

Animal Rescue League of Iowa, Inc.

Financial Statements
With Independent Auditor's Report Thereon

December 31, 2019 and 2018

Animal Rescue League of Iowa, Inc.

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PITTMAN & COMPANY, LLP
Certified Public Accountants

Independent Auditor's Report

To the Board of Directors of
Animal Rescue League of Iowa, Inc.

We have audited the accompanying financial statements of Animal Rescue League of Iowa, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019 and 2018, the related statements of activities, functional expenses, and cash flows for the years 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 Animal Rescue League of Iowa, Inc. as of December 31, 2019 and 2018, 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.

Pittman & Company, LLP
August 10, 2020

Animal Rescue League of Iowa, Inc.
Statement of Financial Position
December 31, 2019 and 2018

Assets	Operating	Foundation	Total 2019	Total 2018
Current Assets				
Cash & cash equivalents	\$ 357,102	\$ 289,209	\$ 646,311	\$ 888,931
Investments	-	11,308,713	11,308,713	10,150,983
Investments - deferred compensation	488,230	-	488,230	377,689
Accounts receivable	88,160	-	88,160	132,134
Pledges receivable	56,000	-	56,000	72,500
Inventory	81,214	-	81,214	67,103
Prepaid expenses	55,383	-	55,383	50,964
Total Current Assets	1,126,089	11,597,922	12,724,011	11,740,304
Restricted Assets				
Spay/neuter fund	110,488	-	110,488	95,302
Total Restricted Assets	110,488	-	110,488	95,302
Property & Equipment				
Property & equipment	13,219,528	-	13,219,528	13,275,338
Accumulated depreciation & amortization	(4,706,780)	-	(4,706,780)	(4,445,231)
Total Property & Equipment	8,512,748	-	8,512,748	8,830,107
Total Assets	\$ 9,749,325	\$ 11,597,922	\$ 21,347,247	\$ 20,665,713
Liabilities & Net Assets				
Current Liabilities				
Accounts payable & accrued expenses	\$ 240,117	\$ -	\$ 240,117	\$ 182,082
Accrued payroll & benefits	195,764	-	195,764	153,028
Deferred revenue	28,667	-	28,667	52,084
Deferred compensation	488,230	-	488,230	377,689
Total Current Liabilities	952,778	-	952,778	764,883
Total Liabilities	952,778	-	952,778	764,883
Net Assets				
Without donor restrictions:				
Undesignated	8,656,978	-	8,656,978	9,172,484
Board designated	-	11,597,922	11,597,922	10,574,414
With donor restrictions	139,569	-	139,569	153,932
Total Net Assets	8,796,547	11,597,922	20,394,469	19,900,830
Total Liabilities & Net Assets	\$ 9,749,325	\$ 11,597,922	\$ 21,347,247	\$ 20,665,713

See accompanying notes to the financial statements.

Animal Rescue League of Iowa, Inc.
Statement of Activities
For the Years Ended December 31, 2019 and 2018

	Operating	Foundation	Total 2019	Total 2018
Revenue & Support				
Public support:				
Donations	\$ 2,140,736	\$ -	\$ 2,140,736	\$ 1,730,165
Bequests & grants	321,810		321,810	626,510
Direct mail & newsletter	701,244		701,244	687,062
Special events	539,951		539,951	532,484
Program revenue:				
Adoptions & admissions	593,537		593,537	501,689
Animal control & housing contracts	952,681		952,681	924,072
Other supporting services	208,906		208,906	218,028
Other income:				
Merchandise sales	240,810		240,810	200,286
Financial income	18,110	2,284,801	2,302,911	(663,495)
Other income	29,508		29,508	21,040
Interfund transfers	1,261,293	(1,261,293)	-	-
Total Revenue & Support	7,008,586	1,023,508	8,032,094	4,777,841
Expenses				
Program services	5,680,778	-	5,680,778	5,626,426
Management & general	602,189	-	602,189	385,706
Fundraising	1,255,488	-	1,255,488	666,844
Total Expenses	7,538,455	-	7,538,455	6,678,976
Change in Net Assets				
Without donor restrictions	(529,869)	1,023,508	493,639	(1,901,135)
With donor restrictions	-	-	-	(45,861)
Total Change in Net Assets	(529,869)	1,023,508	493,639	(1,946,996)
Net Assets - Beginning	9,326,416	10,574,414	19,900,830	21,847,826
Net Assets - Ending	\$ 8,796,547	\$ 11,597,922	\$ 20,394,469	\$ 19,900,830

See accompanying notes to the financial statements.

