

**PARTNERS IN ROUTT COUNTY,
d.b.a. PARTNERS FOR YOUTH**

Financial Statements

June 30, 2025

**PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH**

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Independent Auditor's Report

The Board of Directors
Partners in Routt County
d.b.a. Partners for Youth
Routt County, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Partners in Routt County, d.b.a, Partners for Youth (the Organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2025, and the changes in its net assets and its cash flows for the fiscal year then ended in accordance with U.S. generally accepted accounting principles (GAAP).

Basis for Opinion

We conducted our audit in accordance with U.S. generally accepted auditing standards (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence 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 GAAP, 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 the Organization'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.

Report on Summarized Comparative Financial Information

We have previously audited the Organization's June 30, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 10, 2024. In our opinion, the summarized comparative financial information presented herein as of and for the fiscal year ended June 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in blue ink that reads "Catterman + Company, P.C.".

Steamboat Springs, Colorado
December 1, 2025

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Statement of Financial Position
June 30, 2025
(with summarized financial information as of June 30, 2024)

	<u>2025</u>	<u>2024</u>
Assets:		
Cash and cash equivalents	\$ 298,574	\$ 308,881
Investments	141,206	129,916
Accounts receivable	157,511	115,232
Beneficial interest in assets held by community foundation	2,220	2,577
Board designated reserve cash	469,709	375,993
Property and equipment, net	<u>9,823</u>	<u>12,985</u>
Total assets	<u>\$ 1,079,043</u>	<u>\$ 945,584</u>
Liabilities and Net Assets:		
Liabilities:		
Accounts payable and accrued expenses	\$ 64,463	\$ 54,505
Advance from grantor	40,962	90,000
Accrued personal time off payable	<u>13,350</u>	<u>13,038</u>
Total liabilities	<u>118,775</u>	<u>157,543</u>
Net assets:		
Without donor restrictions	<u>960,268</u>	<u>788,041</u>
Total net assets	<u>960,268</u>	<u>788,041</u>
Total liabilities and net assets	<u>\$ 1,079,043</u>	<u>\$ 945,584</u>

See accompanying notes to the financial statements.

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Statement of Activities
For the Fiscal Year Ended June 30, 2025
(with summarized financial information for the fiscal year ended June 30, 2024)

	<u>2025</u>	<u>2024</u>
Revenues and Other Support:		
Contributions and grants	\$ 1,036,173	\$ 719,983
Special events	48,577	41,048
Contributed facilities and services	28,680	28,928
Investment return, net	25,638	28,414
Other	<u>4,730</u>	<u>5,005</u>
Total revenues and other support	<u>1,143,798</u>	<u>823,378</u>
Expenses:		
Program services	885,826	720,653
Management and general	50,156	37,827
Fundraising	<u>35,589</u>	<u>26,245</u>
Total expenses	<u>971,571</u>	<u>784,725</u>
Change in net assets	172,227	38,653
Net assets, beginning of year	<u>788,041</u>	<u>749,388</u>
Net assets, end of year	<u><u>\$ 960,268</u></u>	<u><u>\$ 788,041</u></u>

See accompanying notes to the financial statements.

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Statement of Functional Expenses
For the Fiscal Year Ended June 30, 2025
(with summarized financial information for the fiscal year ended June 30, 2024)

	2025				2024
	Program Services	Management and General	Fundraising	Total	Total
Expenses:					
Wages and benefits	\$ 726,842	\$ 25,118	\$ 21,009	\$ 772,969	\$ 594,595
Partnership programs	60,685	-	-	60,685	68,404
Rent and utilities	23,021	907	588	24,516	28,413
Contract services	8,809	17,969	4,575	31,353	31,189
Insurance	10,454	4,202	267	14,923	15,316
Office	11,536	455	295	12,286	10,287
Advertising	7,652	-	-	7,652	3,053
Training and travel	20,040	-	-	20,040	14,940
Scholarships	3,000	-	-	3,000	3,500
Dues	7,107	193	125	7,425	3,933
Depreciation	3,162	-	-	3,162	3,814
Other	3,518	1,312	8,730	13,560	7,281
Total expenses	<u>\$ 885,826</u>	<u>\$ 50,156</u>	<u>\$ 35,589</u>	<u>\$ 971,571</u>	<u>\$ 784,725</u>

See accompanying notes to the financial statements.

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2025
(with summarized financial information for the fiscal year ended June 30, 2024)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ 172,227	\$ 38,653
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,162	3,814
Realized and unrealized (gains) losses on investments	(11,290)	(11,108)
Contributions directly to beneficial interest in assets held by community foundation	(3,000)	(100)
Scholarships awarded directly from beneficial interest in assets held by community foundation	3,000	3,500
Net loss (gain) on beneficial interest in assets held by community foundation	357	129
(Increase) decrease in:		
Accounts receivable	(42,279)	6,787
(Decrease) increase in:		
Accounts payable and accrued expenses	9,958	(23,459)
Advance from grantor	(49,038)	72,534
Accrued personal time off payable	312	1,642
Net cash provided by operating activities	<u>83,409</u>	<u>92,392</u>
Net change in cash and cash equivalents	83,409	92,392
Cash and cash equivalents, beginning of fiscal year	<u>684,874</u>	<u>592,482</u>
Cash and cash equivalents, end of fiscal year	<u><u>\$ 768,283</u></u>	<u><u>\$ 684,874</u></u>

See accompanying notes to the financial statements.

