

Together, Inc. of Metropolitan Omaha

**Financial Statements
December 31, 2020 and 2019**

Together with Independent Auditor's Report

Together, Inc. of Metropolitan Omaha

Table of Contents

	<u>Page</u>
Independent Auditor's Report.....	1
Financial Statements:	
Statements of Financial Position	
December 31, 2020 and 2019	2
Statements of Activities	
For the Years Ended December 31, 2020 and 2019	3
Statements of Cash Flows	
For the Years Ended December 31, 2020 and 2019	4
Statement of Functional Expenses	
For the Year Ended December 31, 2020	5
Statement of Functional Expenses	
For the Year Ended December 31, 2019	6
Notes to Financial Statements	
December 31, 2020 and 2019	7 – 14

Independent Auditor's Report

To the Board of Directors of
Together, Inc. of Metropolitan Omaha
Omaha, Nebraska

Report on the Financial Statements

We have audited the accompanying financial statements of Together, Inc. of Metropolitan Omaha, which comprise the statements of financial position as of December 31, 2020 and 2019, the related statements of activities, cash flows and functional expenses 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 Together, Inc. of Metropolitan Omaha as of December 31, 2020 and 2019, 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.

SEIM JOHNSON, LLP

Omaha, Nebraska,
May 26, 2021.

Together, Inc. of Metropolitan Omaha

Statements of Financial Position December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	\$ 608,797	443,470
Grants receivable	158,548	29,090
Contributions receivable	265,000	125,000
Prepaid expenses	42,105	27,807
Investments	887,444	463,837
Property and equipment, net	<u>3,999,523</u>	<u>1,952,959</u>
Total assets	<u>\$ 5,961,417</u>	<u>3,042,163</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Line of credit	\$ 1,900,000	75,000
Accounts payable	86,764	26,964
Accrued expenses	134,696	63,242
Notes payable	<u>258,325</u>	<u>4,975</u>
Total liabilities	<u>2,379,785</u>	<u>170,181</u>
Commitments		
Net assets:		
Without donor restrictions		
Undesignated	1,977,024	1,981,715
Board designated	<u>887,444</u>	<u>463,837</u>
Total without donor restrictions	<u>2,864,468</u>	<u>2,445,552</u>
With donor restrictions	<u>717,164</u>	<u>426,430</u>
Total net assets	<u>3,581,632</u>	<u>2,871,982</u>
Total liabilities and net assets	<u>\$ 5,961,417</u>	<u>3,042,163</u>

See notes to financial statements

Together, Inc. of Metropolitan Omaha

Statements of Activities

For the Years Ended December 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT AND REVENUES:						
Program support:						
Contributions	\$ 2,817,336	717,164	3,534,500	1,093,411	279,171	1,372,582
Government grants	529,771	--	529,771	255,389	--	255,389
In-kind support	4,657,156	--	4,657,156	2,455,512	--	2,455,512
Total program support	<u>8,004,263</u>	<u>717,164</u>	<u>8,721,427</u>	<u>3,804,312</u>	<u>279,171</u>	<u>4,083,483</u>
Gross special events revenue	83,555	--	83,555	108,073	--	108,073
Less cost of direct benefits to donors	<u>(10,455)</u>	<u>--</u>	<u>(10,455)</u>	<u>(26,529)</u>	<u>--</u>	<u>(26,529)</u>
Net special events revenue	<u>73,100</u>	<u>--</u>	<u>73,100</u>	<u>81,544</u>	<u>--</u>	<u>81,544</u>
Net assets released from restrictions	<u>426,430</u>	<u>(426,430)</u>	<u>--</u>	<u>236,053</u>	<u>(236,053)</u>	<u>--</u>
Total operating support and revenues	<u>8,503,793</u>	<u>290,734</u>	<u>8,794,527</u>	<u>4,121,909</u>	<u>43,118</u>	<u>4,165,027</u>
OPERATING EXPENSES:						
Program	7,413,890	--	7,413,890	3,722,417	--	3,722,417
Management and general	493,844	--	493,844	432,029	--	432,029
Fundraising	<u>255,068</u>	<u>--</u>	<u>255,068</u>	<u>227,239</u>	<u>--</u>	<u>227,239</u>
Total operating expenses	<u>8,162,802</u>	<u>--</u>	<u>8,162,802</u>	<u>4,381,685</u>	<u>--</u>	<u>4,381,685</u>
CHANGE IN NET ASSETS FROM OPERATIONS	340,991	290,734	631,725	(259,776)	43,118	(216,658)
NET INVESTMENT INCOME	<u>77,925</u>	<u>--</u>	<u>77,925</u>	<u>85,559</u>	<u>--</u>	<u>85,559</u>
CHANGE IN NET ASSETS	418,916	290,734	709,650	(174,217)	43,118	(131,099)
NET ASSETS, beginning of year	<u>2,445,552</u>	<u>426,430</u>	<u>2,871,982</u>	<u>2,619,769</u>	<u>383,312</u>	<u>3,003,081</u>
NET ASSETS, end of year	<u>\$ 2,864,468</u>	<u>717,164</u>	<u>3,581,632</u>	<u>2,445,552</u>	<u>426,430</u>	<u>2,871,982</u>