Animal Rescue League of Iowa, Inc.
Statement of Functional Expenses
For the Years Ended December 31, 2019 and 2018

	2019			2018				
	Program Services	Management & General	Fundraising	Total	Program Services	Management & General	Fundraising	Total
Salaries & Related Expenses								
Salaries & wages	\$ 2,695,625	\$ 326,020	\$ 329,256	\$ 3,350,901	\$ 2,416,875	\$ 178,825	\$ 167,446	\$ 2,763,146
Employee benefits	754,826	87,526	109,036	951,388	631,265	42,869	65,963	740,097
Total Salaries & Related Expenses	3,450,451	413,546	438,292	4,302,289	3,048,140	221,694	233,409	3,503,243
Other Expenses								
AP discounts	-	(7,522)	-	(7,522)	-	(6,363)	-	(6,363)
General insurance	75,673	-	-	75,673	75,693	-	-	75,693
Utilities	265,252	2,312	2,881	270,445	268,497	4,137	2,126	274,760
Supplies	61,690	8,439	10,480	80,609	58,627	8,598	6,130	73,355
Repairs & maintenance	207,422	-	-	207,422	188,579	-	-	188,579
Rental	2,881	-	116	2,997	6,308	-	-	6,308
Animal care	525,359	-	-	525,359	541,190	-	-	541,190
Shelter supplies	208,532	-	-	208,532	178,227	-	-	178,227
Auction goods	-	-	110,294	110,294	-	-	85,686	85,686
Other fundraising & marketing	-	-	30,282	30,282	37,866	-	549	38,415
Printing, postage, & shipping	61,362	-	484,802	546,164	309,804	-	163,582	473,386
Professional fees	76,364	88,097	-	164,461	174,228	76,946	-	251,174
Merchandise	152,704	-	-	152,704	120,155	-	-	120,155
Other expenses	62,397	89,278	3,634	155,309	93,545	70,029	4,558	168,132
Special events	-	-	119,559	119,559	2,571	-	114,911	117,482
Travel	28,441	8,039	3,817	40,297	26,945	5,280	3,726	35,951
Bad debt	1,084	-	-	1,084	730	-	-	730
Radio program	16,150	-	-	16,150	14,550	-	-	14,550
Volunteer orientation	5,580	-	-	5,580	8,913	-	-	8,913
Subscriptions	5,399	-	51,331	56,730	-	5,385	52,167	57,552
Total Other Expenses	1,756,290	188,643	817,196	2,762,129	2,106,428	164,012	433,435	2,703,875
Depreciation & amortization	474,037	-	-	474,037	471,858	-	-	471,858
Total Expenses	\$ 5,680,778	\$ 602,189	\$ 1,255,488	\$ 7,538,455	\$ 5,626,426	\$ 385,706	\$ 666,844	\$ 6,678,976

See accompanying notes to the financial statements.

Animal Rescue League of Iowa, Inc.
Statement of Cash Flows
For the Years Ended December 31, 2019 and 2018

	Operating	Foundation	Total 2019	Total 2018
Cash Flows from Operating Activities				
Change in net assets	\$ (529,869)	\$ 1,023,508	\$ 493,639	\$ (1,946,996)
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation & amortization	474,037	-	474,037	471,858
(Gain)/Loss on disposal of fixed assets	1,922	-	1,922	281
Interest & dividends	-	280,670	280,670	280,909
(Increase)/Decrease in:				
Investments	(70,541)	(2,354,245)	(2,424,786)	1,281,931
Receivables	60,474	-	60,474	(59,284)
Inventory	(14,111)	-	(14,111)	11,460
Prepaid expenses	(4,419)	-	(4,419)	23,574
Construction in progress	-	-	-	50,815
Increase/(Decrease) in:				
Payables & accruals	58,035	-	58,035	44,920
Payroll & benefits	42,736	-	42,736	15,993
Deferred revenue	(23,417)	-	(23,417)	12,139
Deferred compensation	110,541	-	110,541	18,530
Net Cash Provided/(Used) by Operating Activities	105,388	(1,050,067)	(944,679)	206,130
Cash Flows from Investing Activities				
Capital expenditures	(158,600)	-	(158,600)	(144,919)
Proceeds from sale of investments	-	3,818,953	3,818,953	443,395
Purchase of investments	(40,000)	(2,903,108)	(2,943,108)	(1,285,162)
Change in spay/neuter fund	(15,186)	-	(15,186)	11,795
Net Cash Provided/(Used) by Investing Activities	(213,786)	915,845	702,059	(974,891)
Net Increase/(Decrease) in Cash & Cash Equivalents	(108,398)	(134,222)	(242,620)	(768,761)
Cash & Cash Equivalents - Beginning	465,500	423,431	888,931	1,657,692
Cash & Cash Equivalents - Ending	<u>\$ 357,102</u>	<u>\$ 289,209</u>	<u>\$ 646,311</u>	<u>\$ 888,931</u>

