

OREGON PARKS FOREVER

FINANCIAL STATEMENTS

Year Ended September 30, 2023



KERN ▲ THOMPSON
CERTIFIED PUBLIC ACCOUNTANTS

OREGON PARKS FOREVER
FINANCIAL STATEMENTS
Year Ended September 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Oregon Parks Forever
Portland, Oregon

We have audited the accompanying financial statements of Oregon Parks Forever (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, 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 Oregon Parks Forever as of September 30, 2023, and the changes in net assets 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 audit in accordance with auditing standards generally accepted in the United States of America. 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 Oregon Parks Forever and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Oregon Parks Forever's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 generally accepted auditing standards 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, including omissions, 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.

To the Board of Directors
Oregon Parks Forever

In performing an audit in accordance with generally accepted auditing standards, 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 Oregon Parks Forever'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 Oregon Parks Forever'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 Information

The prior year summarized comparative information has been derived from Oregon Parks Forever's 2022 financial statements, which were reviewed by us, and in our report dated June 19, 2023, we stated that we are not aware of any material modifications that should be made to those statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements.



Portland, Oregon
July 15, 2024

OREGON PARKS FOREVER
STATEMENT OF FINANCIAL POSITION

September 30, 2023
(With Comparative Totals as of September 30, 2022)

ASSETS

	2023	2022
	<i>Audited</i>	<i>Reviewed</i>
Cash and cash equivalents	\$ 310,072	\$ 240,788
Pledges receivable	65,113	87,057
Prepaid expenses	12,653	13,508
Land held as historical treasure (note c)	900,000	900,000
Property and equipment (less accumulated depreciation of \$6,627 and \$5,898, respectively)	<u>151</u>	<u>880</u>
Total assets	<u>\$ 1,287,989</u>	<u>\$ 1,242,233</u>

LIABILITIES AND NET ASSETS

Accounts payable	\$ 19,079	\$ 14,011
Payroll related liabilities	-	8,437
EIDL loan payable	<u>94,305</u>	<u>96,773</u>
Total liabilities	<u>113,384</u>	<u>119,221</u>
Net assets		
Without donor restrictions		
Land held as historical treasure (Note C)	900,000	900,000
Undesignated	<u>93,794</u>	<u>19,737</u>
Total without donor restrictions	993,794	919,737
With donor restrictions	<u>180,811</u>	<u>203,275</u>
Total net assets	<u>1,174,605</u>	<u>1,123,012</u>
Total liabilities and net assets	<u>\$ 1,287,989</u>	<u>\$ 1,242,233</u>

See notes to financial statements.

OREGON PARKS FOREVER

STATEMENT OF ACTIVITIES

Year Ended September 30, 2023

(With Comparative Totals for the Year Ended September 30, 2022)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2023 Audited	2022 Reviewed
Revenues and other support				
Contributions and grants	\$ 411,572	\$ 291,133	\$ 702,705	\$ 554,914
In-kind contributions	43,200	-	43,200	43,200
Other income	55,743	-	55,743	6,086
	510,515	291,133	801,648	604,200
Net assets released from restrictions	313,597	(313,597)	-	-
Total revenues and other support	824,112	(22,464)	801,648	604,200
Expenses				
Program services	672,835	-	672,835	600,236
Supporting services:				
Management and general	38,610	-	38,610	41,660
Development	38,610	-	38,610	41,659
Total expenses	750,055	-	750,055	683,555
Change in net assets	74,057	(22,464)	51,593	(79,355)
Net assets				
Beginning of year	919,737	203,275	1,123,012	1,202,367
End of year	\$ 993,794	\$ 180,811	\$ 1,174,605	\$ 1,123,012

See notes to financial statements.

