

OREGON PARKS FOREVER

FINANCIAL STATEMENTS

Year Ended September 30, 2022



**OREGON PARKS
FOREVER**

KERN ▲ THOMPSON
CERTIFIED PUBLIC ACCOUNTANTS

OREGON PARKS FOREVER
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Year Ended September 30, 2022

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Oregon Parks Forever
Portland, Oregon

We have reviewed the accompanying financial statements of Oregon Parks Forever (a nonprofit organization), which comprise the statement of financial position as of September 30, 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Oregon Parks Forever and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Summarized Comparative Information

We have previously audited Oregon Parks Forever's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 16, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021, is consistent, in all material respects, within the audited financial statements from which it has been derived.



Portland, Oregon
June 19, 2023

OREGON PARKS FOREVER
STATEMENT OF FINANCIAL POSITION

September 30, 2022
(With Comparative Totals as of September 30, 2021) □

ASSETS

	2022	2021
	<u>Reviewed</u>	<u>Audited</u>
Cash and cash equivalents	\$ 240,788	\$ 399,741
Pledges receivable	87,057	285
Prepaid expenses	13,508	12,553
Land held as historical treasure	900,000	900,000
Property and equipment (less accumulated depreciation of \$5,898 and \$5,599, respectively)	<u>880</u>	<u>2,980</u>
Total assets	\$ <u>1,242,233</u>	\$ <u>1,315,559</u>

LIABILITIES AND NET ASSETS

Accounts payable	\$ 14,011	\$ 8,480
Payroll related liabilities	8,437	5,500
EIDL loan payable	<u>96,773</u>	<u>99,212</u>
Total liabilities	<u>119,221</u>	<u>113,192</u>
Net assets		
Without donor restrictions		
Land held as historical treasure (Note C)	900,000	900,000
Undesignated	<u>19,737</u>	<u>56,534</u>
Total without donor restrictions	919,737	956,534
With donor restrictions	<u>203,275</u>	<u>245,833</u>
Total net assets	<u>1,123,012</u>	<u>1,202,367</u>
Total liabilities and net assets	\$ <u>1,242,233</u>	\$ <u>1,315,559</u>

See independent accountant's review report and notes to financial statements.

OREGON PARKS FOREVER

STATEMENT OF ACTIVITIES

Year Ended September 30, 2022

(With Comparative Totals for the Year Ended September 30, 2021)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2022 Reviewed	2021 Audited
Revenues and other support				
Contributions and grants	\$ 343,434	\$ 211,480	\$ 554,914	\$ 655,162
In-kind contributions	43,200	-	43,200	43,200
Paycheck protection program grant	-	-	-	38,357
Other income	6,086	-	6,086	-
	392,720	211,480	604,200	736,719
Net assets released from restrictions	254,038	(254,038)	-	-
Total revenues and other support	646,758	(42,558)	604,200	736,719
Expenses				
Program services	600,236	-	600,236	474,252
Supporting services:				
Management and general	41,660	-	41,660	36,984
Development	41,659	-	41,659	36,065
Total expenses	683,555	-	683,555	547,301
Change in net assets	(36,797)	(42,558)	(79,355)	189,418
Net assets				
Beginning of year	956,534	245,833	1,202,367	1,012,949
End of year	\$ 919,737	\$ 203,275	\$ 1,123,012	\$ 1,202,367

See independent accountant's review report and notes to financial statements.

OREGON PARKS FOREVER

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2022

(With Comparative Totals for the Year Ended September 30, 2021)

	Program Services	SUPPORTING SERVICES		Total	
		Management and General	Development	2022 Reviewed	2021 Audited
Salaries	\$ 171,007	\$ 21,376	\$ 21,376	\$ 213,759	\$ 195,569
Payroll taxes	13,386	1,673	1,673	16,732	14,780
Benefits	24,584	3,073	3,073	30,730	18,233
Park improvements	266,951	-	-	266,951	178,372
Professional services	24,798	3,100	3,100	30,998	23,968
Software Platforms	19,397	2,425	2,424	24,246	23,007
Occupancy	15,963	1,996	1,995	19,954	13,497
Printing and postage	3,886	486	486	4,858	4,490
Insurance and business expenses	5,260	658	657	6,575	8,277
Travel and meetings	1,750	219	219	2,188	351
Office and other expense	14,800	1,847	1,849	18,496	20,533
Depreciation	1,680	210	210	2,100	2,100
Interest	2,158	270	270	2,698	924
In-kind marketing and other services	34,616	4,327	4,327	43,270	43,200
	\$ 600,236	\$ 41,660	\$ 41,659	\$ 683,555	\$ 547,301

See independent accountant's review report and notes to financial statements.