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Notes to Financial Statements
June 30, 2025

(with summarized financial information as of June 30, 2024 and for the fiscal year then ended)

Note 1: Description of the Organization

Partners in Routt County, d.b.a. Partners for Youth (the Organization) was incorporated as a Colorado not-for-profit corporation in 1996. The Organization's mission is to support youth through mentorship, empowerment, and trusted adult engagement so that they can face life's challenges and thrive. The Organization performs the following services:

- Mentoring programs guide the community's youth towards personal growth and development. Mentoring relationships are shown to have a powerfully positive effect on young people.
- Prevention programs to empower young people to make healthy, positive, and substance free choices. Young people thrive when they feel connected to peer, family, school, and neighborhood.

The Organization is funded primarily by contributions and grants.

Note 2: Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). The accounting policies of the Organization have been designed to conform to GAAP as applicable to not-for-profit organizations.

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Without donor restrictions: Net assets that are not subject to donor-imposed stipulations.

With donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The following table provides a reconciliation of cash, cash equivalents, and board designated reserve cash reported within the statement of financial position that sums to the total of the same amounts shown in the statement of cash flows:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 298,574	\$ 308,881
Board designated reserve cash	<u>469,709</u>	<u>375,993</u>
Total cash, cash equivalents, and reserve cash shown in the statement of cash flows	<u><u>\$ 768,283</u></u>	<u><u>\$ 684,874</u></u>

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Organization's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Notes to Financial Statements
June 30, 2025

(with summarized financial information as of June 30, 2024 and for the fiscal year then ended)

Note 2: Summary of Significant Accounting Policies (continued)

Investments

Investments are carried at fair value, with changes in fair value being recorded as investment return in the statement of activities.

Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 – Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 – Inputs other than quoted market prices that are observable for the asset/liability, either directly or indirectly.

Level 3 – Unobservable inputs that cannot be corroborated by market data.

The fair value of the beneficial interest in assets held by community foundation is based on the fair value of the underlying pooled investments as reported by the Yampa Valley Community Foundation (YVCF). These are classified as Level 2 measurements.

Accounts Receivable

Accounts receivable are primarily amounts due from grantors on cost reimbursement grants. The Organization believes that all of its receivables are collectible; therefore, no provision for uncollectible accounts has been recorded as of June 30, 2025 and 2024.

Property and Equipment, Net

Property and equipment are stated at cost at the date of acquisition or fair value if acquired through donation. The Organization's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered. Depreciation is calculated using the straight-line method over the applicable estimated useful lives.

Accrued Personal Time Off Payable

As of June 30, 2024, the Organization's full-time employees accrued personal time off (PTO) benefits beginning on their employment date. PTO accrued and not used under this policy will be paid when the employee leaves the Organization, whether through resignation or termination. The Organization has accrued PTO liability of \$13,038 as of June 30, 2025 and 2024.

Effective July 1, 2024, the Organization adopted an unlimited PTO policy foregoing a leave accrual or bank system of any sort. The policy was implemented to provide its employees with the freedom they require to balance the responsibilities of both their work and home lives.

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Notes to Financial Statements
June 30, 2025

(with summarized financial information as of June 30, 2024 and for the fiscal year then ended)

Note 2: Summary of Significant Accounting Policies (continued)

Revenue Recognition

Contributions and Grants

Contributions and grants are recognized when cash, securities or other assets and unconditional promises to give are received. Conditional promises to give, that is, those with a measurable performance barrier and a right of return are not recognized until the conditions on which they depend are substantially met. Payments received in advance of the conditions being met are recorded as advances from grantors in the statement of financial position.

Contributions and grants received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions and grants that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions in the statement of activities.

Contributions of assets other than cash are recorded at their estimated fair value as of the date of the gift.

In-Kind Support

The Organization records various types of in-kind support, including contributed facilities, goods and services. Contributions of tangible assets and services are recognized as fair value when received. In-kind support is included in contributions in the accompanying financial statements and are offset by like amounts in expenses or assets.

Many individuals volunteer their time and perform a variety of tasks within the Organization's programs. However, these services do not meet the criteria for recognition as contributed services in accordance with GAAP.

Functional Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the statement of functional expenses. The Organization incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. The Organization also incurs expenses that are attributable to more than one function. These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on consistent basis among program and supporting services benefited. The expenses allocated include wages and benefits, occupancy, insurance, and supplies that are allocated on estimates of time and effort incurred by personnel.