See notes to financial statements

Together, Inc. of Metropolitan Omaha

Statements of Cash Flows

For the Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 709,650	(131,099)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	100,388	83,907
Realized and unrealized gain on investments, net	(65,407)	(74,197)
(Increase) decrease in assets:		
Grants receivable	(129,458)	20,441
Contributions receivable	(140,000)	55,000
Prepaid expenses	(14,298)	(3,972)
Increase (decrease) in liabilities:		
Accounts payable	59,800	13,699
Accrued expenses	71,454	(27,539)
Net cash provided by (used in) operating activities	<u>592,129</u>	<u>(63,760)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(346,952)	(17,680)
Purchases of investments	(698,974)	(203,080)
Proceeds from sale of investments	340,774	368,898
Net cash (used in) provided by investing activities	<u>(705,152)</u>	<u>148,138</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Advances on line of credit, net	25,000	75,000
Proceeds from Paycheck Protection Program loan	255,914	--
Principal payments on notes payable	(2,564)	(2,805)
Net cash provided by financing activities	<u>278,350</u>	<u>72,195</u>
NET INCREASE IN CASH	165,327	156,573
CASH, beginning of year	<u>443,470</u>	<u>286,897</u>
CASH, end of year	<u>\$ 608,797</u>	<u>443,470</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION:		
Cash paid for interest	<u>\$ 13,272</u>	<u>2,602</u>
Property acquired through advances on line of credit	<u>\$ 1,800,000</u>	<u>--</u>

See notes to financial statements

Together, Inc. of Metropolitan Omaha

**Statement of Functional Expenses
For the Year Ended December 31, 2020**

	Program Services			Supporting Services		Total	
	Nourish	Horizons and Crisis Engagement	Americorps	Total Program Services	Management and General		Fundraising
In-kind assistance	\$ 4,627,822	21,850	--	4,649,672	7,010	474	4,657,156
Salaries	393,217	573,545	33,279	1,000,041	320,710	193,223	1,513,974
Client assistance	53,352	1,239,421	--	1,292,773	--	--	1,292,773
Payroll taxes and benefits	65,959	132,342	2,500	200,801	63,158	28,958	292,917
Depreciation and amortization	37,317	43,342	--	80,659	12,134	7,595	100,388
Professional fees	16,063	7,724	325	24,112	30,029	1,184	55,325
Technology	14,126	15,840	--	29,966	11,199	4,297	45,462
Utilities	15,232	20,172	--	35,404	6,037	3,279	44,720
Insurance	14,708	17,104	--	31,812	4,785	2,965	39,562
Other	3,938	3,454	--	7,392	18,806	7,273	33,471
Supplies and minor equipment	11,046	15,380	55	26,481	2,969	1,216	30,666
Repairs and maintenance	16,492	5,008	--	21,500	1,790	723	24,013
Interest	--	176	--	176	13,096	--	13,272
Automobile and trailer	5,628	3,974	--	9,602	19	3	9,624
Advertising	178	207	--	385	1,191	3,737	5,313
Meals and transportation	1,596	1,318	200	3,114	911	141	4,166
	<u>\$ 5,276,674</u>	<u>2,100,857</u>	<u>36,359</u>	<u>7,413,890</u>	<u>493,844</u>	<u>255,068</u>	<u>8,162,802</u>

