

**ELMBROOK HUMANE SOCIETY, INC.**

FINANCIAL STATEMENTS

December 31, 2021 and 2020

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Elmbrook Humane Society, Inc.  
Brookfield, Wisconsin

### ***Opinion***

We have audited the financial statements of Elmbrook Humane Society, Inc., 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 Elmbrook Humane Society, Inc. 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 (GAAS). 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 Elmbrook Humane Society, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Elmbrook Humane Society, Inc.'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 Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Elmbrook Humane Society, Inc.'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 Elmbrook Humane Society, Inc.'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.

*Wegner CPAs LLP*

Wegner CPAs, LLP  
Waukesha, Wisconsin  
June 24, 2022

**ELMBROOK HUMANE SOCIETY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
December 31, 2021 and 2020

	2021	2020
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 567,323	\$ 581,600
Unconditional promises to give	394,128	2,000
Employee Retention Credit receivable	98,036	-
Accounts receivable	137	5,379
Prepaid expenses	2,992	4,317
Total current assets	1,062,616	593,296
<b>PROPERTY AND EQUIPMENT</b>		
Land	210,405	210,405
Building	1,508,027	1,434,399
Equipment	585,459	585,459
Vehicle	51,109	51,109
Website	30,450	30,450
Less accumulated depreciation	(1,040,495)	(946,629)
Property and equipment, net	1,344,955	1,365,193
<b>OTHER ASSETS</b>		
Investments	4,883,113	4,531,232
Beneficial interest in assets held by Waukesha County Community Foundation	2,192,422	2,041,487
Total other assets	7,075,535	6,572,719
<b>Total assets</b>	<b>\$ 9,483,106</b>	<b>\$ 8,531,208</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 7,196	\$ 17,167
Accrued sales tax	737	718
Accrued payroll	35,376	30,424
Accrued interest	-	1,162
Paycheck Protection Program loan	-	166,380
Total liabilities	43,309	215,851
<b>NET ASSETS</b>		
Without donor restrictions	9,422,193	8,290,433
With donor restrictions	17,604	24,924
Total net assets	9,439,797	8,315,357
<b>Total liabilities and net assets</b>	<b>\$ 9,483,106</b>	<b>\$ 8,531,208</b>

See accompanying notes.

**ELMBROOK HUMANE SOCIETY, INC.**  
**STATEMENTS OF ACTIVITIES**  
Years Ended December 31, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Contributions						
General donations and grants	\$ 554,874	\$ 10,500	\$ 565,374	\$ 493,452	\$ 18,187	\$ 511,639
Estates and bequests	412,057	-	412,057	138,188	-	138,188
In-kind contributions	47,734	-	47,734	54,969	-	54,969
Fundraising events (less costs of direct benefits to donors of \$7,852 and \$689, respectively)	76,362	-	76,362	68,226	-	68,226
Forgiveness of Paycheck Protection Program loans	341,803	-	341,803	-	-	-
Employee Retention Credit	98,036	-	98,036	-	-	-
Families First Coronavirus Response Act tax credits	1,970	-	1,970	3,859	-	3,859
Services, sales, and other revenue and gains						
Adoption fees	149,103	-	149,103	101,975	-	101,975
Municipality contracts	90,125	-	90,125	88,375	-	88,375
Animal medical care and services	5,315	-	5,315	12,714	-	12,714
Surrenders and strays	5,090	-	5,090	2,335	-	2,335
Training classes	23,293	-	23,293	16,267	-	16,267
Retail sales	20,413	-	20,413	16,545	-	16,545
Investment return, net	551,995	-	551,995	304,659	-	304,659
Change in value of beneficial interest in assets held by Waukesha County Community Foundation	226,035	-	226,035	172,453	-	172,453
Total support and revenue	2,604,205	10,500	2,614,705	1,474,017	18,187	1,492,204
<b>EXPENSES</b>						
Animal care and education	1,135,271	-	1,135,271	987,817	-	987,817
Management and general	240,083	-	240,083	168,900	-	168,900
Fundraising	114,911	-	114,911	172,010	-	172,010
Total expenses	1,490,265	-	1,490,265	1,328,727	-	1,328,727
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>						
Satisfaction of purpose restrictions	17,820	(17,820)	-	9,424	(9,424)	-
<b>Change in net assets</b>	1,131,760	(7,320)	1,124,440	154,714	8,763	163,477
Net assets at beginning of year	8,290,433	24,924	8,315,357	8,135,719	16,161	8,151,880
<b>Net assets at end of year</b>	<u>\$ 9,422,193</u>	<u>\$ 17,604</u>	<u>\$ 9,439,797</u>	<u>\$ 8,290,433</u>	<u>\$ 24,924</u>	<u>\$ 8,315,357</u>