Advertising

The Organization expenses the costs of advertising when incurred.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Notes to Financial Statements
June 30, 2025

(with summarized financial information as of June 30, 2024 and for the fiscal year then ended)

Note 2: Summary of Significant Accounting Policies (continued)

Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the Organization qualifies for the charitable contribution deduction. Income from activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. There was no unrelated business income during the fiscal year ended June 30, 2025.

The Organization is subject to routine audits by tax jurisdictions; however, there are currently no audits for any tax periods in progress. The three previous tax years remain subject to examination by the IRS.

Comparative Financial Statements

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the fiscal year ended June 30, 2024 from which the summarized information was derived.

Certain prior fiscal year amounts have been reclassified to conform to the current fiscal year presentation.

Note 3: Liquidity and Availability of Financial Assets

Financial assets available for general expenditure within one year June 30, 2025:

Cash and cash equivalents	\$ 768,283
Investments	141,206
Accounts receivable	157,511
Beneficial interest in assets of community foundation	<u>2,220</u>
	1,069,220
 Less: Board designated reserve cash	 <u>(469,709)</u>
 Financial assets available to meet general expenditures within one year	 <u><u>\$ 599,511</u></u>

As part of the Organization's liquidity management, it structures its financial assets to be available as general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of short-term requirements in mutual fund and index fund investments.

The Organization's board of directors has adopted a Reserves Policy to ensure the stability of the mission, programs, employment, and ongoing operations of the Organization and to provide a source of internal funds for organizational priorities such as building repair and improvement, program opportunity, and capacity building. As of June 30, 2025, the Organization had a board designated reserve cash balance of \$469,709.

PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Notes to Financial Statements
June 30, 2025

(with summarized financial information as of June 30, 2024 and for the fiscal year then ended)

Note 4: Investments

The following is a summary of investments as of June 30, 2025 and 2024:

	2025 Level 1	2024 Level 1
Equity mutual funds	\$ 61,160	\$ 77,695
Bond mutual funds	28,024	25,981
Exchange traded funds	19,188	18,684
Money market funds	32,834	7,556
	<u>\$ 141,206</u>	<u>\$ 129,916</u>

Note 5: Beneficial Interest in Assets Held by Community Foundation

The Organization established the Partners Youth Scholarship Fund (Scholarship Fund) at the Yampa Valley Community Foundation (YVCF) with \$15,000 of its own funds and maintains a beneficial interest in the fund held by YVCF. Per terms of the Scholarship Fund agreement, a scholarship committee authorizes distributions to the Organization to be awarded as scholarships to a youth that has participated in the Organization's programs. The Organization's beneficial interest in assets held by YVCF as of June 30, 2025 and 2024 was \$2,220 and \$2,577, respectively.

Note 6: Property and Equipment, Net

The Organization's property and equipment, net consists of the following as of June 30, 2025 and 2024:

	2025	2024	Estimated Useful Life
Equipment	\$ 19,497	\$ 19,497	5-10 years
Vehicle	21,290	21,290	10 years
Leasehold improvements	12,211	12,211	10 years
	52,998	52,998	
Less accumulated depreciation	<u>(43,175)</u>	<u>(40,013)</u>	
	<u>\$ 9,823</u>	<u>\$ 12,985</u>	

Note 7: Contributed Services

The Organization receives various services at a discounted cost or no cost for use in its programs. The estimated fair value of contributed services received during the fiscal years ended June 30, 2025 and 2024 was \$17,950 and \$18,198, respectively, and have been recorded as both revenue and expense in the statement of activities.

**PARTNERS IN ROUTT COUNTY
d.b.a. PARTNERS FOR YOUTH
Notes to Financial Statements
June 30, 2025**

(with summarized financial information as of June 30, 2024 and for the fiscal year then ended)

Note 8: Lease

On September 5, 2019 the Organization entered into a commercial lease agreement with an unrelated limited liability company. The leased premises are office space within a commercial condominium association. The lease term was extended for five years through September 5, 2029 and does not require payment of base rent. The Organization is required to pay for all common expenses of the condominium association, real and property taxes, liability and property insurance, and operating, maintaining and repairing the leased premises. The commercial lease agreement also provides the Organization with an option to purchase the leased premises for \$715,000.

The Organization has recorded contributed facilities revenue at an estimated fair value of \$10,730 for each fiscal year ended June 30, 2025 and 2024 for offices occupied by the Organization.

Note 9: Retirement Plan

The Organization participates in a SIMPLE IRA retirement plan that covers its full-time employees. In accordance with the plan agreement, the Organization makes matching contributions to the plan up to 3% of a participating employee's wages. The Organization's contributions, which are included in employee benefits in the statement of functional expenses, were \$10,680 and \$7,017 for the fiscal years ended June 30, 2024 and 2023, respectively.

Note 10: Subsequent Events

The Organization has evaluated subsequent events through December 1, 2025, which is the date the financial statements were available to be issued.