OREGON PARKS FOREVER

STATEMENT OF CASH FLOWS

Year Ended September 30, 2022

(With Comparative Totals for the Year Ended September 30, 2021)

	<u>2022</u> <i>Reviewed</i>	<u>2021</u> <i>Audited</i>
Cash flows from operating activities:		
Change in net assets	\$ (79,355)	\$ 189,418
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	2,100	2,100
Changes in assets and liabilities:		
Pledges receivable	(86,772)	(190)
Prepaid expenses	(955)	(3,993)
Accounts payable	5,530	(1,534)
Payroll and related payables	2,937	5,500
Other liabilities	-	1,000
Net cash provided by (used in) operating activities	<u>(156,515)</u>	<u>192,301</u>
Cash flows from financing activities:		
Payments on EIDL loan	<u>(2,438)</u>	<u>(788)</u>
Net cash provided by (used in) financing activities	<u>(2,438)</u>	<u>(788)</u>
Net change in cash and cash equivalents	(158,953)	191,513
Cash and cash equivalents, beginning of year	<u>399,741</u>	<u>208,228</u>
Cash and cash equivalents, end of year	<u>\$ 240,788</u>	<u>\$ 399,741</u>

See independent accountant's review report and notes to financial statements.

OREGON PARKS FOREVER
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2022

NOTE A – DESCRIPTION OF ORGANIZATION

Oregon Parks Forever (the Organization) is a statewide non-profit organization dedicated to enhancing and preserving special places and experiences in Oregon's parks and forests. As such, it is a non-profit fundraising partner for federal, state, local and tribal park agencies across the state.

The Organization was established in 1995 to address state park needs in ways not easily undertaken within existing governmental funding and programmatic limitations. It has since broadened its mission to include federal, local, and tribal parks and forests as well. The Organization is a public/private partnership in the truest sense: The Organization operates independently for the benefit of all Oregonians.

As a fundraising partner, the Organization does not manage or run programs. It provides funding for programs such as Ticket2Ride and Cottonwood Crossing Summer Institute, but does not provide employees to run these programs, which are managed through partnerships with other non-profit organizations.

Program expenses for the Organization reflect the costs of raising funds which are then provided to the various public land managers and other non-profit organizations. Those funds are used to implement the enhancement of special places and fund various programs. Administrative costs reflect the small costs that go into managing the Organization, such as board meetings, accounting, IT services, etc. Development expenses are the costs associated with raising funds needed for the administrative costs of the Organization.

Since its inception, the Organization has had some notable successes preserving or enhancing special places and experiences in Oregon's parks, including:

- **Wildfire Tree Replanting Fund:** The Organization has raised funds for and funded the replanting of 803,000 trees (as of the report date) that were killed by wildfires or extreme heat events of the previous two summers.
- **Cottonwood Canyon Experience Center:** The Organization raised \$800,000 to enable the building of the Cottonwood Canyon Experience Center – the centerpiece of a complex that provides a classroom, cabins and a shower/restroom facility for outdoor education in north central Oregon.
- **Hike/Bike Pods:** The Organization funded the construction of Hike/Bike Pods in nine of the state park campgrounds along the Oregon Coast.
- **Restoration of Vista House at Crown Point:** Partnered with OPRD and Friends of Vista House to raise \$2.1 million to restore the Vista House in 2004.
- **Kam Wah Chung Museum in John Day:** Raised \$1.5 million to develop the Kam Wah Chung Museum in John Day.
- **Restoration of Oregon's historic lighthouses:** Seven scenic lighthouses along the Oregon coast have been restored with the Organization's assistance.
- **Funding for Let's Go Camping:** For six years the Organization raised funds for this program to give all Oregonians an opportunity for a first-time camping experience.

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2022

NOTE A – DESCRIPTION OF ORGANIZATION (CONTINUED)

- **Construction of yurts in campgrounds throughout the state:** The Organization funded the purchase of the first 50 camping yurts for State Parks. These were the first yurts in any park system in the United States.

The Organization has had a statewide impact by preserving and enhancing dozens of outstanding natural, scenic and cultural sites in all corners of the state.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Adoption of New Accounting Pronouncements

During the fiscal year ended June 30, 2022, the Organization adopted ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The purpose of the ASU 2020-07 is to clarify the presentation and disclosure of contributed nonfinancial assets with an intention to provide the reader of the financial statements a clearer understanding of what type of nonfinancial assets were received and how they are used and recognized by the not-for-profit. It is important to note that the ASU 2020-07 did not change the accounting and recognition of nonfinancial assets but rather the presentation and disclosure requirements in the financial statements.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

- **Net Assets Without Donor Restrictions** – Net assets that are not subject to donor-imposed stipulations. The Board of Directors may designate net assets without donor restrictions for specific purposes.
- **Net Assets With Donor Restrictions** – Net assets either subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time, or net assets with donor restrictions that are not subject to appropriation or expenditure.

Expenses are reported as a decrease in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration 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 net assets released from restrictions.

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions with donor restrictions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. Otherwise, when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions (Continued)

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 received with both donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history, the type of contribution, and the nature of the fund-raising activity. Management has determined that no allowance for uncollectible accounts is necessary at September 30, 2022.

Cash and Cash Equivalents

Cash and cash equivalents includes checking and money market mutual fund accounts. For purposes of the statement of cash flows, the Organization considers all highly-liquid financial instruments purchased with a maturity of three months or less to be cash equivalents.

The Organization holds monies received for parks projects in a separate FDIC insured deposit account until spent. Additionally, the Organization holds loan funds of \$96,773 in this account. The balance in this account at September 30, 2022 was \$219,993.