OREGON PARKS FOREVER

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2023

(With Comparative Totals for the Year Ended September 30, 2022)

	Program Services	SUPPORTING SERVICES		Total	
		Management and General	Development	2023 Audited	2022 Reviewed
Salaries	\$ 150,303	\$ 18,788	\$ 18,788	\$ 187,879	\$ 213,759
Payroll taxes	12,355	1,544	1,544	15,443	16,732
Benefits	21,342	2,668	2,668	26,678	30,730
Park improvements	304,145	-	-	304,145	253,443
Park passes and materials	59,077	-	-	59,077	13,508
Professional services	31,576	3,947	3,947	39,470	30,998
Software platforms	20,394	2,549	2,549	25,492	24,246
Occupancy	5,715	714	714	7,143	19,954
Insurance and business expenses	9,262	1,158	1,158	11,578	12,853
Travel and meetings	4,832	604	604	6,040	2,188
Office and other expense	16,410	2,051	2,051	20,512	17,076
Depreciation	729	-	-	729	2,100
Interest	2,135	267	267	2,669	2,698
In-kind marketing and other services	34,560	4,320	4,320	43,200	43,270
	\$ 672,835	\$ 38,610	\$ 38,610	\$ 750,055	\$ 683,555

See notes to financial statements.

OREGON PARKS FOREVER

STATEMENT OF CASH FLOWS

Year Ended September 30, 2023

(With Comparative Totals for the Year Ended September 30, 2022)

	2023	2022
	<u>Audited</u>	<u>Reviewed</u>
Cash flows from operating activities:		
Change in net assets	\$ 51,593	\$ (79,355)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	729	2,100
Changes in assets and liabilities:		
Pledges receivable	21,944	(86,772)
Prepaid expenses	855	(955)
Accounts payable	5,068	5,530
Payroll and related payables	(8,437)	2,937
Net cash provided by (used in) operating activities	<u>71,752</u>	<u>(156,515)</u>
Cash flows from financing activities:		
Payments on EIDL loan	(2,468)	(2,438)
Net cash provided by (used in) financing activities	<u>(2,468)</u>	<u>(2,438)</u>
Net change in cash and cash equivalents	69,284	(158,953)
Cash and cash equivalents, beginning of year	<u>240,788</u>	<u>399,741</u>
Cash and cash equivalents, end of year	<u>\$ 310,072</u>	<u>\$ 240,788</u>

See notes to financial statements.

OREGON PARKS FOREVER
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2023

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, TrackChairs, Electric All-Terrain TrackChairs, 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 Oregon Parks and Recreation Department (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, 2023

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

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 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.

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, 2023.

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

From time to time the organization exceeds the FDIC limits, as of September 30, 2023, all balances were insured.

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 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.

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 costs are 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.

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2022, 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 ORPD. 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 were 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.

Future minimum loan payments as of September 30, 2023 are as follows:

Year Ending September 30,	
2024	\$ 2,569
2025	2,648
2026	2,721
2027	2,797
2028	2,869
Thereafter	<u>80,701</u>
Total	<u>\$ 94,305</u>

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2023

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, 2023:

Subject to purpose restrictions:	
Ongoing program support	\$ 31,979
Wildfire Tree Replanting Fund	22,991
Track Trails Fund	28,449
Subject to timing - permanent endowment (collections and pledges)	<u>97,392</u>
Total net assets with donor restrictions	<u>\$ 180,811</u>

The Organization received contributions of \$97,392 to initiate an endowment fund, of which \$40,000 is in pledges receivable. 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.

NOTE G – CONTRIBUTIONS AND PLEDGES

Contributions and pledges receivable, which are unconditional promises to give, consist of the following at September 30, 2023.

Contributions and pledges receivable expected to be collected in:	
Less than one year	\$ 35,113
One to five years	<u>30,000</u>
	<u>\$ 65,113</u>

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

OREGON PARKS FOREVER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2023

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, 2023:

Financial assets at year-end*	
Cash and cash equivalents	\$ 310,072
Pledges receivable	<u>65,113</u>
Total financial assets	<u>375,185</u>
 Less those unavailable for general expenditure within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donors with purpose restriction	(83,419)
Restricted by donors with timing restrictions	<u>(97,392)</u>
Total unavailable financial assets	<u>(180,811)</u>
 Financial assets available to meet cash needs general expenditures within one year	 <u>\$ 194,374</u>

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 ended September 30, 2023 and was automatically renewed for an additional period of one year, however the Organization may terminate the lease with six months notice at any time. Monthly rent is \$550 through the lease term. The Organization has elected to not record leases with an initial term or 12 months or less on the statement of financial position.

NOTE J – SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 15, 2024, which is the date the financial statements were available to be issued.