100 CLUB OF ARIZONA

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

Board of Directors
100 Club of Arizona
Phoenix, Arizona

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of 100 Club of Arizona (an Arizona corporation), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 100 Club of Arizona as of December 31, 2022, and the results of its operations and its cash flows for the year 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 100 Club of Arizona 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 100 Club of Arizona's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' 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 auditors' 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 100 Club of Arizona'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 100 Club of Arizona'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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
April 17, 2023

100 CLUB OF ARIZONA
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	$ 4,154,157
Prepaid Expenses	32,734
Agency Funds – Cash Held for Department of Corrections	82,322
Pledges Receivable	12,085
Total Current Assets	4,281,298
INVESTMENTS	4,170,678
PROPERTY AND EQUIPMENT, Net	15,298
Total Assets	$ 8,467,274
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	$ 93,374
Accrued Expenses	479,983
Agency Funds – Due to Department of Corrections	82,322
Total Current Liabilities	655,679
NET ASSETS	
Without Donor Restrictions	6,969,667
With Donor Restrictions	841,928
Total Net Assets	7,811,595
Total Liabilities and Net Assets	$ 8,467,274

See accompanying Notes to Financial Statements.

100 CLUB OF ARIZONA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Cash Contributions and Grants	$ 3,051,024	$ 214,492	$ 3,265,516
Donated Facilities, Services, and Other	125,867	-	125,867
Investment Income, Net	(25,992)	-	(25,992)
Total Support and Revenue	3,150,899	214,492	3,365,391
Special Events:			
Revenues from Special Events, Net of Cost of Direct Donor Benefits of $78,777	149,023	-	149,023
Net Assets Released from Restriction	1,419,742	(1,419,742)	-
Total Revenue and Other Support	4,719,664	(1,205,250)	3,514,414
EXPENSES			
Program:			
Safety, Education, and Training	1,246,684	-	1,246,684
Direct Crisis	1,517,699	-	1,517,699
Support Services:			
Management and General	406,457	-	406,457
Fundraising	237,987	-	237,987
Total Expenses	3,408,827	-	3,408,827
GAINS AND LOSSES			
Nonoperating Gain - Insurance Settlement	(100,000)	-	(100,000)
Total (Gains) and Losses	(100,000)	-	(100,000)
CHANGE IN NET ASSETS	1,410,837	(1,205,250)	205,587
Net Assets – Beginning of Year	5,558,830	2,047,178	7,606,008
NET ASSETS – END OF YEAR	$ 6,969,667	$ 841,928	$ 7,811,595

See accompanying Notes to Financial Statements.

100 CLUB OF ARIZONA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Programs					
	Safety, Education, and Training	Direct Crisis	Program	Management and General	Fundraising	Total
Personnel Costs	$ 163,486	$ 245,229	$ 408,715	$ 254,791	$ 132,145	$ 795,651
Scholarships	375,513	-	375,513	-	-	375,513
Other Benefits	246,337	1,179,348	1,425,685	-	-	1,425,685
Safety Equipment Stipends	416,122	-	416,122	-	-	416,122
Occupancy	9,048	13,572	22,620	13,958	7,414	43,992
Professional Fees	25,967	38,951	64,918	69,433	31,562	165,913
Telephone and Internet	1,656	2,484	4,140	2,553	1,357	8,050
Marketing and Public Relations	-	-	-	-	11,500	11,500
Supplies	1,729	2,594	4,323	14,910	524	19,757
Bank and Credit Card Fees	-	-	-	17,122	-	17,122
Insurance	-	-	-	23,218	-	23,218
Travel, Meetings, and Conferences	4,291	6,436	10,727	31	657	11,415
Postage and Printing	1,705	2,557	4,262	2,323	756	7,341
Other Expenses	830	1,246	2,076	6,757	4,722	13,555
Depreciation	-	25,282	25,282	1,361	-	26,643
Special Event Expenses	-	-	-	-	126,127	126,127
Total	1,246,684	1,517,699	2,764,383	406,457	316,764	3,487,604
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(78,777)	(78,777)
Total Expenses Included in the Expense Section of the Statement of Activities	$ 1,246,684	$ 1,517,699	$ 2,764,383	$ 406,457	$ 237,987	$ 3,408,827

See accompanying Notes to Financial Statements.

