co.
May 17, 2021

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

ASSETS	2020	2019
Current Assets		
Cash and cash equivalents (Note1)	\$ 1,686,793	\$ 872,021
Restricted cash and cash equivalents (Note 6)		
Pledges receivable (Note 1)		
Unrelated parties		101,814
Related parties (Note 8)	4,258	101,207
Other receivables	10,058	18,250
Prepaid expenses	5,109	38,610
Food inventory	2,500	2,500
Total current assets	<u>\$ 1,708,718</u>	<u>\$ 1,134,402</u>
Investments (Note 10)		
Bonds	\$ 149,383	\$ 137,664
Marketable securities (at fair market value)	223,572	214,453
Total investments	<u>\$ 372,955</u>	<u>\$ 352,117</u>
Property and Equipment (Note 1)		
Land	\$ 856,747	\$ 856,747
Buildings	5,774,862	5,775,400
Construction in progress	33,217	1,935
Equipment	461,511	476,315
	<u>\$ 7,126,337</u>	<u>\$ 7,110,397</u>
Less accumulated depreciation	657,868	471,475
Total property and equipment, net	<u>\$ 6,468,469</u>	<u>\$ 6,638,922</u>
Long-Term Pledges		
Unrelated parties	\$ 137,483	\$ 6,885
Related parties (Note 8)		
	<u>\$ 137,483</u>	<u>\$ 6,885</u>
Beneficial Interest Endowments (Note 9)		
Wyoming Community Foundation	\$ 151,873	\$ 163,716
Total assets	<u>\$ 8,839,498</u>	<u>\$ 8,296,042</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 63,332	\$ 62,251
Accrued expenses	70,943	53,917
Deferred revenue	49,456	
Notes payable (Note 3)	811,668	1,338,348
Total current liabilities	<u>\$ 995,399</u>	<u>\$ 1,454,516</u>
Long-Term Liabilities		
Notes payable (Note 3)	249,100	
Total liabilities	<u>\$ 1,244,499</u>	<u>\$ 1,454,516</u>
Net Assets		
Without donor restrictions	\$ 7,161,005	\$ 6,324,998
With donor restrictions (Note 6)	433,994	516,528
Total net assets	<u>\$ 7,594,999</u>	<u>\$ 6,841,526</u>
Total liabilities and net assets	<u>\$ 8,839,498</u>	<u>\$ 8,296,042</u>

(The accompanying notes are an integral part of the basic financial statements)

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
OPERATING:				
SUPPORT AND REVENUES:				
Direct public support:				
Contributions	\$ 1,230,735	\$	\$ 1,230,735	\$ 1,043,996
Special events				141,433
In-kind contributions				
Thrift store	785,632		785,632	788,541
Food and other	209,146		209,146	133,481
Indirect public support:				
Support from governmental agencies	36,555		36,555	67,720
Private grants	342,119		342,119	170,784
Total support	<u>\$ 2,604,187</u>	<u>\$ 0</u>	<u>\$ 2,604,187</u>	<u>\$ 2,345,955</u>
Revenues:				
Thrift store revenue	\$ 741,480	\$	\$ 741,480	\$ 751,078
Rent income	6,111		6,111	
Interest and dividends	17,728		17,728	27,536
Realized gains/losses			0	26,282
Unrealized gains/losses	11,853	(5,585)	6,268	(23,896)
Other income	8,521		8,521	2,537
Total revenue	<u>\$ 785,693</u>	<u>\$ (5,585)</u>	<u>\$ 780,108</u>	<u>\$ 783,537</u>
Net assets released from restrictions:				
Release of net assets due to satisfaction				
of donor restrictions	\$ 253,543	\$ (253,543)	\$	\$
Total support and revenue	<u>\$ 3,643,423</u>	<u>\$ (259,128)</u>	<u>\$ 3,384,295</u>	<u>\$ 3,129,492</u>
EXPENSES AND LOSSES:				
Program services	\$ 2,852,659	\$	\$ 2,852,659	\$ 2,794,845
Management and general	162,735		162,735	201,852
Development/fund raising	324,562		324,562	350,906
Total expenses and losses	<u>\$ 3,339,956</u>	<u>\$</u>	<u>\$ 3,339,956</u>	<u>\$ 3,347,603</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>\$ 303,467</u>	<u>\$ (259,128)</u>	<u>\$ 44,339</u>	<u>\$ (218,111)</u>
NON-OPERATING SUPPORT AND EXPENSES:				
Capital campaign revenues	\$	\$ 648,243	\$ 648,243	\$ 1,181,139
Capital campaign In-kind contributions				
Support from governmental agencies		166,644	166,644	59,611
Miscellaneous capital campaign revenue				5,989
Interest income		5,438	5,438	3,275
Capital campaign expenses	(111,191)		(111,191)	(76,253)
Net assets released from restrictions	<u>643,731</u>	<u>(643,731)</u>		
CHANGE IN NET ASSETS FROM NON-OPERATING	<u>\$ 532,540</u>	<u>\$ 176,594</u>	<u>\$ 709,134</u>	<u>\$ 1,173,761</u>
CHANGE IN NET ASSETS	<u>\$ 836,007</u>	<u>\$ (82,534)</u>	<u>\$ 753,473</u>	<u>\$ 955,650</u>
NET ASSETS:				
Beginning of period	<u>6,324,998</u>	<u>516,528</u>	<u>6,841,526</u>	<u>5,885,876</u>
End of period	<u>\$ 7,161,005</u>	<u>\$ 433,994</u>	<u>\$ 7,594,999</u>	<u>\$ 6,841,526</u>