See accompanying notes to the financial statements.

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 1. The Organization and its Significant Accounting Policies

Nature of the Organization

Animal Rescue League of Iowa, Inc. (Organization), a nonprofit organization founded in 1926, is dedicated to the welfare of animals.

The Organization, which is the largest nonprofit animal shelter in Iowa, operates four adoption centers and two animal shelters in the Greater Des Moines area. The Organization operates the City of Des Moines animal shelter on a contractual basis. The majority of its funding is from adoption fees and charitable contributions.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with the accounting principles appropriate for not-for-profit entities. The accrual basis of accounting is used by the Organization. Under this method, revenue is recognized in the period earned and expenses are recognized in the period incurred.

Financial statement presentation follows the guidelines set forth by the Financial Accounting Standards Board (FASB) in *Not-for-Profit Entities – Presentation of Financial Statements*. As part of the FASB guidelines, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

With donor restrictions – assets that are required to be used in a later period or after a specified date (time restrictions), or that are required to be used for a specific purpose (purpose restriction), or both.

Without donor restrictions – assets without any donor-imposed restrictions; although, a portion of these assets may have self-imposed limits (board-designated net assets).

Liquidity

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash & cash equivalents	\$ 646,311
Accounts receivable	88,160
	<u>\$ 734,471</u>

The Organization considers cash and cash equivalents to be investments and other assets that can be converted to cash within three months. Of the cash and cash equivalents, \$62,516 exceeded federally insured limits as of December 31, 2019.

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 1. Nature of the Organization and its Significant Accounting Policies (continued)

Investments

Investments are managed with a total return approach, which includes objectives to balance moderate income generation and capital appreciation. The portfolio is managed with a lower risk level appropriate for a long-term investment horizon.

Accounts Receivable

Accounts receivable primarily consists of amounts due from local governments under service contracts. All receivables are considered fully collectible; therefore, no allowance for doubtful accounts is required.

Promises to Give

Contributions are recognized when the donor makes a promise to the Organization that is, in substance, unconditional. The Organization uses the allowance method to determine uncollectible promises to give. The Organization considers all promises to give fully collectible; therefore, an allowance has not been recorded.

Inventories

Inventories are carried at the lower of cost or market value, utilizing the first-in first-out (FIFO) flow assumption.

Property, Equipment, & Depreciation

The capitalization limit for the organization is \$2,000. Property and equipment is valued at cost and depreciated using the straight-line method over the estimated useful lives, as follows:

Vehicles	5 years
Equipment	2 – 20 years
Buildings	40 years

Property and equipment contributed to the Organization is recorded at the fair market value on the date of the contribution. Maintenance costs are expensed when incurred.

Compensated Absences

The cost of compensated vacation time to employees is accrued in the period in which it vests.

Contributions

Contributions which have donor restrictions expiring in the current year are reported as increases in net assets without donor restrictions. All other donor-restricted contributions are reported as increases net assets with donor restrictions.

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 1. Nature of the Organization and its Significant Accounting Policies (continued)

Donated Assets & Services

Donated property or equipment is generally reflected as a contribution in the financial statements at its estimated fair value at the date of receipt. If the item is determined to be one that should be capitalized, it is recorded as part of property and equipment and depreciated accordingly.

A number of volunteers donate a significant amount of time to various functions of the Organization. Only amounts that have a determinable basis and are in connection with specialized skills are recorded.