100 CLUB OF ARIZONA
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Changes in Net Assets	$ 205,587
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	26,643
Net Realized/Unrealized Gain on Investments	83,336
(Increase) Decrease in Cash Resulting from Changes in:	
Prepaid Expenses	252
Pledges Receivable	600,000
Accounts Payable	21,853
Accrued Expenses	107,642
Net Cash Provided by Operating Activities	1,045,313
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales of Investments	1,199,194
Purchases of Investments	(4,274,135)
Net Cash Used by Investing Activities	(3,074,941)
CHANGE IN CASH AND CASH EQUIVALENTS	(2,029,628)
Cash and Cash Equivalents – Beginning of Year	6,183,785
CASH AND CASH EQUIVALENTS – END OF YEAR	$ 4,154,157

See accompanying Notes to Financial Statements.

NOTE 1 NATURE OF ORGANIZATION

The 100 Club of Arizona (the Club) is a nonprofit Arizona corporation dedicated to supporting public safety officers, firefighters, and their families through financial assistance when these officers are seriously injured or killed in the line of duty, and to providing resources to enhance their safety and welfare. The Club pays surviving families of public safety officers and firefighters a one-time benefit of $15,000 for those killed in the line of duty, $10,000 for those who die on duty, and $5,000 for those who die off duty. Officers and firefighters, who are seriously injured, and their families receive benefits up to $18,000. The Club provides assistance to improve the safety and welfare of public safety officers and firefighters by awarding safety equipment stipends to qualifying agencies each quarter. Peer 100 offers mental health and wellness training, resources, and financial aid to enhance the wellbeing of first responders along with online mental health resources though the Club's Bulletproof and Fireproof apps. The Club also awards scholarships to family members of officers and firefighters to assist them with their pursuit of higher education.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements are presented in accordance with American Institute of Certified Public Accountants (AICPA) *Not-for-Profit Industry Guidance* within the Financial Accounting Standards Board (FASB) Codification (Guidance). Net assets and revenues, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Club 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 grantors) restrictions. Resources over which the board of directors has discretionary control.

Net Assets With Donor Restrictions – Those resources subject to donor-imposed restrictions which will be satisfied by actions of the Club or passage of time.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted explicitly by donor stipulation or by law. Expirations of net assets with donor restrictions, i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed, are reported as reclassifications between the applicable classes of net assets.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Club considers all highly liquid investments with and initial maturity of three months or less to be cash equivalents.

Pledges Receivable

Pledges receivable represent unconditional promises to give that are acknowledged in writing by donating parties prior to December 31 but not transmitted to the Club until after that date. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are 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 the present value of their estimated future cash flows. The discounts on those amounts are computed using interest rates determined by management, applicable to the years in which the promises are received. Amortization of the discounts is included in contribution and grants. The carrying amount of pledges receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. Management's estimate of the allowance for doubtful accounts was $-0- as of December 31, 2022.

Investments

Investments are recorded at fair value. Investment income, including gains and losses on investments, is recorded as increases or decreases in net assets without donor restrictions unless its use is limited by donor-imposed restrictions or law.

Contributions and Revenue Recognition

Revenue is recognized when earned. The Club recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest 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 met.

Contributions and grants are considered nonexchange transactions and are also considered to be available for unrestricted use unless they contain conditions or specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions.

The Club records special events revenue equal to the cost of direct benefits to donors, and contribution income for the excess received at the event.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Materials and Services

Donated services are reported as contributions when the services (a) create or enhance nonfinancial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. Donated equipment or materials, if significant, are included at fair value.

