Davis Phinney Foundation

(a nonprofit Ohio corporation)

Financial Statements

December 31, 2021 and 2020

Davis Phinney Foundation

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BROCK CPAs

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Independent Auditor's Report

To the Board of Directors
Davis Phinney Foundation
Louisville, Colorado

Opinion

We have audited the financial statements of Davis Phinney Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Davis Phinney Foundation as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Davis Phinney Foundation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Davis Phinney Foundation'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.

Brock and Company, CPAs, P.C.

Certified Public Accountants

Longmont, Colorado
April 5, 2022

Davis Phinney Foundation

Statements of Financial Position

December 31	2021	2020
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 4,323,937**	$ 1,701,801
Investments, at fair value	**988,367**	2,502,513
Accounts receivable	**8,258**	56
Pledge receivable	**-**	300,000
Accrued interest receivable	**51**	4,583
Inventory	**-**	17,226
Prepaid expenses and other current assets	**50,543**	44,253
Total current assets	**5,371,156**	4,570,432
Equipment, at cost		
Furniture, fixtures, and equipment	**36,200**	41,774
Less accumulated depreciation	**(26,519)**	(28,263)
Net equipment	**9,681**	13,511
Total assets	**$ 5,380,837**	$ 4,583,943
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	**$ 35,411**	$ 41,438
Grants payable, current	**304,977**	115,177
Accrued compensation and benefits	**142,004**	109,398
Deferred revenue	**11,000**	175,733
Total current liabilities	**493,392**	441,746
Long-Term Liability		
Grants payable, long-term	**111,900**	93,421
Total liabilities	**605,292**	535,167
Net Assets		
Without donor restrictions	**4,775,545**	3,730,919
With donor restrictions	**-**	317,857
Total net assets	**4,775,545**	4,048,776
Total liabilities and net assets	**$ 5,380,837**	$ 4,583,943

The accompanying Notes are an integral part of these financial statements

Davis Phinney Foundation

Statement of Activities

Year ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenue and Support			
Contributions	**$ 1,262,073**	**$ -**	**$ 1,262,073**
Sponsorships	**1,048,682**	**-**	**1,048,682**
Special events income, net	**969,490**	**-**	**969,490**
In-kind contributions	**14,288**	**-**	**14,288**
Other program income	**4,803**	**-**	**4,803**
Net assets released from restrictions			
Satisfaction of purpose restrictions	**17,857**	**(17,857)**	**-**
Expiration of time restrictions	**300,000**	**(300,000)**	**-**
Total operating revenue and support	**3,617,193**	**(317,857)**	**3,299,336**
Operating Expenses			
Program services	**1,916,224**	**-**	**1,916,224**
Supporting services			
General and administrative	**143,229**	**-**	**143,229**
Fundraising	**511,172**	**-**	**511,172**
Total operating expenses	**2,570,625**	**-**	**2,570,625**
Total operating revenue and support in excess (deficit) of operating expenses	**1,046,568**	**(317,857)**	**728,711**
Other Changes			
Investment loss, net	**(1,492)**	**-**	**(1,492)**
Loss on disposal of equipment	**(450)**	**-**	**(450)**
Total other changes	**(1,942)**	**-**	**(1,942)**
Change in Net Assets	**1,044,626**	**(317,857)**	**726,769**
Net Assets, Beginning of Year	**3,730,919**	**317,857**	**4,048,776**
Net Assets, End of Year	**$ 4,775,545**	**$ -**	**$ 4,775,545**

The accompanying Notes are an integral part of these financial statements

Davis Phinney Foundation

Statement of Activities

Year ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenue and Support			
Contributions	$ 1,671,818	$ 300,000	$ 1,971,818
Sponsorships	1,298,325	-	1,298,325
Special events income, net	647,051	-	647,051
In-kind contributions	9,535	-	9,535
Total operating revenue and support	3,626,729	300,000	3,926,729
Operating Expenses			
Program services	1,417,527	-	1,417,527
Supporting services			
General and administrative	113,349	-	113,349
Fundraising	497,384	-	497,384
Total operating expenses	2,028,260	-	2,028,260
Total operating revenue and support in excess of operating expenses	1,598,469	300,000	1,898,469
Other Changes			
Paycheck Protection Program grant	229,335	-	229,335
Investment income, net	22,388	-	22,388
Total other changes	251,723	-	251,723
Change in Net Assets	1,850,192	300,000	2,150,192
Net Assets, Beginning of Year	1,880,727	17,857	1,898,584
Net Assets, End of Year	$ 3,730,919	$ 317,857	$ 4,048,776