(The accompanying notes are an integral part of the basic financial statements)

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION
STATEMENT OF FUNCTIONAL OPERATING EXPENSES
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018 (TOTAL)

	2020					2019				
	Program Services									
	Men, Women and Transition	Rescued Treasures	Community Kitchen	Total	Management and General	Development	Total	Total	Total	Total
Salaries and wages	\$ 659,918	\$ 254,757	\$ 81,816	\$ 996,491	\$ 80,449	\$ 106,440	\$ 1,183,380	\$ 1,183,380	\$ 1,065,728	\$ 1,065,728
Payroll taxes	75,923	33,362	10,977	120,262	7,462	11,506	139,230	139,230	132,451	132,451
Employee benefits	27,490	4,911	1,696	34,097	8,265	3,622	45,984	45,984	41,527	41,527
Total	\$ 763,331	\$ 293,030	\$ 94,489	\$ 1,150,850	\$ 96,176	\$ 121,568	\$ 1,368,594	\$ 1,368,594	\$ 1,239,706	\$ 1,239,706
Operations Expenses	72,867	38,076	46,282	157,225	9,905	10,083	177,213	177,213	175,337	175,337
Facility Expenses	65,037	187,567		252,604	6,732	6,571	265,907	265,907	548,077	548,077
Professional Services				0	18,300	57,110	75,410	75,410	60,630	60,630
Office and Miscellaneous	15,448	18,152	99	33,699	26,069	7,295	67,063	67,063	99,264	99,264
Staff Development	8,660	5,046	1,288	14,994	4,943	9,538	29,475	29,475	15,782	15,782
Printing and Marketing	3,134	6,041	10	9,185	599	110,479	120,263	120,263	91,169	91,169
Special Events	199			199	11	18	228	228	31,621	31,621
Guest Development	39,827			39,827			39,827	39,827	36,080	36,080
In-kind expenses:	15,664	785,632	191,582	992,878		1,900	994,778	994,778	922,022	922,022
Depreciation	\$ 984,167	\$ 1,333,544	\$ 333,750	\$ 2,651,461	\$ 162,735	\$ 324,562	\$ 3,138,758	\$ 3,138,758	\$ 3,219,688	\$ 3,219,688
	188,660	11,889	849	201,198			201,198	201,198	159,050	159,050
	\$ 1,172,827	\$ 1,345,233	\$ 334,599	\$ 2,852,659	\$ 162,735	\$ 324,562	\$ 3,339,956	\$ 3,339,956	\$ 3,378,738	\$ 3,378,738

(The accompanying notes are an integral part of the basic financial statements)

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 753,473	\$ 955,650
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	201,198	159,050
(Gain) Loss on disposal of assets		261,205
Unrealized (gain) loss	(11,853)	18,353
Noncash contribution of assets		
(Increase) decrease in:		
Accounts receivable	76,356	128,654
Prepaid expenses	33,501	(24,526)
Increase (decrease) in:		
Accounts payable	1,081	(867,988)
Accrued expenses	17,026	11,595
Deferred income	49,456	
Net cash provided by operating activities	<u>\$ 1,120,238</u>	<u>\$ 641,993</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	\$ (30,744)	\$ (2,607,252)
Purchase of investments		
Wyoming Community Foundation Endowment	11,843	5,274
Proceeds from sale of assets		88,996
Dividends reinvested	(8,985)	(8,925)
Net cash used by investing activities	<u>\$ (27,886)</u>	<u>\$ (2,521,907)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	\$	\$ 1,793,721
Reduction of long-term debt	(277,580)	(529,971)
Cash provided (used) by financing activities	<u>\$ (277,580)</u>	<u>\$ 1,263,750</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 814,772	\$ (616,164)
CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>872,021</u>	<u>1,488,185</u>
End of year	<u><u>\$ 1,686,793</u></u>	<u><u>\$ 872,021</u></u>
Supplementary Disclosures of Cash Flow Information:		
Cash paid during period for:		
Interest	\$ 1,005	\$ 2,495
	<u>\$ 1,005</u>	<u>\$ 2,495</u>

