



FINANCIAL STATEMENTS

December 31, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Dane County Humane Society, Inc.
Madison, Wisconsin

We have audited the accompanying financial statements of Dane County Humane Society, Inc., which comprise the statements of financial position as of December 31, 2020 and 2019, and 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 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 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 Dane County Humane Society, Inc. 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.



Wegner CPAs, LLP
Madison, Wisconsin
January 26, 2021

DANE COUNTY HUMANE SOCIETY, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	\$ 2,106,622	\$ 1,316,890
Accounts receivable	43,492	79,414
Unconditional promises to give	38,000	74,470
Prepaid expenses	92,364	41,604
Merchandise inventory	74,728	24,015
Investments	2,193,508	2,101,839
Property and equipment, net	<u>4,956,409</u>	<u>5,029,860</u>
Total assets	<u>\$ 9,505,123</u>	<u>\$ 8,668,092</u>
LIABILITIES		
Accounts payable	\$ 59,684	\$ 64,732
Accrued expenses	<u>173,534</u>	<u>117,301</u>
Total liabilities	233,218	182,033
NET ASSETS		
Without donor restrictions	8,856,813	8,033,263
With donor restrictions	<u>415,092</u>	<u>452,796</u>
Total net assets	<u>9,271,905</u>	<u>8,486,059</u>
Total liabilities and net assets	<u>\$ 9,505,123</u>	<u>\$ 8,668,092</u>

See accompanying notes.

DANE COUNTY HUMANE SOCIETY, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2020 and 2019

	2020	2019
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUES AND GAINS		
Contributions		
Contributions excluding estates	\$ 2,103,476	\$ 1,878,430
Bequests from estates	982,866	800,852
Special events	335,463	288,362
Donated thrift store merchandise inventory	204,048	139,406
Paycheck Protection Program	572,868	-
Contracts, sales, and other revenues and gains		
Program service revenues	689,638	1,493,743
Investment return, net	65,082	280,768
Merchandise sales, net	16,885	28,168
Other revenues	10,242	5,239
Total revenues and gains without donor restrictions	4,980,568	4,914,968
EXPENSES		
Program services		
Animal services	1,780,827	1,772,888
Wildlife program	370,728	372,470
Adoption and reception services	535,441	582,028
Volunteer program	128,928	139,392
Education and outreach	298,831	282,531
Supporting activities		
Management and general	408,481	387,285
Fundraising		
Development	571,355	640,025
Thrift store	277,122	179,286
Total expenses	4,371,713	4,355,905
NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of purpose restrictions	214,695	112,498
Change in net assets without donor restrictions	823,550	671,561
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	176,991	332,263
Net assets released from restrictions	(214,695)	(112,498)
Change in net assets with donor restrictions	(37,704)	219,765
Change in net assets	785,846	891,326
Net assets at beginning of year	8,486,059	7,594,733
Net assets at end of year	\$ 9,271,905	\$ 8,486,059

See accompanying notes.

DANE COUNTY HUMANE SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2020

	Animal Services	Wildlife Program	Adoption and Reception Services	Volunteer Program	Education and Outreach	Management and General	Fundraising		Total Expenses
							Development	Thrift Store	
Personnel	\$ 1,259,797	\$ 278,044	\$ 444,281	\$ 122,881	\$ 248,090	\$ 298,977	\$ 367,831	\$ 138,366	\$ 3,158,267
Professional services	38,295	67	1,272	-	2,490	33,861	532	2,675	79,192
Advertising	-	-	-	-	-	-	23,624	3,376	27,000
Animal care supplies	166,537	42,164	-	-	38,243	1,755	-	-	248,699
Office and supplies	3,060	8,466	36,367	6,047	3,636	46,839	132,911	177,642	414,968
Facilities	139,727	17,851	36,660	-	3,261	7,718	21,822	106,110	333,149
Conferences and trainings	1,526	2,422	-	-	-	1,037	87	-	5,072
Depreciation	151,875	18,765	30,008	-	2,669	7,009	19,607	5,531	235,464
Insurance	19,855	2,949	4,969	-	442	4,742	2,958	-	35,915
Miscellaneous	155	-	897	-	-	6,543	1,983	-	9,578
Total expenses	1,780,827	370,728	554,454	128,928	298,831	408,481	571,355	433,700	4,547,304
Less expenses included with revenues on the statement of activities	-	-	(19,013)	-	-	-	-	(156,578)	(175,591)
Total expenses included in the expense section of the statement of activities	\$ 1,780,827	\$ 370,728	\$ 535,441	\$ 128,928	\$ 298,831	\$ 408,481	\$ 571,355	\$ 277,122	\$ 4,371,713

See accompanying notes.