See notes to financial statements

Together, Inc. of Metropolitan Omaha

**Statement of Functional Expenses
For the Year Ended December 31, 2019**

	<u>Program Services</u>			<u>Supporting Services</u>		<u>Total</u>
	<u>Nourish</u>	<u>Horizons</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	
In-kind assistance	\$ 2,430,570	23,324	2,453,894	1,618	--	2,455,512
Salaries	284,764	404,574	689,338	296,258	164,045	1,149,641
Client assistance	35,200	212,542	247,742	--	--	247,742
Payroll taxes and benefits	67,614	101,395	169,009	53,893	24,116	247,018
Depreciation and amortization	25,922	39,442	65,364	11,411	7,132	83,907
Insurance	11,506	18,201	29,707	5,007	3,320	38,034
Professional fees	6,050	1,918	7,968	27,723	1,446	37,137
Utilities	10,529	16,950	27,479	4,680	3,287	35,446
Other	1,163	2,406	3,569	12,432	5,971	21,972
Technology	3,383	6,347	9,730	4,060	2,154	15,944
Repairs and maintenance	3,356	4,765	8,121	5,212	833	14,166
Advertising	--	101	101	720	9,526	10,347
Supplies and minor equipment	2,047	2,747	4,794	1,997	3,244	10,035
Meals and transportation	949	974	1,923	4,488	2,140	8,551
Automobile and trailer	923	2,323	3,246	360	25	3,631
Interest	--	432	432	2,170	--	2,602
	<u>\$ 2,883,976</u>	<u>838,441</u>	<u>3,722,417</u>	<u>432,029</u>	<u>227,239</u>	<u>4,381,685</u>

See notes to financial statements

Together, Inc. of Metropolitan Omaha

Notes to Financial Statements December 31, 2020 and 2019

(1) Organization and Summary of Significant Accounting Policies

Together, Inc. of Metropolitan Omaha (the Organization) is incorporated in the State of Nebraska as a not-for-profit organization. The Organization's mission is to provide emergency resources and navigation to working families in extreme poverty to rebuild housing stability in the greater Omaha, Nebraska area. The Organization achieves its mission through operation of three programs; Nourish, Horizons (expanded to include Crisis Engagement in 2020) and Americorps. These programs are targeted to homeless and near homeless individuals and families with a focus on promoting independence.

The vision, through strategic partnerships and collaboration, is to provide an array of support services through case management to move individuals and families from dependency to sustainability and then on to self-sufficiency in an effort to end homelessness in our community. The Organization values hope, dignity, compassion, excellence, and diversity when serving the individuals and families seen each and every year.

The following is a summary of significant accounting policies of the Organization. These policies are in accordance with accounting principles generally accepted in the United States of America (GAAP).

A. *Basis of Accounting*

The Organization maintains its accounting records and prepares its financial statements on the accrual basis of accounting in accordance with GAAP. The accompanying financial statements have been prepared in accordance with accounting standards for financial statements of not-for-profit organizations. Under these standards, net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and a building maintenance reserve.
- *Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization had no net assets with restrictions that are perpetual in nature at December 31, 2020 and 2019.

B. *Use of Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of 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, and those differences could be material.

C. *Fair Value Measurements*

The Organization applies the provisions included in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820 for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements.

Fair value is defined 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. At December 31, 2020 and 2019, there were no nonfinancial items recognized or disclosed at fair value and there were no financial assets or liabilities measured at fair value in the financial statements on a nonrecurring basis.

Together, Inc. of Metropolitan Omaha

Notes to Financial Statements December 31, 2020 and 2019

D. Cash

Cash for purposes of the statements of cash flows includes investments with an original maturity of three months or less and excludes cash and cash equivalents included in investments.

E. Grants and Contributions Receivable

Unconditional promises to give, including grants and contributions receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. All outstanding grants and contributions receivable are expected to be collected within one year.

The Organization evaluates grants and contributions receivable for collectability at the end of the fiscal year and establishes an allowance for bad debts for all accounts or portions thereof considered uncollectable. No allowance was recorded against grants or contributions receivable at December 31, 2020 or 2019.

F. Investments and Related Revenue

Investments are measured at fair value in the statements of financial position. Gains or losses on investments are recognized as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law.

G. Property and Equipment, Net

Property and equipment additions over \$1,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 5 to 40 years. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

H. Revenue and Revenue Recognition

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place. Indications of intentions to give are not recognized until the cash or other assets are received.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position.

Together, Inc. of Metropolitan Omaha

Notes to Financial Statements December 31, 2020 and 2019

The Organization received cost-reimbursable grant awards of \$593,224 and \$255,389 in 2020 and 2019, respectively. \$413,023 and \$156,009 of these awards had not been recognized as of December 31, 2020 and 2019, respectively, because qualifying expenditures have not yet been incurred. No amounts have been received in advance.

I. Donor Restricted Contributions

Contributions restricted by donors 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, depending on the nature of the 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 restrictions.

J. Contributed Services and In-Kind Contributions

Donated marketable securities, property and equipment, and other noncash donations are recorded as contributions at their fair values at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

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 the Organization. The Organization recorded in-kind support for legal and professional services of \$7,484 and \$1,618 for the years ended December 31, 2020 and 2019, respectively. Volunteers also contribute significant amounts of time to the Organization's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by GAAP.