Davis Phinney Foundation

Statement of Functional Expenses

Year ended December 31, 2021

	Program Services	Supporting Services: General and Administrative	Supporting Services: Fundraising	Total
Salaries	$ 790,844	$ 97,308	$ 304,374	$ 1,192,526
Payroll taxes and benefits	117,793	21,436	43,360	182,589
Total personnel	908,637	118,744	347,734	1,375,115
Research awards and grants	428,738	-	-	428,738
Computer and information technology	186,411	7,512	44,799	238,722
Rent	89,393	5,960	23,838	119,191
Postage and shipping	73,316	171	10,062	83,549
Program manuals	66,843	-	-	66,843
Printing	29,766	30	32,168	61,964
Consulting	32,133	1,874	7,494	41,501
Contract labor	10,096	355	17,452	27,903
Program events	7,755	-	14,288	22,043
Bank fees	19,562	1,304	46	20,912
Legal and professional fees	13,372	892	3,567	17,831
Telephone and Internet	12,850	921	3,240	17,011
Staff development	11,973	53	388	12,414
Multimedia expense	8,234	56	222	8,512
Insurance	4,206	280	1,122	5,608
Taxes and licenses	323	4,580	86	4,989
Miscellaneous	2,198	93	2,313	4,604
Advertising and marketing	3,019	46	288	3,353
Travel and meals	2,656	97	585	3,338
Office expenses	2,151	88	414	2,653
Dues and subscriptions	-	-	375	375
Repairs and maintenance	57	4	15	76
Total operating expenses before depreciation	1,913,689	143,060	510,496	2,567,245
Depreciation	2,535	169	676	3,380
Total operating expenses	$ 1,916,224	$ 143,229	$ 511,172	$ 2,570,625

The accompanying Notes are an integral part of these financial statements

Davis Phinney Foundation

Statement of Functional Expenses

Year ended December 31, 2020

	Program Services	Supporting Services: General and Administrative	Supporting Services: Fundraising	Total
Salaries	$ 680,052	$ 82,488	$ 309,861	$ 1,072,401
Payroll taxes and benefits	97,965	7,715	40,803	146,483
Total personnel	778,017	90,203	350,664	1,218,884
Research awards and grants	162,132	-	-	162,132
Computer and information technology	110,963	6,366	25,537	142,866
Rent	81,117	5,468	21,873	108,458
Printing	31,291	146	33,022	64,459
Postage and shipping	48,099	118	9,996	58,213
Program events	49,695	-	4,000	53,695
Consulting	34,924	2,325	9,301	46,550
Contract labor	11,085	401	19,084	30,570
Travel and meals	22,888	39	304	23,231
Multimedia expense	20,133	56	222	20,411
Telephone and Internet	13,319	1,059	3,628	18,006
Program manuals	17,452	-	-	17,452
Legal and professional fees	9,634	649	2,590	12,873
Bank fees	1,295	1,121	10,356	12,772
Advertising and marketing	8,328	76	483	8,887
Miscellaneous	2,641	131	2,943	5,715
Insurance	3,500	234	933	4,667
Taxes and licenses	-	4,345	-	4,345
Dues and subscriptions	2,345	157	625	3,127
Office expenses	2,189	103	414	2,706
Staff development	2,174	65	261	2,500
Repairs and maintenance	680	46	181	907
Total operating expenses before depreciation	1,413,901	113,108	496,417	2,023,426
Depreciation	3,626	241	967	4,834
Total operating expenses	$ 1,417,527	$ 113,349	$ 497,384	$ 2,028,260