DANE COUNTY HUMANE SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019

	Animal Services	Wildlife Program	Adoption and Reception Services	Volunteer Program	Education and Outreach	Management and General	Fundraising		Total Expenses
							Development	Thrift Store	
Personnel	\$ 1,166,936	\$ 265,205	\$ 460,399	\$ 128,169	\$ 233,807	\$ 259,868	\$ 388,240	\$ 116,334	\$ 3,018,958
Professional services	50,041	239	4,550	-	7,662	34,164	17,844	-	114,500
Advertising	-	-	-	-	-	-	18,900	1,318	20,218
Animal care supplies	205,516	47,523	26,300	-	34,139	-	-	-	313,478
Office and supplies	23,575	16,194	67,396	11,223	537	59,469	166,998	135,465	480,857
Facilities	155,766	19,272	39,256	-	3,492	8,264	23,367	42,997	292,414
Conferences and trainings	3,315	1,296	-	-	-	12,009	2,814	-	19,434
Depreciation	146,519	19,761	28,515	-	2,536	6,003	17,470	11,035	231,839
Insurance	16,994	2,980	4,025	-	358	6,063	2,396	-	32,816
Miscellaneous	4,226	-	1,076	-	-	1,445	1,996	758	9,501
Total expenses	1,772,888	372,470	631,517	139,392	282,531	387,285	640,025	307,907	4,534,015
Less expenses included with revenues on the statement of activities	-	-	(49,489)	-	-	-	-	(128,621)	(178,110)
Total expenses included in the expense section of the statement of activities	\$ 1,772,888	\$ 372,470	\$ 582,028	\$ 139,392	\$ 282,531	\$ 387,285	\$ 640,025	\$ 179,286	\$ 4,355,905

See accompanying notes.

DANE COUNTY HUMANE SOCIETY, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 785,846	\$ 891,326
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	235,464	231,839
Contributions restricted for capital improvements	-	(104,200)
Interest accrued on Paycheck Protection Program loan	3,168	-
Paycheck Protection Program loan forgiven	(572,868)	-
Donated stock	(27,306)	(13,096)
Loss on disposal of equipment	2,991	-
Net realized and unrealized gains on investments	(41,928)	(242,257)
Amortization of deferred lease incentive	1,000	2,000
Donated merchandise inventory	(204,048)	(139,406)
(Increase) decrease in assets		
Accounts receivable	35,922	47,728
Unconditional promises to give	36,470	(67,470)
Prepaid expenses	(50,760)	14,764
Merchandise inventory	153,335	130,547
Increase (decrease) in liabilities		
Accounts payable	(5,048)	(14,199)
Accrued expenses	55,233	25,179
Net cash flows from operating activities	407,471	762,755
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases and reinvestments of earnings of investments	(22,435)	(138,512)
Purchases of property and equipment	(165,004)	(199,838)
Net cash flows from investing activities	(187,439)	(338,350)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from contributions restricted for capital improvements	-	104,200
Proceeds from Paycheck Protection Program loan	569,700	-
Net cash flows from financing activities	569,700	104,200
Net change in cash	789,732	528,605
Cash at beginning of year	1,316,890	788,285
Cash at end of year	<u>\$ 2,106,622</u>	<u>\$ 1,316,890</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Noncash investing and financing activities		
Donated stock	\$ 27,306	\$ 13,096

See accompanying notes.

DANE COUNTY HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Dane County Humane Society, Inc. (DCHS), located in Madison, Wisconsin, is a leader in creating a more humane community focusing on the human relationship with companion animals. DCHS's mission focuses on "helping people help animals." DCHS is effective in its mission through maintaining financially stable and sustainable operations with balanced revenues and expenses. DCHS educates and supports the public regarding animal welfare and companion animal ownership and instills the value that a pet is a life-long commitment and privilege. DCHS's wildlife program provides responsible care for the ill, injured, and orphaned wildlife of south-central Wisconsin. DCHS's work also includes promoting a legislative agenda in support of creating a more humane community. DCHS's primary sources of revenue include contributions and various program service fees.