See accompanying notes.

**ELMBROOK HUMANE SOCIETY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended December 31, 2021

	Animal Care and Education	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 612,940	\$ 149,817	\$ 56,437	\$ 819,194
Employee benefits	75,024	18,337	6,908	100,269
Payroll taxes	47,267	11,553	4,352	63,172
Veterinarian services and medication	116,656	-	-	116,656
Supplies	75,737	17,530	-	93,267
Professional fees and services	-	12,228	-	12,228
Event fees and supplies	-	-	38,874	38,874
Advertising	-	1,804	709	2,513
Auto expense	1,751	-	-	1,751
Bank and credit card fees	-	14,074	-	14,074
Education and training classes	8,779	-	-	8,779
Licenses and permits	-	1,156	-	1,156
Insurance	16,379	4,004	1,508	21,891
Printing and postage	112	450	10,583	11,145
Repairs and maintenance	43,423	1,498	552	45,473
Telephone	5,490	1,342	506	7,338
Utilities	33,748	1,164	429	35,341
Interest	1,330	325	122	1,777
Depreciation	89,636	3,091	1,139	93,866
Miscellaneous	6,999	1,710	644	9,353
<b>Total expenses</b>	<b>1,135,271</b>	<b>240,083</b>	<b>122,763</b>	<b>1,498,117</b>
Less expenses included with support and revenue on the statements of activities	-	-	(7,852)	(7,852)
<b>Total expenses included in the expenses section of the statements of activities</b>	<b>\$ 1,135,271</b>	<b>\$ 240,083</b>	<b>\$ 114,911</b>	<b>\$ 1,490,265</b>

See accompanying notes.

**ELMBROOK HUMANE SOCIETY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended December 31, 2020

	Animal Care and Education	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 551,129	\$ 103,268	\$ 107,708	\$ 762,105
Employee benefits	80,079	15,005	15,650	110,734
Payroll taxes	40,834	7,652	7,980	56,466
Veterinarian services and medication	99,714	-	-	99,714
Supplies	43,670	12,637	-	56,307
Professional fees and services	-	9,187	-	9,187
Event fees and supplies	-	-	27,217	27,217
Advertising	-	2,234	1,630	3,864
Auto expense	1,317	-	-	1,317
Bank and credit card fees	-	7,609	-	7,609
Education and training classes	5,967	-	-	5,967
Licenses and permits	-	317	-	317
Insurance	17,840	3,343	3,487	24,670
Printing and postage	-	2,119	5,113	7,232
Repairs and maintenance	23,594	636	345	24,575
Telephone	5,257	985	1,027	7,269
Utilities	31,924	861	467	33,252
Interest	841	157	164	1,162
Depreciation	82,020	2,210	1,201	85,431
Miscellaneous	3,631	680	710	5,021
<b>Total expenses</b>	<b>987,817</b>	<b>168,900</b>	<b>172,699</b>	<b>1,329,416</b>
Less expenses included with support and revenue on the statements of activities	-	-	(689)	(689)
<b>Total expenses included in the expenses section of the statements of activities</b>	<b>\$ 987,817</b>	<b>\$ 168,900</b>	<b>\$ 172,010</b>	<b>\$ 1,328,727</b>

See accompanying notes.