In addition, the Club received numerous hours of donated services by volunteers dedicated to the Club’s programs. The fair value of these donated services is not recognized in the statements of activities since they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

Property and Equipment

Property and equipment having a unit cost greater than $2,500 and a useful life of more than one year are capitalized at cost when purchased. Donated assets are capitalized at the estimated fair value at the date of receipt and restrictions are released once the asset has been placed into service. Betterments or acquisition are capitalized. Depreciation and amortization of property and equipment is computed on a straight-line basis over their estimated useful lives, which range from three to seven years. Maintenance and repairs are charged to operations when incurred. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

Impairment of Long-Lived Assets

The Club reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell. Management does not believe impairment indicators were present at December 31, 2022.

Fair Value Measurements

Fair value measurements of financial assets and financial liabilities and fair value measurements of nonfinancial items are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The Club utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Club determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets (or liabilities) that the reporting entity has the ability to access at the measurement date.

Level 2 – Prices for a similar asset (or liability), other than quoted prices included in Level 1 inputs, that are observable for the asset (or liability), either directly or indirectly. If the asset (or liability) has a specified term, a Level 2 input must be observable for substantially the full term of the asset (or liability).

Level 3 – Unobservable inputs for the asset (or liability) used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset (or liability) at measurement date.

Leases

The Club determines if an arrangement is a lease at inception. Leases are reported on the statement of financial position as a right-of-use (ROU) asset and lease liability. ROU assets represent the Club's right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Club will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The Club has a one-year operating lease for its offices that renews each year in April, the rent of which is donated (Note 9). Consequently, there are no future minimum payments.

In addition, the Club has a copier lease that was entered into on October 1, 2021 which terminates on September 30, 2024. This lease has monthly rental payments of $148 per month plus tax and insurance. In addition, there is a postage machine lease that was entered into on January 24, 2020 that terminates on April 30, 2025 with monthly rental payments of $56. The Club determined the copier and postage machine lease were immaterial and, accordingly, a ROU asset and liability was not recorded on the statement of financial position as of December 31, 2022.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

The Club qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC) and, therefore, there is no provision for federal or state corporate income taxes. In addition, the Club has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the IRC.

Management believes that no uncertain tax positions exist for the Club at December 31, 2022.

Adoption of Accounting Pronouncement

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard requires that contributed nonfinancial assets are reported on a separate line in the statements of activities, apart from contributions of cash and other financial assets. It also requires disclosure of disaggregated amounts of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets along with additional qualitative information about the monetization of such assets, donor restrictions and valuation techniques. The adoption of this standard did not have any significant impact on the accompanying financial statements or disclosures.

Adoption of New Accounting Standards

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases (Topic 842).* This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The Club adopted the requirement of the guidance effective January 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption. There was no impact on the Club’s financial position and change in net assets as a result of the adoption of this accounting standard.

NOTE 3 LIQUIDITY AND AVAILABILITY

The following table reflects the Club's financial assets, available for general expenditure within one year of the statement of financial position date:

Total Assets	$ 8,467,274
Less Assets not Available for Expenses:	
Prepaid Expenses	(32,734)
Property and Equipment	(15,298)
Total Assets not Available for Expenses	(48,032)
Donor-Imposed Restrictions:	
Restricted Funds	(841,928)
Agency Funds	(82,322)
Total Donor-Imposed Restrictions	(924,250)
Financial Assets Available to Meet Cash Needs for General Expenses Within One Year	$ 7,494,992

The Club 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 expenses. The Club manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Club forecasts its future cash flows and monitors its liquidity reserves monthly. The Club has ample cash, cash equivalents and investments to cover operating expenses.

NOTE 4 PLEDGES RECEIVABLE

The following is a summary of the pledges receivable at December 31, 2022:

Total Amounts Due in:	
One Year	$ 12,085
Gross Pledges Revenue	$ 12,085

NOTE 5 FAIR VALUE MEASUREMENTS

Fair Value of Financial Instruments

Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair values of the financial instruments shown in the following tables as of December 31, 2022 represent the amounts that would be received to sell those assets or that would be paid to transfer those liabilities in an orderly transaction between market participants at that date. Those fair value measurements maximize the use of observable inputs. However, in situations where there is little, if any, market activity for the asset or liability at the measurement date, the fair value measurement reflects the Club's own judgments about the assumptions that market participants would use in pricing the asset or liability. Those judgments are developed by the Club based on the best information available in the circumstances, including expected cash flows and appropriately risk-adjusted discount rates, and available observable and unobservable inputs.