The accompanying Notes are an integral part of these financial statements

Davis Phinney Foundation

Statements of Cash Flows

Increase (Decrease) in Cash and Cash Equivalents

Years ended December 31	2021	2020
Cash Flows From Operating Activities		
Change in net assets	**$ 726,769**	$ 2,150,192
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	**3,380**	4,834
Net realized and unrealized (gain) loss on investments	**8,161**	(2,513)
Loss on disposal of equipment	**450**	-
Increase (decrease) from changes in assets and liabilities		
Accounts receivable	**(8,202)**	55,232
Pledge receivable	**300,000**	(297,972)
Accrued interest receivable	**4,532**	1,613
Inventory	**17,226**	17,452
Prepaid expenses and other current assets	**(6,290)**	(27,698)
Deposits and other assets	**-**	4,897
Accounts payable	**(6,027)**	(19,882)
Grants payable	**208,279**	112,950
Accrued compensation and benefits	**32,606**	17,842
Deferred revenue	**(164,733)**	98,400
Net cash provided by operating activities	**1,116,151**	2,115,347
Cash Flows From Investing Activities		
Proceeds from maturity of investments	**2,778,356**	1,203,073
Purchases of investments	**(1,272,371)**	(2,500,000)
Net cash provided (used) by investing activities	**1,505,985**	(1,296,927)
Net Increase in Cash and Cash Equivalents	**2,622,136**	818,420
Cash and Cash Equivalents, Beginning of Year	**1,701,801**	883,381
Cash and Cash Equivalents, End of Year	**$ 4,323,937**	$ 1,701,801

The accompanying Notes are an integral part of these financial statements

Note 1 - Nature of Organization and Significant Accounting Policies

Nature of Organization. Davis Phinney Foundation ("the Organization") is an Ohio non-profit corporation that was incorporated in 2004 to help people living with Parkinson's disease to live well today. The Organization was founded by Olympic medal-winner, Davis Phinney, who was diagnosed with Parkinson's disease in 2000 at the age of 40. Today, Davis is both a role model in the cycling community and an inspiration to the people living with the chronic disease. Funding for the Organization is obtained through events and charitable contributions from interested parties.

Basis of Accounting. The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions. Net assets resulting from revenues generated by receiving contributions that have no donor stipulations, sponsorships, special events, and receiving interest and other income, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions. Net assets resulting from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents. The Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investments. The Organization's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization's management determines the valuation policies utilizing information provided by the investment custodian.

Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Fair Value Measurements. The Organization reports using fair value measurements, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value.

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

Fair Value Measurements (continued). The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization 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.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. 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 on a recurring basis:

Mutual Funds and Equity Securities. The Organization values mutual funds and equity securities with readily determinable market values at fair value as determined by quoted market prices on national securities exchanges valued at the closing price on the last business day of the fiscal year. Securities traded on the over-the-counter market are valued at the last reported bid price.

Certificates of Deposit. The Organization values certificates of deposit at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer. Early withdrawal charges may apply in the event the instruments are liquidated prior to their scheduled maturity date.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at December 31, 2021 and 2020.

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

Fair Value Measurements (continued). In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

Accounts Receivable. Accounts receivable are stated at the amount of consideration from customers, of which the Organization has an unconditional right to receive. At the time accounts receivable are originated, the Organization considers an allowance for doubtful accounts based on the creditworthiness of the customer. The allowance is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover future uncollectible amounts. The allowance is management's best estimate of uncollectible amounts and is determined based on historical performance that is tracked by the Organization on an ongoing basis. Management believes that substantially all accounts receivable are fully collectible at December 31, 2021 and 2020.

Promises to Give. Unconditional promises to give (pledges) are recognized as revenues in the period received. Pledges receivable are recorded at the amount the Organization expects to receive, allowing for estimated uncollectible pledges. The allowance for uncollectible pledges is estimated based on management's review of specific pledges outstanding. There was no allowance for doubtful accounts for the year ended December 31, 2020 as management believes that all of the pledges receivable are collectible. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Inventory. Inventory consists of program manuals held for distribution to clients. Inventory is stated at the lower of cost or net realizable value using the first-in, first-out method.

Equipment. It is the Organization’s policy to capitalize equipment at cost for purchases over $2,500, while repair and maintenance items are charged to expense. Donations of property and equipment are capitalized at their estimated fair value at the date of gift. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Equipment is depreciated using straight-line methods over the estimated useful lives of the assets, which is generally two to seven years. Depreciation expense for the years ended December 31, 2021 and 2020 was $3,380 and $4,834, respectively.

Impairment of Long-Lived Assets. In the event that facts and circumstances indicate that equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the years ended December 31, 2021 and 2020.

Revenue Recognition. The Organization's revenues from contracts with customers is comprised of sponsorships and special events. Sponsorships consist of marketing the corporate sponsors at program and fundraising events and are generally received in advance of the event. Special events consist primarily of event registrations and are also generally received in advance of the event. Any amounts received prior to the start of an event is recorded as a contract liability.

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

Revenue Recognition (continued). Revenue is recognized at the point in time in which the event occurs, which satisfies the Organization's performance obligation. Revenue is reported at the amount of consideration which the Organization expects to be entitled in exchange for providing the goods and services. The Organization determines the transaction price based on standard charges for goods and services provided, reduced by discounts and other price concessions, if any.