**ELMBROOK HUMANE SOCIETY, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended December 31, 2021 and 2020

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,124,440	\$ 163,477
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	93,866	85,431
Net realized and unrealized gains on investments	(433,081)	(248,118)
Donated property and equipment	-	(25,693)
Interest accrued on Paycheck Protection Program loan	1,777	1,162
Change in value of beneficial interest in assets held by Waukesha County Community Foundation	(226,035)	(172,453)
Forgiveness of Paycheck Protection Program loans	(341,803)	-
(Increase) decrease in assets		
Unconditional promises to give	(392,128)	223,000
Employee Retention Credit receivable	(98,036)	-
Accounts receivable	5,242	(5,379)
Prepaid expenses	1,325	(107)
Increase (decrease) in liabilities		
Accounts payable	(9,971)	5,495
Accrued sales tax	19	50
Accrued payroll	4,952	14,129
Net cash flows from operating activities	(269,433)	40,994
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and dividends retained in investments	(118,800)	(56,477)
Proceeds from sales of investments	200,000	200,000
Purchases of property and equipment	(73,628)	(4,757)
Contributions to beneficial interest held by Waukesha County Community Foundation	-	(203)
Distributions from beneficial interest held by Waukesha County Community Foundation	75,100	-
Net cash flows from investing activities	82,672	138,563
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Paycheck Protection Program loans	172,484	166,380
<b>Change in cash</b>	(14,277)	345,937
Cash at beginning of year	581,600	235,663
<b>Cash at end of year</b>	<u>\$ 567,323</u>	<u>\$ 581,600</u>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Noncash investing and financing transactions		
Donated property and equipment	\$ -	\$ 25,693

See accompanying notes.

**ELMBROOK HUMANE SOCIETY, INC.**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021 and 2020

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Activities**

Elmbrook Humane Society, Inc. (EBHS) is incorporated as a non-profit organization located in Brookfield, Wisconsin. EBHS provides shelter for homeless animals, promotes the human animal bond, and prevents animal cruelty and neglect. The vision of EBHS is to be the most personal, compassionate, and preferred resource for animal needs in the community. EBHS' primary source of revenue includes contributions and various program fees.

**Promises to Give**

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

**Accounts Receivable**

Accounts receivable primarily consist of amounts due from animal services provided by EBHS. Accounts receivable are stated at the amount management expects to be collected from outstanding balances. As of December 31, 2021 and 2020, management has determined, based on historical experience that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

**Property and Equipment**

Property and equipment in excess of \$2,500 are capitalized and carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

**Investments**

EBHS reports investments in marketable equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position.

**Beneficial Interest in Assets Held by Waukesha County Community Foundation**

EBHS' beneficial interest in assets held by Waukesha County Community Foundation (Foundation) represents an agreement between EBHS and the Foundation in which EBHS transfers assets to the Foundation in exchange for future distributions. The beneficial interest is not actively traded and significant other observable inputs are not available. The fair value of the beneficial interest is based on the fair value of the underlying assets as reported to EBHS by the Foundation. Little information about those assets is released publicly. The estimated fair value does not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined.

**ELMBROOK HUMANE SOCIETY, INC.**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021 and 2020

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Contributions**

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other 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 and reported in the statements of activities as net assets released from donor restrictions.

**Revenue Recognition**

Adoption fees, registration fees for certain training and outreach programs, animal medical care and services, and fees for other program services are recognized as revenue when EBHS provides the particular service or when the particular program is held. It is generally the policy of EBHS to not refund these fees. EBHS generally bills for these services prior to or on the date the services are provided. Advance billings are deferred until the services are performed. EBHS also provides animal services to certain municipalities under fixed-price contracts that are renewed annually. Animal services revenue is recognized once the services have been provided. EBHS invoices the municipalities on a monthly, bi-annually, or yearly basis at the fee established by the contract.

**Retail Sales**

Revenue for retail sales is recognized when the customer receives and pays for the merchandise. Sales taxes collected from customers are excluded from revenue. EBHS does not have any financing components as payment is received at or shortly after the point of sale. Returns are expected to be insignificant.