The Organization receives gifts in-kind, such as food, furniture, hygiene kits and other household supplies for use in its program services. Gifts in-kind are recognized in circumstances in which the Organization has sufficient discretion over the use and disposition of the items to recognize a contribution. Gifts in-kind are valued and recorded as revenue at their estimated fair value at the time the contribution is received. Donated food and program supplies amounting to \$4,649,672 and \$2,453,894 are included in in-kind support in the statements of activities for the years ended December 31, 2020 and 2019, respectively.

The Organization also receives gifts in-kind for use in various fundraising events. For fundraising events in which the Organization is functioning as an agent or intermediary with respect to the gifts in kind, the Organization reports an asset and corresponding liability measured at the fair value at the earlier of the time the goods are promised or received from the resource provider, and until the Organization remits the gifts in-kind to the ultimate beneficiary.

K. Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Organization allocates salaries and related benefits and overhead costs based on an estimate of employee time spent. Overhead costs include items such as depreciation, insurance, and utilities.

Together, Inc. of Metropolitan Omaha

Notes to Financial Statements December 31, 2020 and 2019

L. Advertising Costs

Advertising costs, expensed as incurred, were \$5,313 and \$10,347 during the years ended December 31, 2020 and 2019, respectively.

M. Income Taxes

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

N. Reclassification

Certain amounts in the 2019 financial statements have been reclassified to conform to the 2020 reporting format.

O. Subsequent Events

The Organization evaluated the effects of all subsequent events through May 26, 2021, the date these financial statements were available to be issued.

(2) Liquidity and Availability

The Organization has an operating reserve fund of \$636,903 and \$236,692 at December 31, 2020 and 2019, respectively, and a building maintenance reserve fund of \$250,541 and \$227,145 at December 31, 2020 and 2019, respectively. These funds are designated by the governing body as reserve funds with the objective of setting funds aside to be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. The Organization's target minimum operating reserve fund is equal to five months of average recurring operating costs, which was based on management's judgment about the appropriate amount of funds to have set aside in addition to working capital. The operating and maintenance reserve funds are held in mutual funds or cash equivalents in a segregated bank account or investment fund and are included in investments in the statements of financial position.

In the event of an unanticipated liquidity need, the Organization has available a \$100,000 line of credit (see Note 5).

The Organization receives significant contributions 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 following reflects the Organization's financial assets available for general expenditure within one year of the statement of financial position date:

	<u>2020</u>	<u>2019</u>
Cash	\$ 608,797	443,470
Grants receivable	158,548	29,090
Contributions receivable	265,000	125,000
Investments	<u>887,444</u>	<u>463,837</u>
Total financial assets available within one year	1,919,789	1,061,397
Less amounts:		
Unavailable to management without Board approval	<u>(887,444)</u>	<u>(463,837)</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 1,032,345</u>	<u>597,560</u>

Together, Inc. of Metropolitan Omaha

Notes to Financial Statements December 31, 2020 and 2019

(3) Fair Value Measurements

The Organization applies FASB ASC Topic 820 for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. FASB ASC Topic 820 establishes 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 measurements involving significant unobservable inputs (level 3 measurements). The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The three levels of the fair value hierarchy are as follows:

Level 1 Inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access at the measurement date.

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 following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value. For the years ended December 31, 2020 and 2019, the application of valuation techniques applied to similar assets and liabilities has been consistent.

Cash equivalents: Approximates fair value due to the short-term nature of the security.

Mutual funds: Valued at fair value as determined by quoted market prices, which represents the net asset value of shares held at year end.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2020 and 2019:

	2020			
	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ 60,977	--	--	60,977
Mutual funds:				
Pooled equity	428,913	--	--	428,913
Fixed income	318,343	--	--	318,343
Alternatives	79,211	--	--	79,211
	<u>\$ 887,444</u>	<u>--</u>	<u>--</u>	<u>887,444</u>

Together, Inc. of Metropolitan Omaha

Notes to Financial Statements December 31, 2020 and 2019

	2019			Total
	Level 1	Level 2	Level 3	
Cash equivalents	\$ 19,073	--	--	19,073
Mutual funds:				
Pooled equity	247,167	--	--	247,167
Fixed income	174,157	--	--	174,157
Alternatives	23,440	--	--	23,440
	<u>\$ 463,837</u>	<u>--</u>	<u>--</u>	<u>463,837</u>

(4) Property and Equipment, Net

Property and equipment at December 31, 2020 and 2019 consisted of the following:

	2020	2019
Land and improvements	\$ 154,952	90,352
Building and improvements	3,945,018	2,160,979
Furniture and fixtures	196,996	86,019
Technology and software	36,352	30,350
Vehicles	115,349	87,239
Construction in progress	153,224	--
	<u>4,601,891</u>	<u>2,454,939</u>
Less accumulated depreciation	<u>(602,368)</u>	<u>(501,980)</u>
	<u>\$ 3,999,523</u>	<u>1,952,959</u>

(5) Line of Credit

The Organization has available a revolving line of credit that allows for a maximum borrowing of \$100,000. The line of credit is due on demand and bears interest at the U.S. Prime Rate not to be less than 5%. The line of credit is secured by all business assets. As of December 31, 2020 and 2019, there was \$100,000 and \$75,000, respectively, outstanding on the line.

During 2020, the Organization entered into a revolving line of credit agreement that allows for a maximum borrowing of \$1,800,000. The line of credit bears interest at the U.S. Prime Rate not to be less than 3% (3.25% at December 31, 2020) with monthly interest payments through September 2021. All outstanding principal and unpaid interest is due on October 2, 2021. As of December 31, 2020 there was \$1,800,000 outstanding on this agreement.

(6) Notes Payable

Notes payable consist of the following at December 31, 2020 and 2019:

	2020	2019
Note payable, bears interest at 5.99% with monthly payments of \$249 through October 2021. Secured by vehicle.	\$ 2,411	4,975
Small Business Administration, Paycheck Protection Program loan. See Note 7.	<u>255,914</u>	<u>--</u>
Total notes payable	<u>\$ 258,325</u>	<u>4,975</u>

Together, Inc. of Metropolitan Omaha

Notes to Financial Statements December 31, 2020 and 2019

Future maturities of notes payable are as follows:

2021	\$	<u>258,325</u>
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(7) Paycheck Protection Program Loan

In April 2020, the Organization was granted a \$255,914 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved lender. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization has initially recorded the PPP loan as a note payable and will record the forgiveness upon being legally released from the loan obligation by the SBA. Proceeds from the loan are eligible for forgiveness if they are used for certain payroll, rent, and utility expenses. The Organization will be required to repay any remaining balance, plus interest accrued at 1%, in monthly installments commencing upon the notification of loan forgiveness or partial forgiveness.

Subsequent to year end, the Organization applied for and was granted full forgiveness of the \$255,914 loan and related interest under the Paycheck Protection Program.

(8) Board Designated Net Assets

The governing board has designated, from net assets without donor restrictions, the following as of December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Operating reserve fund	\$ 636,903	236,692
Building maintenance reserve fund	<u>250,541</u>	<u>227,145</u>
	<u>\$ 887,444</u>	<u>463,837</u>

(9) Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Time restrictions:		
Contributions receivable for future operations	\$ 265,000	125,000
Future operations	--	85,000
Purpose restrictions:		
Homeless prevention	51,215	72,985
Nourish (pantry)	162,554	5,551
Crisis engagement	115,635	--
Employment specialist / workforce development	42,353	45,159
Emergency room homeless project	27,192	92,735
Capital projects	50,000	--
Other	<u>3,215</u>	<u>--</u>
	<u>\$ 717,164</u>	<u>426,430</u>

Together, Inc. of Metropolitan Omaha

Notes to Financial Statements December 31, 2020 and 2019

(10) Retirement Plan

The Organization participates in a multiple-employer 403(b) plan sponsored by an unrelated organization. Employees are eligible for participation upon employment. The Organization may make matching contributions to eligible employees based on a discretionary percentage of the participant's compensation. The Organization did not make any contributions to the plan for the years ended December 31, 2020 or 2019.

(11) Related Party Transactions

During the years ended December 31, 2020 and 2019, the Organization received revenue of approximately \$49,000 and \$77,000, respectively, from related parties which consist of members of the Board of Directors and their respective companies if significant influence is present.

(12) Conditional Promises to Give

During 2019, the Organization received a \$300,000 promise to give which is conditional upon receiving matching contributions. The conditional promise extends through 2022 and requires matching contributions of \$100,000 in increments of at least \$10,000 for each calendar year 2020, 2021 and 2022. The revenue is being recognized as the conditions are met. Contribution revenue of \$100,000 was recognized under the agreement in each of the years ended December 31, 2020 and 2019.

(13) Risks and Uncertainties

Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk and overall market volatility. 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 financial statements.

The Organization, at times, may maintain cash deposits in excess of Federal Deposit Insurance Corporation insurance limits. Management believes the risk related to these deposits is minimal.