Contributions. Contributions are recognized when the donation is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions and grants that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Contributed Services and Materials. Contributed services are recognized if services received (a) create or enhance non-financial assets or (b) require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed materials are reported at fair market value on the date of gift.

Advertising. The Organization expenses advertising costs, including donated advertising, as they are incurred. Advertising expense for the years ended December 31, 2021 and 2020 totaled $3,353 and $8,887, respectively.

Functional Allocation of Expenses. Direct expenses have been allocated to the applicable program for which the expense was incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

Income Taxes. The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

The Organization utilizes the provisions of ASC 740, pertaining to accounting for uncertainty in income taxes. The pronouncement requires the use of a more-likely-than-not recognition criteria before and separate from the measurement of a tax position. An entity shall initially recognize the financial statement effects of a tax position when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. With respect to the organization, this would primarily relate to the determination of unrelated business taxable income and to the maintenance of its tax exempt status.

Management has evaluated the adopted policies and procedures that have been implemented to provide assurance that income is properly characterized and activities that jeopardize its tax exempt status are within limits established under existing tax code and regulations. Management has determined the effects of uncertain tax positions are not material to the Organization for recognition or disclosure in the accompanying financial statements and, accordingly, no income tax liability has been recorded for uncertain income tax positions in the accompanying financial statements.

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

Subsequent Events. The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through April 5, 2022, the date at which the financial statements were available for release.

Note 2 - Availability and Liquidity

The Organization had $5,320,613 and $4,508,953 in financial assets available within one year of December 31, 2021 and 2020, respectively. The Organization receives significant contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these guiding principles, the Organization forecasts its future cash flows and monitors its liquidity monthly. The Organization's goal is to maintain financial assets to meet ten months of operating expenses. As part of its liquidity plan, the Organization invests in short-term certificates of deposit with staggered maturity dates that are available for liquidation as needed. During the years ended December 31, 2021 and 2020, the level of liquidity and reserves was managed within the Organization's guiding principles and goals.

Note 3 - Investments

The following table sets forth by level, within the fair value hierarchy, the Organization's investments, at fair value, as of December 31, 2021:

	Level 1	Level 2	Level 3	Total
Mutual funds				
Equity funds	$ 449,697	$ -	$ -	$ 449,697
Bond funds	287,156	-	-	287,156
Certificates of deposit	-	250,000	-	250,000
U.S. equities	1,514	-	-	1,514
	$ 738,367	$ 250,000	$ -	$ 988,367

The Organization's investments, at fair value, as of December 31, 2020 consist of $2,502,513 in certificates of deposit. The assets are classified as level 2 within the fair value hierarchy.

Changes in Fair Value Levels. The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Note 3 - Investments (continued)

The Organization evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2021 and 2020, there were no significant transfers in or out of fair value levels.

Investment income (loss) consisted of the following for the years ended December 31:

	2021	2020
Interest and dividends	**$ 12,426**	$ 19,875
Net unrealized gain (loss) on investments	**(6,269)**	2,513
Net realized loss on investments	**(1,892)**	-
	4,265	22,388
Investment fees	**(5,757)**	-
Net investment income (loss)	**$ (1,492)**	$ 22,388

Note 4 - Accounts Receivable and Contract Liabilities

Accounts receivable consists of amounts invoiced to sponsors for goods and services rendered for which the Organization has met all performance obligations. Beginning balances were $56 and $55,288 at January 1, 2021 and 2020, respectively. Ending balances were $8,258 and $56 at December 31, 2021 and 2020, respectively.

The Organization has contracts that are unsatisfied or partially unsatisfied as of December 31, 2021 and 2020, in the amounts of $11,000 and $175,733, respectively. Contract liabilities as of December 31, 2019 totaling $77,333 were recognized as revenue in 2020, and the December 31, 2020 contract liabilities were recognized as revenue in 2021. Additionally, the Organization expects to recognize the December 31, 2021 amounts as revenue in 2022.