Accounts Receivable

Accounts receivable primarily represent amounts due from municipalities for animal services provided by DCHS. Accounts receivable are stated at the amount management expects to be collected from outstanding balances. As of December 31, 2020 and 2019, management has determined, based on historical experience, that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

Property and Equipment

DCHS capitalizes all expenditures for property and equipment in excess of \$3,000. Depreciation is computed using the straight-line method.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. At December 31, 2020, unconditional promises to give totaling \$36,000 are receivable in less than one year and unconditional promises to give totaling \$2,000 are receivable in one to five years.

Merchandise Inventory

Merchandise inventory primarily consists of donated items for resale in DCHS's thrift store and is recorded at anticipated selling price.

Investments

DCHS reports investments in equity and fixed-income securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

DANE COUNTY HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

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

Program Service Revenues

Adoption fees, redemption fees, registration fees for education and outreach programs, and fees for other program services are recognized as revenue when DCHS provides the particular service or when the particular program is held. It is the policy of DCHS to not refund these fees. DCHS also provides animal services to certain municipalities under contracts that are renewed annually. Revenue from animal services is based on the number of animals served at the fee established in the contract. DCHS bills the municipality on a monthly basis and recognizes revenue at this time. DCHS also provides veterinary training services to an educational institution under a fixed-fee contract that is renewed annually. Revenue from veterinary training services is based on the number of students enrolled per week at the fee established in the contract. DCHS receives payments for these services regularly, in accordance with the payment terms in the contract, and recognizes revenue at this time.

Merchandise Sales

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

Donated Services

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. See Note 12 for further discussion of donated services recognized as contributions.

Volunteers also provided a variety of tasks such as animal exercise and socialization, animal care, customer service, animal adoption, foster care, services at special events, computer services, veterinary services assistance, and clerical work throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met. DCHS received approximately 40,000 and 112,000 volunteer hours during the years ended December 31, 2020 and 2019, respectively.

DANE COUNTY HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include facilities and depreciation, which are allocated on a square-footage basis, as well as personnel, professional services, animal care supplies, office and supplies, conferences and trainings, insurance, and miscellaneous, which are allocated on the basis of estimates of time and effort.

The following program services and supporting activities are included in the accompanying financial statements:

Animal services—DCHS's animal services include open-admission animal intake, customer service, daily care of animals, spay/neuter services, humane euthanasia, and participation in the Sheltering Animals of Abuse Victims program. In addition, DCHS worked with the City of Madison and Dane County animal services and the City of Edgerton to ensure it properly fulfills the services outlined in its contracts with these municipalities.

Wildlife program—DCHS's wildlife rehabilitation program provides care for the ill, injured, and orphaned wildlife of south-central Wisconsin, including songbirds, mammals, raptors, waterfowl, and reptiles.

Adoption and reception services—DCHS's adoption and reception services include customer service and animal adoptions at DCHS's main location, DCHS's Thrift Store, and Mounds Pet Food Warehouse satellite centers. The main adoption center also offers merchandise such as educational books and pet supplies for sale to individuals adopting animals as well as to other patrons.

Volunteer program—DCHS's volunteer program includes recruitment, training, supervision, and retention of DCHS's volunteers.

Education and outreach—DCHS's education and outreach services include youth, adult, and public education programs such as Camp Pawprint, Humane Heroes, scout badge workshops, dog training classes, school field trips, shelter tours, educational presentations, and public speaking engagements. Outreach programs include Pets for Life and Community Dog Day, focused on closing the service gaps for pets in underserved neighborhoods, keeping pets in their homes, and a pet food pantry program.

Management and general—DCHS's management and general activities include accounting and production of financial reports, development and oversight of the annual budget, supervision of all departments, maintenance of personnel records, and representation of DCHS within the community.

Development—DCHS's development activities include cultivation of new and major donors, direct mail appeals, fundraising events, membership solicitations, planned giving activities, media and public relations activities, and production of DCHS's newsletter.