(The accompanying notes are an integral part of the basic financial statements)

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Central Wyoming Rescue Mission (WRM) dba Wyoming Rescue Mission are presented to assist in understanding WRM's financial statements. The financial statements and notes are representations of WRM management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America.

Business Activity

WRM is a non-denominational, Christian ministry, nonprofit that provides shelter, food, clothing, and biblical guidance for men, women and children struggling with homelessness and drug and/or alcohol addiction. Services provided consist of providing a safe place to sleep, three wholesome meals per day, individualized case management, long term rehabilitation programs consisting of life skills training, job preparation, biblical counseling, and various other services for individuals desirous to make lasting changes in their lives. WRM is governed by a Board of Directors and is supported by private contributions and grants. WRM operates Rescued Treasures Thrift Store which provides vocational training to those guests of WRM who are in the Discipleship program. Rescued Treasures also provides vouchers for the basic necessities of those in need in our community.

WRM registered the trade name of Wyoming Rescue Mission on November 14, 2016 and has been operating under the trade name since it was registered.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Center and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that 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 Center and/or the passage of time or subject to donor-imposed stipulations that they be maintained permanently by the Center. When a restriction expires, with donor restricted net assets are reclassified to without donor restricted net assets and reported in the statement of activities as satisfaction of restrictions.

Donor restricted contributions received during the year in which the restrictions are satisfied in the same reporting period are classified as without donor restricted support.

Income Tax Status

The WRM, is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and has been classified as a public charity.

Tax penalties and interest, if any, would be classified with income tax expense in the financial statements. No tax penalties or interest have been incurred or are recognized in the financial statements. Generally, three tax years remain subject to examination by tax jurisdictions.

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Distribution of Expenses

Those expenses incurred, which are directly related to the three areas of services (program, management and general, development and capital campaign) are charged to those services. The remaining indirect expenses related to building operations are allocated to the services by the formula based on estimated square footage of the buildings used for services to the total square footage. Costs related to other activities are allocated based on an estimate of employee time spent on the program activities.

The accompanying financial statements were prepared on the accrual basis of accounting using the following accounting policies:

Cash and Cash Equivalents

For the statement of cash flows, WRM consider all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Property, Equipment and Depreciation

Acquisitions of property and equipment are reflected at cost if purchased, or at estimated fair market value if donated. Depreciation of property and equipment is calculated using the straight-line basis. Buildings and improvements are depreciated over 10 to 40 years, vehicles over 5 years and equipment is depreciated over 3 to 10 years. WRM's capitalization policy is to capitalize property and equipment additions of \$5,000 or more with an expected useful life greater than one year.

Inventories

The inventory of WRM consists of food on hand at the WRM. Inventory is valued at the estimated lower of cost (first-in, first-out method) or market. Due to the inability of valuing donated thrift store items until sold, no inventory value is presented on the financial statements.

Contributions

Contributions, including unconditional promises to give, are recorded when received. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Donated Materials

Donated materials are reflected as contributions at their estimated values. The values of these items are presented both as support and expenses in the financial statements under in-kind contributions and in-kind expense.

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pledges

WRM has received pledges for the capital campaign project. WRM only records pledges receivable when signed and all of the conditions of the pledge have been met. Pledges are recorded as a receivable at a discounted rate equal to the treasury daily yield rate (ranging from 1.09% to 2.14%) for the time period of the pledge and as contributions for the designated purpose. As pledges are collected, accretion revenue is reported for the period since the pledge. At June 30, 2020 gross uncollected pledges were \$151,799 with an accretion discount of \$242. The net pledges receivable at June 30, 2020 is \$151,789. Pledges due in less than one year are \$14,316 and due within one to five years are \$137,483.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising

WRM expenses advertising costs as incurred.

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available for issuance, which is the same date as the independent auditors' report.