Note 5 - Grants Payable

The Organization has made unconditional promises to grant funds to certain recipients. A schedule of committed payments is as follows at December 31, 2021:

Year	Amount
2022	$ 304,977
2023	111,900
	$ 416,877

Note 6 - Net Assets With Donor Restrictions

The following summarizes the changes in net assets with donor restrictions for the years ended December 31, 2021 and 2020:

	Community Support	Time Restrictions	Total
Balance, January 1, 2020	$ 17,857	$ -	$ 17,857
Additions	-	300,000	300,000
Releases	-	-	-
Balance, December 31, 2020	$ 17,857	$ 300,000	$ 317,857
Additions	**-**	**-**	**-**
Releases	**(17,857)**	**(300,000)**	**(317,857)**
Balance, December 31, 2021	**$ -**	**$ -**	**$ -**

Note 7 - Operating Lease and Subsequent Event

The Organization leases office space in Louisville, Colorado under a noncancelable operating lease. The lease requires monthly base rent payments of $5,241, with an escalated payment schedule, and expires in April 2024. The Organization pays their pro-rata share of common costs. Rent expense under the lease totaled $119,191 and $108,458 for the years ended December 31, 2021 and 2020, respectively.

Future annual minimum base lease payments required under the operating leases are as follows at December 31, 2021:

Year	Amount
2022	$ 64,438
2023	66,499
2024	17,269
	$ 148,206

In March 2022, the Organization extended the lease for office space in Louisville, Colorado for an additional two years. The lease requires escalating rent payments after a reduction to the current base rent and expires in April 2026.

Note 8 - Revenue from Contracts with Customers

The composition of revenue by segment based on the timing of the transfer of goods or services is as follows for the years ended December 31:

	2021	2020
Recognized at a point in time		
Sponsorships	**$ 1,048,682**	$ 1,298,325
Event registrations and sales	**-**	5,975
	$ 1,048,682	$ 1,304,300

Note 9 - Special Events

The Organization's net revenue from special fundraising events is as follows for the years ended December 31:

	2021	2020
Event contributions	**$ 1,064,074**	$ 707,670
Event registrations and sales	**-**	5,975
	1,064,074	713,645
Direct costs	**(94,584)**	(66,594)
Net revenue	**$ 969,490**	$ 647,051

Note 10 - In-kind Contributions

Contributed services and materials are as follows for the years ended December 31:

	2021	2020
Professional services	**$ 2,250**	$ 4,000
Materials and supplies	**12,038**	5,535
	$ 14,288	$ 9,535

Note 11 - Paycheck Protection Program

During April 2020, the Organization received proceeds from the Paycheck Protection Program administered by the U.S. Small Business Administration of $229,335. Proceeds from the program are considered a government grant if at least 60% of the proceeds are spent on eligible payroll, with the remaining 40% on other narrowly specified expenses. As of December 31, 2020, the Organization fulfilled the requirements of the program. Accordingly, the Organization recognized grant revenue totaling $229,335 in the accompanying statement of activities.

Note 12 - Retirement Plan

The Organization provides for a deferred compensation plan under Internal Revenue Code Section 408(p) which allows an employee to contribute up to $13,500 of their annual compensation. The Organization provides a 2% contribution to the plan for any employee with annual compensation in excess of $5,000. The Organization contributed $21,725 and $18,671 to the plan for the years ended December 31, 2021 and 2020, respectively.

Note 13 - Concentrations

Major Donor. The Organization had a donor who comprised 27% of total revenue and support for the year ended December 31, 2020. There were no major donors for the year ended December 31, 2021.

Bank Deposits. The Organization routinely maintains cash balances in excess of federally insured limits.

Note 14 - Risk and Uncertainty

Starting in 2020, a health care pandemic has occurred in the United States and internationally. In response to the crisis, the federal, state, and municipal governments have enacted various policies to curtail group gatherings until the risk has diminished. Certain services of the Organization could continue to be subject to closure or substantially modified operations. Additionally, the global economy has been negatively impacted. No reliable estimate of the potential future financial impacts of this uncertainty on the Organization can be made at this time.

Note 15 - Upcoming Accounting Pronouncement

The FASB issued Accounting Standard Update (ASU) No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-to-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statement of financial position. The reporting of lease-related expenses in the statements of activities and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Organization's year ending December 31, 2022 and will be applied using a modified retrospective transition method to either the beginning of the earliest period presented or the beginning of the year of adoption. The new lease standard is expected to have a significant effect on the Organization’s financial statements as a result of the Organization's operating lease, as disclosed in Note 7, that will be reported on the statement of financial position at adoption. Upon adoption, the Organization will recognize a lease liability and corresponding right-to-use asset based on the present value of the minimum lease payments. The effects on the results of operations are not expected to be significant, as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.