Property and Equipment

Property and equipment consist of office furniture and equipment individually exceeding \$500 which are recorded at cost if purchased, or at estimated fair value if donated. Depreciation and amortization of buildings, furnishings and equipment is computed by the straight-line method over 3 to 5 years.

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash.

The Organization at times maintains cash deposits in excess of federally insured limits, which constitutes a concentration of credit risk requiring disclosure. The risk is managed by maintaining all deposits in high quality financial institutions.

Advertising

The Organization charges all advertising costs to expense as incurred.

Income Taxes

The Organization has been approved as a tax-exempt organization under the Internal Revenue Code Section 501(c)(3) and applicable state laws. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Organization does not believe it has unrelated trade or business income in excess of \$1,000.

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized in the statement of functional expenses. Expenses are charged to programs based on direct expenditures incurred. Personnel cost is allocated to programs or supporting services based on the estimated time spent on each. Support costs are allocated to programs based on the proportion of direct salary costs to total costs.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Prior Year Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or natural expense classification by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2021, from which the summarized information was derived.

NOTE C – LAND HELD AS HISTORICAL TREASURE

During the year ended December 31, 2007, the Organization received and used \$900,000 in contributions to purchase a 22% interest in Iwetemlaykin park, with the remaining 78% purchased by the Oregon Parks and Recreation Department (OPRD). In 2008, the Organization entered into a memorandum of understanding with the parties which clarifies that the land is to be used as a State Park due to its historical value and delegates all responsibilities of owning the land to OPRD.

In the event the land is sold, the proceeds from the sale are to be allocated \$900,000 first to the Organization. It is the unwritten intent of the parties that the Organization's portion of the land be sold to the National Parks Service. However, this has been delayed indefinitely due to the current unavailability of funding.

NOTE D – NOTE PAYABLE

In May 2020, Oregon Parks Forever obtained a loan from the U.S. Small Business Administration in the amount of \$100,000, pursuant to the Economic Injury Disaster Loan program, which is designed to provide economic relief to nonprofit organizations and businesses that are currently experiencing a temporary loss of revenue due to COVID-19. The note bears interest at 2.75% and requires monthly payments of \$428, to be applied initially to accrued interest and interest and principal thereafter. Final payment of interest and principal is due in June of 2050. The note is secured by all assets of the Organization.

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2022

NOTE D – NOTE PAYABLE (CONTINUED)

Future minimum loan payments as of September 30, 2022 are as follows:

Year Ending September 30,	
2023	\$ 2,506
2024	2,569
2025	2,648
2026	2,721
2027	2,564
Thereafter	<u>83,765</u>
Total	<u>\$ 96,773</u>

NOTE E – NET ASSETS WITH DONOR RESTRICTIONS

The Organization's net assets with donor restrictions are subject to the following purpose or time restrictions as of September 30, 2022:

Subject to purpose restrictions:	
Ongoing program support	\$ 37,440
Wildfire Tree Replanting Fund	56,109
Track Trails Fund	59,726
Subject to timing and purpose restrictions	<u>50,000</u>
Total net assets with donor restrictions	<u>\$ 203,275</u>

The Organization received a pledge of \$50,000 to initiate an endowment fund. The endowment is in the process of being structured and finalized.

NOTE F – IN-KIND CONTRIBUTIONS

Donated Services

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization in park improvements. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer efforts under generally accepted accounting principles have not been satisfied.

The Sasquatch Agency provided in-kind marketing services valued at \$43,200. No in-kind donations were monetized.

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2022

NOTE G – CONTRIBUTIONS AND PLEDGES

Contributions and pledges receivable, which are unconditional promises to give, consist of the following at September 30, 2022.

Contributions and pledges receivable expected to be collected in:	
Less than one year	\$ 47,057
One to five years	<u>40,000</u>
	<u>\$ 87,057</u>

The Organization has determined the present value discounted amount of long-term receivables is immaterial.

NOTE H – LIQUIDITY

The following chart represents the Organization's financial assets available to meet cash needs for general expenditures within one year of September 30, 2022:

Financial assets at year-end*	
Cash and cash equivalents	\$ 240,788
Pledges receivable	<u>87,057</u>
Total financial assets	<u>327,845</u>
Less those unavailable for general expenditure within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with purpose restriction	(153,275)
Restricted by donor with timing and purpose restriction	<u>(50,000)</u>
Total unavailable financial assets	<u>(203,275)</u>
Financial assets available to meet cash needs general expenditures within one year	<u>\$ 124,570</u>

*Oregon Parks Forever Total assets, less nonfinancial assets (e.g., property and equipment, prepaid expenses)

As part of its liquidity management, the Organization's policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, the Organization invests cash in excess of current requirements in short-term investments.

NOTE I – LEASES

The Organization entered into a new office lease on October 2, 2022. The lease ends September 30, 2023 and is automatically renewed for two additional periods of one year each, however the Organization may terminate the lease with six months notice at any time. Monthly rent is \$550 through the lease term.

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2022

NOTE J – SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 19, 2023, which is the date the financial statements were available to be issued.