Thrift store—DCHS's thrift store offers gently used clothing, pet supplies, household goods, jewelry, puzzles, games, and more for sale to generate revenue to support shelter operations.

DANE COUNTY HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax Status

DCHS is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, DCHS qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Reclassifications

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

Date of Management’s Review

Management has evaluated subsequent events through January 26, 2021, the date which the financial statements were available to be issued.

NOTE 2—CONCENTRATIONS OF CREDIT RISK

DCHS maintains its cash balances in one financial institution located in Madison, Wisconsin. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2020 and 2019, DCHS’s uninsured cash balances total approximately \$250,000 and \$1,056,000, respectively. DCHS places its cash balances with high credit quality financial institutions. Although DCHS’s cash balances average approximately \$1,489,000, DCHS has not experienced any losses and believes it is not exposed to any significant credit risk on cash balances. During 2020, DCHS began a sweep account to reduce their risk exposure.

NOTE 3—INVESTMENTS

Investments are comprised of the following:

	2020	2019
Money market funds	\$ 257,777	\$ 166,539
Mutual funds	1,196,313	1,187,951
Common stocks	739,418	747,349
	\$ 2,193,508	\$ 2,101,839

Mutual funds are valued at the quoted net asset values of the shares as reported by the fund. Common stocks are valued at the closing price reported on the active market on which the individual securities are traded.

DANE COUNTY HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 4—PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2020	2019
Land	\$ 1,240,097	\$ 1,240,097
Building	5,389,306	5,372,649
Horse and livestock barn	429,623	429,623
Construction in progress	70,101	118,910
Land improvements	279,361	233,692
Leasehold improvements	11,170	37,400
Wildlife center	341,435	238,190
Furniture and equipment	897,082	858,568
Vehicles	99,509	99,509
	8,757,684	8,628,638
Accumulated depreciation	(3,801,275)	(3,598,778)
	\$ 4,956,409	\$ 5,029,860

NOTE 5—LINE OF CREDIT

DCHS has a \$500,000 revolving line of credit. Advances on the credit line are payable on demand and carry an interest rate of the lender's prime rate (3.75% at December 31, 2020). The credit line is secured by DCHS's assets. The line of credit was unused at December 31, 2020 and 2019.

NOTE 6—PAYCHECK PROTECTION PROGRAM LOAN

On April 13, 2020, DCHS received a \$569,700 loan under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). The loan accrues interest at 1% but payments are deferred for borrowers who apply for forgiveness until SBA remits the borrower's forgiveness amount to the lender. The amount of forgiveness depends, in part, on the total amount of eligible expenses paid by DCHS during the covered period. Eligible expenses may include payroll costs, interest on mortgages, rent, and utilities. Any unforgiven portion is payable over two years. On November 2, 2020, the SBA preliminarily approved forgiveness of the loan and accrued interest. DCHS must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review DCHS's good-faith certification concerning the necessity of its loan request, whether DCHS calculated the loan amount correctly, whether DCHS used loan proceeds for the allowable uses specified in the CARES Act, and whether DCHS is entitled to loan forgiveness in the amount claimed on its application. If SBA determines DCHS was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the outstanding loan balance.

DANE COUNTY HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 7—NET ASSETS

Net assets with donor restrictions are available for the following purposes or periods:

	2020	2019
Medical and animal care	\$ 98,880	\$ 155,001
Capital improvements	161,249	188,927
AMS special projects	-	951
Education and outreach	149,306	94,034
Other purposes	2,657	1,383
Promises to give with payments due in future periods	3,000	12,500
	<u>\$ 415,092</u>	<u>\$ 452,796</u>

NOTE 8—MERCHANDISE SALES

Merchandise sales are comprised of the following:

	2020	2019
Adoption center merchandise sales	\$ 34,424	\$ 76,762
Adoption center cost of goods sold	(19,013)	(49,489)
Adoption center merchandise sales, net	15,411	27,273
Thrift store merchandise sales	158,052	129,516
Thrift store cost of donated goods sold	(155,419)	(128,206)
Thrift store cost of purchased goods sold	(1,159)	(415)
Thrift store merchandise sales, net	1,474	895
Total merchandise sales, net	<u>\$ 16,885</u>	<u>\$ 28,168</u>

NOTE 9—LEASES

DCHS leases space for the thrift store under a noncancelable operating lease that expires May 31, 2025 and requires base monthly payments of \$6,650 with a 2% increase each year. Rental expenses for the years ended December 31, 2020 and 2019 were \$102,865 and \$48,865, respectively.