Donations of property consisted mainly of supplies totaling \$148,153 and \$163,181 in 2019 and 2018, respectively. In addition, the Organization received \$104,799 and \$79,765 of donated goods for the benefit auction in 2019 and 2018, respectively.

Allocation of Functional Expenses

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain 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 Taxes

The Organization is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code except to the extent of taxes on unrelated business income. As required by the FASB *Income Taxes* topic, the Organization has evaluated their material tax positions and determined no income tax affects with respect to the financial statements. The Organization is no longer subject to U.S. Federal or State income tax examinations by tax authorities for years prior to 2016. The Organization has not been notified of any impending examinations by tax authorities, and no examinations are in process.

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 2. Fair Value Measurements

The Organization has adopted the provisions of the FASB *Fair Value Measurement* topic, which defines fair value as 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.

Professional standards establish 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 level 1 inputs and the lowest priority to level 3 inputs. The three levels of the hierarchy are described as follows:

- Level 1* – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2* – inputs other than quoted prices included within *Level 1* that are observable for the asset or liability, either directly or indirectly.
- Level 3* – unobservable inputs for the asset or liability.

The following table presents financial instruments that are measured at fair value on a recurring basis as of December 31, 2019:

	Fair Value	Level 1	Level 2	Level 3
Community Foundation of Greater Des Moines	\$ 110,488	\$ 110,488	\$ -	\$ -
Foundation money market	289,209	289,209	-	-
Foundation fixed income	1,811,788	1,811,788	-	-
Foundation stocks, real estate, & alternatives	9,496,925	9,496,925	-	-
Capital campaign pledges receivable	56,000	-	-	56,000
Total	\$ 11,764,410	\$ 11,708,410	\$ -	\$ 56,000

Changes in assets are measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as follows:

	Pledges Receivable
Fair value - 12/31/2018	\$ 72,500
Additional pledges	-
Payments received	(16,500)
Write off	-
Change in present value discount	-
Fair value - 12/31/2019	\$ 56,000

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 2. Fair Value Measurements (continued)

The following table presents financial instruments that are measured at fair value on a recurring basis as of December 31, 2018:

	Fair Value	Level 1	Level 2	Level 3
Community Foundation of Greater Des Moines	\$ 95,302	\$ 95,302	\$ -	\$ -
Foundation money market	423,431	423,431	-	-
Foundation fixed income	1,652,709	1,652,709	-	-
Foundation stocks, real estate, & alternatives	8,498,274	8,498,274	-	-
Capital campaign pledges receivable	72,500	-	-	72,500
Total	\$ 10,742,216	\$ 10,669,716	\$ -	\$ 72,500

Changes in assets are measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as follows:

	Pledges Receivable
Fair value - 12/31/2017	\$ 76,550
Additional pledges	25,000
Payments received	(28,050)
Write off	(1,000)
Change in present value discount	-
Fair value - 12/31/2018	\$ 72,500

Note 3. Property & Equipment

Components of property and equipment at December 31, 2019 and 2018 are as follows:

	2019	2018
Land	\$ 34,637	\$ 34,637
Buildings	11,544,573	11,475,376
Furniture & equipment	1,020,605	1,082,272
Vehicles	556,397	594,857
Web site design	63,316	88,196
Total property & equipment	13,219,528	13,275,338
Accumulated depreciation & amortization	(4,706,780)	(4,445,231)
Total property & equipment - net	\$ 8,512,748	\$ 8,830,107

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 4. Investments

At December 31, 2019, the Organization had the following investments:

	<u>Cost</u>	<u>Gain/Loss</u>	<u>Total</u>
Foundation:			
Unrestricted - board designated			
Money market funds	\$ 289,209	\$ -	\$ 289,209
Fixed income	1,809,999	1,789	1,811,788
Stocks, real estate, & alternatives	<u>7,098,772</u>	<u>2,398,153</u>	<u>9,496,925</u>
Total Investments	<u>\$ 9,197,980</u>	<u>\$ 2,399,942</u>	<u>\$ 11,597,922</u>

At December 31, 2018, the Organization had the following investments:

	<u>Cost</u>	<u>Gain/Loss</u>	<u>Total</u>
Foundation:			
Unrestricted - board designated			
Money market funds	\$ 423,431	\$ -	\$ 423,431
Fixed income	1,702,654	(49,945)	1,652,709
Stocks, real estate, & alternatives	<u>7,748,513</u>	<u>749,761</u>	<u>8,498,274</u>
Total Investments	<u>\$ 9,874,598</u>	<u>\$ 699,816</u>	<u>\$ 10,574,414</u>

Note 5. Financial Income

At December 31, 2019, financial income consisted of the following:

	<u>Operating</u>	<u>Foundation</u>
Interest & dividends	\$ 2,660	\$ 280,670
Realized gain/(loss)	510	383,408
Unrealized gain/(loss)	14,940	1,701,420
Trust fees	-	(80,697)
Total	<u>\$ 18,110</u>	<u>\$ 2,284,801</u>

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 5. Financial Income (continued)

At December 31, 2018, financial income consisted of the following:

	<u>Operating</u>	<u>Foundation</u>
Interest & dividends	\$ 2,436	\$ 280,909
Realized gain/loss	1,058	215,137
Unrealized gain/loss	(9,834)	(1,069,794)
Trust fees	(513)	(82,894)
Total	<u>\$ (6,853)</u>	<u>\$ (656,642)</u>

Note 6. Promises to Give

Promises to give consisted of the following at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Past Due	\$ 17,000	\$ 16,500
Receivable in less than one year	17,000	-
Receivable in two to five years	22,000	56,000
Total	<u>\$ 56,000</u>	<u>\$ 72,500</u>

Note 7. Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of assets available for operating purposes and amounts designated by the Board of Directors for a specific purpose. Board designated amounts are not legally restricted, but require Board action to be expended. The Foundation has board designated amounts at December 31, 2019 and 2018, of \$11,597,922 and \$10,574,414, respectively, whose earnings are designated for operating purposes.

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 8. Net Assets With Donor Restrictions

Net assets with donor restrictions consisted of the following at December 31, 2019:

	12/31/18 Balance	Additional Revenue	Release from Restrictions	12/31/19 Balance
Community Foundation Spay/Neuter Fund	\$ 92,708	\$ -	\$ -	\$ 92,708
Spay Des Moines	(219)	4,553	(26,175)	(21,841)
Ringworm Treatment Room	6,518	173	(6,691)	-
Electricity to Catty Shack	600	-	(600)	-
Reclaim Assistance ACCC	2,982	6,608	(4,879)	4,711
Cat Scratchers	1,151	-	(600)	551
Veterinary Assistance	23,157	99	(23,175)	81
TNR Resources	8,139	351	(8,490)	-
Reclaims, Cat Scratchers, Dog Enrichment	-	20,140	(18,193)	1,947
Erma Hawkins Memorial Fund for Seniors	1,735	7,550	(8,300)	985
Renard Purr Project	1,187	2,330	(180)	3,337
Iowa Hay Bank	1,000	-	-	1,000
Madison Co TNR	104	-	-	104
ER Vet Fund	-	2,863	(5,863)	(3,000)
Pet Therapy	-	4,413	(4,413)	-
Banfield Foundation	-	10,000	-	10,000
Humane Ed Scholarships	1,350	2,700	(1,850)	2,200
Prison Pets for Vets	8,261	200	(639)	7,822
Hawkins Fund for Medical Care of Senior Pets	2,754	3,015	(1,013)	4,756
Wal-Mart Public Assistance	53	4,250	(343)	3,959
Prairie Meadows Casino - Microchip Scanners	-	3,599	(3,599)	-
Grey Muzzle Grant	2,451	7,350	(6,728)	3,074
Community Outreach DSM Petco Foundation	-	31,420	(31,056)	364
TNR for DSM - Petco Foundation	-	19,887	(19,887)	-
ACCC Training - Petco Foundation	-	6,050	(4,341)	1,709
Crisis Foster PetSmart Charities	-	10,400	(5,528)	4,872
TNR Supplies	-	7,500	-	7,500
Barbour Foundation Operation Catsnip TNR	-	9,000	(1,270)	7,730
Windsor Veterinary Assistance	-	10,000	(5,000)	5,000
Total	\$ 153,932	\$ 174,450	\$ (188,813)	\$ 139,569

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 8. Net Assets With Donor Restrictions (continued)

Net assets with donor restrictions consisted of the following at December 31, 2018:

	12/31/17 Balance	Additional Revenue	Release from Restrictions	12/31/18 Balance
Community Foundation Spay/Neuter Fund	\$ 92,708	\$ -	\$ -	\$ 92,708
ARL Grants	(5,856)	9,674	(3,818)	-
PetSmart Crisis Foster	8,231	-	(8,231)	-
PetSmart Veterinary Assist	33,225	250	(33,475)	-
Reclaim Assistance	703	-	(703)	-
Camp Purr Feral - Bernice Barbour	6,300	274	(6,574)	-
Spay Des Moines	-	1,000	(1,219)	(219)
Ringworm Treatment Room	-	26,348	(19,830)	6,518
Multi-Purpose Room Dividers for Behavior	-	5,334	(5,334)	-
Kitten Incubators- Prairie Meadows	-	5,006	(5,006)	-
Flood Crisis Foster	-	5,002	(5,002)	-
Electricity to Catty Shack- Jack & Mary Hovden	-	600	-	600
Reclaim Assistance ACCC- Jack & Mary Hovden	-	3,150	(168)	2,982
Cat Scratchers- Jack & Mary Hovden	-	3,000	(1,849)	1,151
Veterinary Assistance- SL Gimbel Grant	-	24,200	(1,043)	23,157
TNR Resources- Bernice Barbour Found.	-	8,139	-	8,139
Public Assistance	167	-	(167)	-
Erma Hawkins Memorial Fund for Seniors	5,558	4,926	(8,748)	1,735
Renard Purr Project	1,726	1,500	(2,039)	1,187
Iowa Hay Bank	100	1,000	(100)	1,000
Madison Co TNR	104	-	-	104
ER Vet Fund	(3,933)	14,793	(10,860)	-
Pet Therapy	30,389	279,281	(309,671)	-
Share the Love Adoption Event	-	4,000	(4,000)	-
Banfield Foundation	49	-	(49)	0
Humane Ed Scholarships - West Bank	-	1,500	(150)	1,350
Prison Pets for Vets	9,136	-	(875)	8,261
Petco Target Zone Grant	467	-	(467)	0
Windsor Charitable S/N	4,153	538	(4,690)	-
Hawkins Fund for Medical Care of Senior Pets	9,249	-	(6,495)	2,754
PetSmart Red Zone	1,537	323	(1,860)	-
Walmart Public Assistance	1,286	2,750	(3,983)	53
Grey Muzzle Grant	4,493	6,600	(8,642)	2,451
Total	\$ 199,793	\$ 409,187	\$ (455,048)	\$ 153,932

Animal Rescue League of Iowa, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Note 10. Related Parties

A senior member of management is related to a member of the Board of Directors and Executive Committee. The board member abstains from any discussions and/or voting related to the employee's performance review and salary negotiations.

Note 11. Deferred Compensation Plan

In 2007, the Organization funded a non-qualified deferred compensation plan under the terms of Section 457(e)(15) of the Internal Revenue Code. Only employees designated by the Board are eligible to participate, and as of December 31, 2019, only one member of management was participating. The plan calls for discretionary employer contributions, which vest based on years of services.

As of December 31, 2019, the employer has contributed \$40,000 to the plan. At December 31, 2019 and 2018, the plan had gains/losses of \$70,541 and (\$21,470), respectively. At December 31, 2019 and 2018, the plan was fully vested with a balance of \$488,230 and \$377,689, respectively.

Note 12. Risks & Uncertainties

The Organization invests in various investments as described in Note 4 to the financial statements. Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and those changes could materially affect the value of investments reported on the statement of financial position.

Note 13. Subsequent Events

Management has reviewed and evaluated material subsequent events from the Statement of Financial Position date of December 31, 2019 through the financial statements issue date of August 10, 2020.

The spread of COVID-19, a novel strain of coronavirus, is altering the behavior of businesses and people throughout the United States. Further, financial markets have recently experienced a significant decline attributed to coronavirus concerns. The continued spread of COVID-19 may adversely impact the local, regional, and national economies. The extent to which the coronavirus impacts the Organization's results will depend on further developments, which are highly uncertain and cannot be predicted. Accordingly, management cannot presently estimate the impact to the Organization, but such an impact could have a material adverse effect on the Organization's financial condition.