NOTE 2. CONCENTRATION OF CREDIT RISK FOR CASH DEPOSITS

Financial instruments, which potentially subject WRM to concentrations of credit risk include cash deposits with local banks. WRM's cash management policies limit its exposure to concentrations of credit risk by maintaining primary cash accounts at financial institutions whose deposits are insured by the Federal Deposits Insurance Corporation (FDIC). FDIC insures amounts at each institution up to \$250,000. WRM has not experienced any losses of deposits. WRM has no deposits in excess of the FDIC coverage.

CENTRAL WYOMING RESCUE MISSION
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3. NOTES PAYABLE

A description of the notes payable is as follows:

Hilltop National Bank; 1%; one payment due April 17, 2022 unless conditions met for forgiveness with PPP Loan Forgiveness Program	\$ 249,100
Wyoming Community Development Authority; 0.00%; one payment due February 28, 2021; secured by real property located on N. Park Street	811,668
	<u>\$ 1,060,768</u>
Less current maturities	811,668
Long-term debt	<u>\$ 249,100</u>

NOTE 4. OPERATING LEASES

WRM has a lease agreement to lease property in Country Plaza Shopping Center for the Mission's Thrift Store effective January 1, 2017 through July 31, 2025. The lease payments for February 1, 2019 to January 31, 2021 are \$10,028.00 per month; February 1, 2021 to January 31, 2022 are \$10,445.83 per month; February 1, 2022 to January 31, 2023 are \$10,863.67 per month; February 1, 2023 to January 31, 2024 are \$10,864.17 per month; February 1, 2024 to January 31, 2025 are \$11,282.06 per month, and February 1, 2025 to July 31, 2025 \$11,694.92. WRM also must pay a prorated share of common area maintenance expenses, insurance and taxes. The initial prorated share of the expenses is \$2,473.58.

WRM has a lease agreement to lease property at 331 North Park effective August 1, 2017 through July 31, 2025. The lease payments from July 1, 2019 to July 31, 2020 are \$1,000 per month and August 1, 2020 to July 31, 2025 are \$1,100.00 per month. The lease has an option for one renewal period of five years.

WRM leases two copiers under a lease agreement that expires May 11, 2022. The lease requires monthly payments of \$259.

NOTE 4. OPERATING LEASES (Continued)

Future minimum lease payments are as follows:

<u>Year Ended June 30,</u>	
2021	\$ 169,120
2022	173,582
2023	173,250
2024	175,442
2025	180,472
2026	15,269
	<u>\$ 887,135</u>

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5. COMMITMENTS AND CONTINGENCIES

On September 30, 2004, a building was acquired by WRM, with the condition it be exclusively used for the care of needy persons in Natrona County and Central Wyoming for a minimum of 15 years. The building cannot be used for other purposes, contract for sale, mortgaged or pledged as security. If WRM does not use the building as stated in the agreement for 15 years, ownership of the building will revert to Wyoming Community Development Authority. March 17, 2020 WRM received notification that the conditions of use had been met and the restrictions have been removed from the quit claim deed.

On February 14, 2019, the Federal Home Loan Bank of Des Moines, Jonah Bank of Wyoming and Wyoming Rescue Mission entered into two Affordable Housing Program Subsidy Agreements for the construction of the Transformation Center and New Life Center with grant amounts of \$698,750 and \$750,000 respectively. The grant includes a restriction that once Centers are constructed, they must be used exclusively for the care of needy persons for a minimum of 15 years.

NOTE 6. NET ASSETS

WRM has recorded in this classification the net book value of a building that was remodeled with restricted grants, and a building that is restricted for a period of time. These assets are currently being or will be depreciated in the future and as depreciation is recorded, time restrictions will be met, or they must be used in accordance with program restrictions in the future.

WRM has recorded capital campaign funds in this classification that are restricted for the future construction of new facilities to provide housing, meals and programs under one roof.