Investments

Overall Investment Objective

The overall investment objective of the Club is preservation of principal. The Club believes it is more important to protect principal plus increases in portfolio value due to capital growth than to attempt to maximize growth by incurring additional risk. In general, the Club invests its assets in such a manner to mitigate undue risk through diversification while attempting to produce a rate of return that exceeds the stated rate of annual inflation.

Allocation of Investment Strategies

The Club may utilize common stock, corporate and government bonds, convertible securities, mutual funds (including international equities and bonds), certificates of deposit, and cash equivalents. All assets selected for the portfolio must have a readily ascertainable market value and must be readily marketable.

The Club also invests in the Arizona Community Foundation, Inc. (ACF) pool. The fair value of these investments is based on its investment percentage in the investment pool. The ACF pool is invested in cash, equity securities, bonds, and other investments. This investment is classified within Level 3 of the valuation hierarchy.

NOTE 5 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair Value Hierarchy

The following table presents the placement in the fair value hierarchy of assets that are measured at fair value on a recurring basis at December 31, 2022:

	Level 1	Level 2	Level 3	Total
Certificates of Deposit	$ -	$ 3,752,123	$ -	$ 3,752,123
Pooled Funds at Arizona Community Foundation	-	-	418,555	418,555
Total	$ -	$ 3,752,123	$ 418,555	$ 4,170,678

The following is a summary of assets measured at fair value on a recurring basis and significant unobservable inputs as of December 31, 2022:

	Level 3 Fair Values	Principal Valuation Techniques	Unobservable Inputs
Investments:			
Arizona Community Foundation	$ 418,555	FMV of Fund Investments	Value of Underlying Assets

Purchases, sales, transfers in and transfers out of Level 3 investments consist of the following for the year ended December 31, 2022:

Sales	$ (25,000)

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

Total investment income, gains, and losses consist of the following for the year ended December 31, 2022:

Net Realized and Unrealized Gains (Losses)	$ (83,336)
Interest and Dividend Income	61,538
Less: Investment Fees	(4,194)
Total	$ (25,992)

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2022 consist of the following:

Cost or Donated Value:		
Office Furniture and Equipment	$	17,799
Software		75,845
Total Cost or Donated Value		93,644
Less: Accumulated Depreciation		(78,346)
Net Property and Equipment	$	15,298

Depreciation and amortization expense totaled $26,644 for the year ended December 31, 2022.

NOTE 7 AGENCY FUNDS

The Club maintains a cash account on behalf of the Department of Corrections Memorial (DOC). The funds are held separately from the Club's operation accounts and are used to pay for expenses of the DOC. The net activity for the funds received and disbursed are not recorded on the statement of activities as the Club is acting as an agent on their behalf.

As of December 31, 2022, the cash held on behalf of and due to the DOC upon request was $82,322 is shown separately on the statements of financial position.

NOTE 8 RELATED PARTY TRANSACTIONS

Office space was donated by a company whose President is a board member of the Club totaling $43,992, of which $12,085 was reported as a pledge receivable during the year ended December 31, 2022.

Contributions from board members totaled $135,081 for the year ended December 31, 2022.

The Club maintains cash at a bank where one of the Club's board members is an employee. The balance as of December 31, 2022, was $1,386,319.

At times, employees of the Club or their family members may qualify for the receipt of benefits within the normal course of business. One employee was awarded benefits totaling $30,000 for the year ended December 31, 2022.

The Club paid health care costs on behalf of one employee for $8,173 during the year ended December 31, 2022.