Future minimum lease payments for the years ending December 31 are:

2021	\$ 87,102
2022	88,902
2023	90,702
2024	92,502
2025	37,813
	<u>\$ 397,021</u>

DANE COUNTY HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 10—RETIREMENT PLAN

DCHS sponsors a simplified employee pension plan covering all employees who are at least twenty-one years of age, have worked for DCHS during at least three of the immediately preceding five years, and earned at least \$600 during the year. DCHS may make a discretionary contribution to the plan each year up to 3.5% of the employee's compensation. Employees are 100% vested in all contributions made on their behalf. Retirement expense for the years ended December 31, 2020 and 2019 was \$66,378 and \$61,723, respectively.

NOTE 11—COMMUNITY TRUST FUND

DCHS has three component funds at the Madison Community Foundation: the Dane County Humane Society Fund, the Alice Craig Erney Designated Fund, and the Frederick Brumm Fund for the Dane County Humane Society. The Foundation, as a community trust, serves the mutual interests of Dane County and those individuals and organizations who wish to enhance the quality of life in the community through charitable giving.

Component funds of the Foundation are established by donors for the benefit of the community, and, when these funds are established, donors may indicate what organizations or causes should benefit from distributions from the fund. However, donors also grant the Foundation variance power that allows the Foundation to modify the donors' stipulations under certain circumstances as the Foundation monitors the changing needs of the community. Therefore, the funds are not included in DCHS's financial statements.

The amount available for annual distributions represents 5% of a rolling twelve-quarter average. All other interest and appreciation are added to the funds. Principal may not be drawn from the funds except with approval of the Foundation's board of governors. DCHS received distributions totaling \$35,652 and \$32,196 from the funds during the years ended December 31, 2020 and 2019, respectively. The fair value of the funds at December 31, 2020 and 2019 was \$1,079,545 and \$1,047,586, respectively.

NOTE 12—DONATED SERVICES

The fair value of donated services included as contributions in the financial statements and the corresponding expenses for the year ended December 31, 2019 are as follows:

	Animal Services	Development
Veterinary services	\$ 1,350	\$ -
Services at special events	-	4,935
	\$ 1,350	\$ 4,935

DCHS did not receive any donated services that meet the criteria for recognition as contributions during the year ended December 31, 2020, primarily due to COVID-19-related closures and cancellations.

DANE COUNTY HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 13—LIQUIDITY AND AVAILABILITY

The following table reflects DCHS’s financial assets at December 31, 2020 and 2019, reduced by amounts not available to meet cash needs for general expenditures within one year of the date of the statement of financial position because of donor-imposed restrictions:

	2020	2019
Financial assets at end of year	\$ 4,381,622	\$ 3,572,613
Less those unavailable for general expenditures within one year due to:		
Donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	(415,092)	(452,796)
Financial assets available to meet cash needs for general expenditures within one year	\$ 3,966,530	\$ 3,119,817

DCHS strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. As a donor-funded organization, DCHS receives significant contributions on a regular basis that are available to meet cash needs for general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds, and other investments. In the event of unanticipated liquidity needs, DCHS also could draw up to \$500,000 of the available line of credit (as further discussed in Note 5).

NOTE 14—COVID-19 CONSIDERATIONS

DCHS’s operations were affected by the ongoing COVID-19 outbreak that was declared a pandemic by the World Health Organization on March 11, 2020. The effects of these changes can be seen throughout the 2020 financial statements. DCHS significantly altered many operations and services to reduce the spread of COVID-19. These changes resulted in fewer animals being available for adoption, decreased program service revenues, the cancellation of all in person events, including fundraising and educational events, as well as the reduction of the use of volunteers in all areas. The ultimate disruption and effect on DCHS are uncertain; however, it may result in a material adverse impact on DCHS’s assets, revenues and expenses.