**Expense Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, employee benefits, payroll taxes, insurance, telephone, interest, and miscellaneous, which are allocated on the basis of estimates of time and effort, as well as repairs and maintenance, utilities, and depreciation, which are allocated on a square-footage basis.

**Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by EBHS.

Volunteers also provided a variety of tasks such as animal exercise and socialization, animal care, customer service, animal adoption, foster care, services at special events, veterinary services assistance, and clerical work throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met. EBHS received approximately 12,166 and 8,800 volunteer hours during the years ended December 31, 2021 and 2020, respectively.

**ELMBROOK HUMANE SOCIETY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2021 and 2020

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Estimates**

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Income Tax Status**

EBHS is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

**Reclassifications**

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

**Date of Management’s Review**

Management has evaluated subsequent events through June 24, 2022, the date which the financial statements were available to be issued.

NOTE 2—INVESTMENTS

Investments are comprised of the following:

	2021	2020
Cash equivalents held by investment manager	\$ 761,380	\$ 1,143,748
Stocks	778,518	439,188
Exchange traded funds	1,084,784	760,234
Fixed income securities	314,474	327,146
Mutual funds	1,943,957	1,860,916
	\$ 4,883,113	\$ 4,531,232

Fair values of stocks, exchange traded funds, and mutual funds are based on quoted net asset values of the shares as reported by the fund. The mutual funds and exchange traded funds held by EBHS are open-end funds registered with the U.S. Securities and Exchange Commission. The funds must publish their daily net asset value and transact at that price. The mutual funds and exchange traded funds held by EBHS are considered to be actively traded. Fair values of stocks are based on the closing prices reported on the active market where the individual securities are traded. Fair values of fixed income securities are determined using a market approach on yields currently available on comparable securities of issuers with similar credit ratings, which are Level 2 fair value measurements.

**ELMBROOK HUMANE SOCIETY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2021 and 2020

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**NOTE 3—BENEFICIAL INTEREST IN ASSETS HELD BY WAUKESHA COUNTY COMMUNITY FOUNDATION**

EBHS's board created a fund at Waukesha County Community Foundation (Foundation), a community foundation, to support the mission of EBHS. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as net assets without donor restrictions.

EBHS has designated itself as the sole beneficiary of the income from the investment of this fund. The Foundation will make annual distributions of the income earned on the fund subject to the Foundation's spending policy. EBHS reserves the right to recommend distributions greater than those set by the Foundation's distribution policy as long as the fund balance is maintained that is consistent with the Foundation's \$10,000 minimum balance requirement.

The Board of Directors of the Foundation shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community serviced. The agreement also grants variance power to the Foundation, which permits the Foundation to substitute another beneficiary in place of EBHS if EBHS ceases to exist, it is EBHS's wish that distributions be made to benefit another organization and help provide program services as determined by the Foundation.

Changes in value of beneficial interest in assets held by the Foundation are as follows:

	2021	2020
Balance - beginning of year	\$ 2,041,487	\$ 1,868,831
Contributions	-	203
Distributions	(75,100)	-
Change in value of beneficial interest	226,035	172,453
Balance - end of year	\$ 2,192,422	\$ 2,041,487

**NOTE 4—PAYCHECK PROTECTION PROGRAM LOANS**

EBHS received loans totaling \$338,864 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). The loans accrue interest at 1% but payments are deferred for borrowers who apply for forgiveness until SBA remits the borrower's forgiveness amount to the lender. The amount of forgiveness depends, in part, on the total amount of eligible expenses paid by EBHS during the covered period. Eligible expenses may include payroll costs, interest on mortgages, rent, and utilities. Any unforgiven portion is payable over five years. On April 22, 2021, the SBA preliminarily approved forgiveness of EBHS' first draw loan of \$166,380. On December 9, 2021, the SBA preliminarily approved forgiveness of EBHS' second draw loan of \$172,484. EBHS must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review EBHS' good-faith certification concerning the necessity of its loan request,

**ELMBROOK HUMANE SOCIETY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2021 and 2020

**NOTE 4—PAYCHECK PROTECTION PROGRAM LOANS (continued)**

whether EBHS calculated the loan amount correctly, whether EBHS used loan proceeds for the allowable uses specified in the CARES Act, and whether EBHS is entitled to loan forgiveness in the amount claimed on its application. If SBA determines EBHS was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the outstanding loan balance.