NOTE 9 IN-KIND CONTRIBUTIONS

The Club recognizes contribution revenue for donated facilities, services and other resources received at fair value. Those donated facilities, services and other resources have been reported as follows at December 31, 2022:

	Program	Management and General	Fundraising	Total
Benefits	$ 6,800	$ -	$ -	$ 6,800
Donated Healthcare	14,551	9,131	4,850	28,532
Occupancy	22,620	13,958	7,414	43,992
Special Events	-	-	46,543	46,543
Total In-Kind	$ 43,971	$ 23,089	$ 58,807	$ 125,867

Program related in-kinds consist of donated travel, goods and other services used in the delivery of the benefits. The Club estimates the fair value of program related in-kinds on the basis of estimates of the current market rates for similar travel, goods and other services in the Club's market. Professional services and donated health care are valued and reported at the estimated fair value based on current rates for similar services. Donated rent is valued and reported at the estimated fair value on the basis of comparable lease agreements in the Club's market.

An internal special event is a fundraising event coordinated and staffed by Club personnel rather than a third-party support group or organization. It is designed to attract people for the purpose of raising mission awareness, for increasing funding from existing donors, and the cultivation of future donors. Internal special event in-kind amounts are donated items recorded at fair value that are used in facilitating the event. Examples of such donated items are generally food, beverage, facility costs, and auction items. The Club estimates the fair value of these donated items based on the current market rates for similar items in the Club's market. The Club receives auction items to be sold at its special events. Contributed auction items are valued at the gross selling price received and the value is included in internal special event revenue on the statement of activities. The amount of auction items received and sold during the years ended December 31, 2022 totaled $42,250.

NOTE 10 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at December 31, 2022:

Purpose Restrictions:		
Granite Mountain Hotshots Families Assistance	$	11,905
Scholarship Funds		28,545
Survivors Fund		736,481
Safety Equipment Stipends (SES)		56,390
Peer 100		8,607
Total With Donor Restricted Net Assets	$	841,928

Net assets released from restrictions were $1,419,742 for the year ended December 31, 2022. All of the releases were purpose restricted.

NOTE 11 FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated are as follows:

- Personnel Costs – based on estimates of time and effort.
- Occupancy, Telephone and Internet, Depreciation, and Supplies – based on personnel costs allocations.

NOTE 12 RETIREMENT

In June 2022, the Club entered into a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) plan. The Club agrees to permit salary reduction contributions to be made in each calendar year to the SIMPLE plan established by each employee. Upon creation of the SIMPLE plan, all employees were considered eligible for the plan. For each calendar year, the Club will contribute a matching contribution to each employee's SIMPLE plan equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the calendar year. During the year ended December 31, 2022, the Club contributed $7,616 to the employee's SIMPLE plans.

NOTE 13 CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Club to concentration of credit risk consist principally of cash, cash equivalents, and investments. To manage concentration risk, the Club places its cash and investments with high credit quality financial institutions. From time to time throughout the year, the Club's cash balances may exceed the amounts covered by insurance provided by the FDIC, up to $250,000 per institution.

Contributions totaling $1,491,434 were received from one donor for the year ended December 31, 2022, which represents 43% of total contributions and grants. Should these contribution levels decrease, the Club may be adversely affected.

NOTE 14 COMMITMENTS

During 2021, the Club renewed its subscription for a software that requires the Club to pay annual fees over the next three years, expiring in May 2024. The total remaining commitment is approximately $29,900 as of December 31, 2022.

NOTE 15 EMPLOYEE RETENTION CREDIT

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. During the year ended December 31, 2022, the Club applied for Employee Retention Credit (ERC) grant funding from the Internal Revenue Service (IRS). The Club recognized $42,687 of grant revenue related to performance requirements being met in compliance with the program during the year ended December 31, 2022.

Eligibility and conditions for the ERC program may be audited by the IRS. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; management is of the opinion that any audit will not have a material adverse impact on the Club's financial position.

NOTE 16 SUBSEQUENT EVENTS

Management evaluated subsequent events through April 17, 2023, the date the financial statements were available to be issued.