WRM has restricted assets with the Wyoming Community Foundation. WRM, on August 24, 1994, gifted property to Wyoming Community Foundation to establish Kathleen Hemry Rescue Mission Endowment Fund. The Foundation, on March 18, 2002, gifted property to Wyoming Community Foundation to establish Central Wyoming Rescue Mission Agency Endowment Fund. During the current fiscal year Wyoming Community Foundation merged the Kathleen Hemry Rescue Mission Endowment Fund with the Central Wyoming Rescue Mission Agency Endowment Fund. The property of endowment fund is the property of the Wyoming Community Foundation held in its corporate capacity and shall not be deemed a trust fund held by it in a trustee capacity. Wyoming Community Foundation has ultimate authority and control over all property in the Funds and distributions made from the Funds. WRM is the designated beneficiary of both Funds. Wyoming Community Foundation has the right to commingle the property with property of other funds for administrative and investment purposes.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7. DONATED SERVICES AND MATERIALS

According to the accounting principles generally accepted in the United States of America as applied to Not-For-Profit organizations, WRM only records the estimated value of donated services that require specialized skills and which are provided by individuals possessing those skills. WRM had donated services meeting the definition for recognition during the year. WRM values contributed services that require no specialized skills at \$7.25 per hour for volunteers who provide services to WRM.

As of June 30, 2020, WRM received approximately \$81,600, in contributed services from volunteers who helped with janitorial and kitchen duties at WRM. These services are vital to the operation of WRM, but are not recognized in the financial statements under accounting principles generally accepted in the United States of America. WRM does record in-kind contributions of food, clothing and miscellaneous items as in-kind contributions and expenses in the statements of activities and functional expenses. For the year ended June 30, 2020, WRM recorded in-kind services of \$1,900 related to development expenses.

NOTE 8. RELATED PARTY TRANSACTIONS

WRM had contributions and pledges received from related party transactions to report. Collectively, Board Members and their families made contributions of \$78,930 and made pledges to the capital campaign fund of \$50,410 of which \$50,410 had been paid. No Board Member individually had materially significant transactions that would be considered related party transactions.

NOTE 9. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That 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 to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that CWRM has the ability to access.
- Level 2 Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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DBA WYOMING RESCUE MISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9. FAIR VALUE MEASUREMENTS (Continued)

The asset 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.

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, 2020.

Government Obligations: Valued at amortized cost, which approximates fair value.

Corporate Bonds, Common Stocks, and Preferred Stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

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

WRM's policy is to recognize transfers in and transfers out of each level as the actual date of the event or change in circumstances that caused the transfer.

The following table sets forth by level, within the fair value hierarchy, WRM's assets at fair value as of June 30, 2019:

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Government bonds	\$ 149,383	\$	\$	\$ 137,664
Common stock	223,572			214,453
Endowment funds held by Wyoming Community Foundation			151,873	163,716
Total assets at fair value	\$ 372,955	\$ 0	\$ 151,873	\$ 515,833

The following is reconciliation of Level 3 assets measured at fair value. Since observable and unobservable inputs may be used to determine the fair value of positions that WRM has classified in the Level 3 category, unrealized gains and losses for assets within the Level 3 category may include changes in fair value that were attributable to both observable and unobservable inputs. Changes in Level 3 assets measured at fair value for the year ended June 30, 2020 were as follows:

CENTRAL WYOMING RESCUE MISSION
DBA WYOMING RESCUE MISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9. FAIR VALUE MEASUREMENTS (Continued)

	Rescue Mission Endowment Fund	Mission Agency Endowment Fund	Total Endowment Funds
Balance 07/01/2019	\$ 4,624	\$ 159,092	\$ 163,716
Interest and dividends		5,619	5,619
Realized gains/(loses)		27	27
Unrealized gains/(loses)		(8,517)	(8,517)
	<u>\$ 4,624</u>	<u>\$ 156,221</u>	<u>\$ 160,845</u>
Administrative expenses		(2,714)	(2,714)
Transfers	(4,624)	4,624	
Distributions		(6,258)	(6,258)
	<u></u>	<u></u>	<u></u>
Balance 06/30/2020	<u>\$</u>	<u>\$ 151,873</u>	<u>\$ 151,873</u>

NOTE 10. INVESTMENTS

The following table represents the cost and current value of investments held for the period ending June 30, 2019:

Investment	Description of Investment	Cost	Current Total
American Funds Capital World Growth & Income Class A	Mutual Fund	\$ 14,091	\$ 14,414
American Funds High Income Trust Class A	Mutual Fund	45,076	40,980
American Funds Washington Mutual Investors Fund Class A	Mutual Fund	42,873	54,991
The Bond Fund for American Fund Class A	Mutual Fund	32,014	38,854
U.S. Government Securities Fund Class A	Mutual Fund	71,835	74,333
		<u>\$ 205,889</u>	<u>\$ 223,572</u>
U.S. Treasury Market Based Bond	6 1/8% Bond 29 due 08/15/29	99,741	149,383
		<u>\$ 305,630</u>	<u>\$ 372,955</u>