**NOTE 5—NET ASSETS**

EBHS's board of directors has designated net assets without donor restrictions for the following purposes:

	2021	2020
Board designated funds for long-term reserves	\$ 2,192,422	\$ 2,041,487
Undesignated for general use	7,229,771	6,248,946
	\$ 9,422,193	\$ 8,290,433

Net assets with donor restrictions are restricted for the following purposes:

	2021	2020
Medical care for diabetic animals	\$ 3,051	\$ 3,051
Read to me program	791	791
Animal enrichment	-	931
Pitbull enrichment program	1,128	1,229
Staff development	-	1,000
Spring Gala	10,000	11,851
Wagfest	-	2,000
Behavior and training of shelter dogs	1,500	1,000
Lilly's medical needs	1,134	3,071
	\$ 17,604	\$ 24,924

**NOTE 6—PENSION PLAN**

EBHS has a 403(b) retirement savings plan covering all eligible employees. Pension expense for the years ended December 31, 2021 and 2020 was \$11,403 and \$8,925, respectively.

**NOTE 7—CONCENTRATIONS OF CREDIT RISK**

EBHS maintains cash balances at one financial institution located in southeastern Wisconsin. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021 and 2020, EBHS's uninsured cash balances total approximately \$310,000 and \$158,000, respectively.

**ELMBROOK HUMANE SOCIETY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2021 and 2020

**NOTE 8—LIQUIDITY AND AVAILABILITY**

The following reflects the EBHS’s financial assets at December 31, 2021 and 2020, reduced by amounts not available to meet cash needs for general expenditures within one year of the dates of the statements of financial position because of donor-imposed or other restrictions:

	2021	2020
Financial assets at end of year		
Cash	\$ 567,323	\$ 581,600
Unconditional promises to give	394,128	2,000
Employee Retention Credit receivable	98,036	-
Accounts receivable	137	5,379
Investments	4,883,113	4,531,232
Beneficial interest in assets held by Waukesha County Community Foundation	2,192,422	2,041,487
Total financial assets at end of year	8,135,159	7,161,698
Less amounts unavailable for general expenditures within one year		
Restricted by donors with time or purpose restrictions	(17,604)	(24,924)
Board designated funds for long-term reserves	(2,192,422)	(2,041,487)
Financial assets available to meet cash needs for general expenditures within one year	\$ 5,925,133	\$ 5,095,287

As part of EBHS’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**NOTE 9—IN-KIND CONTRIBUTIONS**

The fair values of donated services and materials are included as contributions in the financial statements and the corresponding expenses for the years ended December 31, 2021 and 2020 as follows:

	2021			
	Animal Care and Education	Management and General	Fundraising	Total Expenses
Veterinarian services and medication	\$ 2,256	\$ -	\$ -	\$ 2,256
Supplies	43,379	1,099	-	44,478
Repairs and maintenance	955	33	12	1,000
	\$ 46,590	\$ 1,132	\$ 12	\$ 47,734

**ELMBROOK HUMANE SOCIETY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2021 and 2020

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NOTE 9—IN-KIND CONTRIBUTIONS (continued)

	2020			
	Animal Care and Education	Management and General	Fundraising	Total Expenses
Veterinarian services and medication	\$ 3,615	\$ -	\$ -	\$ 3,615
Supplies	25,382	-	-	25,382
Repairs and maintenance	279	-	-	279
	\$ 29,276	\$ -	\$ -	\$ 29,276

The fair value of donated property and equipment included as contributions in the statements of activities was \$25,693 for the year ended December 31, 2020.

NOTE 10—EMPLOYEE RETENTION CREDITS

EBHS was eligible for the Employee Retention Credit under the CARES Act, which is a refundable tax credit against certain employment taxes on qualified wages for eligible employers. As of December 31, 2021, EBHS was eligible for \$98,036 of Employee Retention Credits.