Big City Mountaineers

Financial Statements

For the Year Ended December 31, 2024
(With Comparative Totals for the Year Ended December 31, 2023)

OLSON & REYES SAUERWEIN
Certified Public Accountants

Big City Mountaineers

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OLSON & REYES & SAUERWEIN
Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Big City Mountaineers

Opinion
We have audited the accompanying financial statements of Big City Mountaineers (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, 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 Big City Mountaineers as of December 31, 2024, and the changes in its 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 Big City Mountaineers 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 Big City Mountaineers'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.

Olson Reyes & Sauerwein
Certified Public Accountants

Independent Auditor's Report

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 Big City Mountaineers'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 Big City Mountaineers'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
We have previously audited Big City Mountaineers' December 31, 2023, financial statements and in our report dated August 16, 2024, we expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Olson, Reyes & Sauerwein, LLC

Olson, Reyes and Sauerwein, LLC

Centennial, Colorado
June 30, 2025

Big City Mountaineers

Statements of Financial Position

December 31, 2024

(With Comparative Totals as of December 31, 2023)

		2024		2023
ASSETS				
Cash	$	470,759	$	508,809
Contributions and grants receivable, net of unamortized discount of $13,189 for both years		402,351		314,226
Prepaid expenses		12,058		3,500
Inventory		416,245		334,661
Investments		495,234		408,601
Property and equipment, net		190,856		197,552
Right-of-use asset		31,254		30,784
TOTAL ASSETS	$	2,018,757	$	1,798,133
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable	$	1,818	$	5,475
Accrued payroll liabilities		48,105		33,926
Operating lease liability		32,648		31,093
Total Liabilities		82,571		70,494
Net Assets				
Without donor restrictions:				
Undesignated		848,945		807,260
Investment in property and equipment		190,856		197,552
Total Net Assets Without Donor Restrictions		1,039,801		1,004,812
With donor restrictions		896,385		722,827
Total Net Assets		1,936,186		1,727,639
TOTAL LIABILITIES AND NET ASSETS	$	2,018,757	$	1,798,133

See Notes to Financial Statements

Big City Mountaineers

Statements of Activities

For the Year Ended December 31, 2024

(With Comparative Totals For the Year Ended December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024	2023
Support and Revenue				
Contributions and grants	$ 420,871	$ 884,409	$ 1,305,280	$ 1,105,891
In-kind contributions	276,081	-	276,081	344,162
Program and other income	8,663	-	8,663	9,600
Investment income (loss), net	(2,558)	1,733	(825)	34,068
Interest income	2,367	-	2,367	64
Net assets released from restrictions	712,584	(712,584)	-	-
Total Support and Revenue	1,418,008	173,558	1,591,566	1,493,785
Expenses				
Program Services				
Youth expeditions	1,103,137	-	1,103,137	1,098,551
Support Services				
General and administrative	91,223	-	91,223	109,689
Fundraising	188,659	-	188,659	312,099
Total Support Services	279,882	-	279,882	421,788
Total Expenses	1,383,019	-	1,383,019	1,520,339
Change in Net Assets	34,989	173,558	208,547	(26,554)
Net Assets - Beginning of Year - As Originally Reported	969,812	757,827	1,727,639	1,754,193
Reclassification of Net Assets - Note 14	35,000	(35,000)	-	-
Net Assets - Beginning of Year - As Restated	1,004,812	722,827	1,727,639	-
NET ASSETS - END OF YEAR	$ 1,039,801	$ 896,385	$ 1,936,186	$ 1,727,639

See Notes to Financial Statements

Big City Mountaineers

Statements of Functional Expenses

For the Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	Program Services	Support Services			
	Youth Expeditions	General and Administrative	Fund-Raising	Total 2024	Total 2023
Salaries, payroll taxes and benefits	$ 640,722	$ 21,820	$ 132,851	$ 795,393	$ 725,509
Professional services	128,899	60,414	33,238	222,551	290,088
Program expenses	197,575	-	-	197,575	237,416
Fundraising	-	-	655	655	82,004
Insurance	27,239	928	5,648	33,815	35,549
Travel, meals and entertainment	30,827	5,440	-	36,267	38,180
Rent	27,002	920	5,599	33,521	31,451
Office and other operating costs	17,612	600	3,652	21,864	25,583
Equipment and software	12,448	424	2,581	15,453	22,494
Bank charges and credit card fees	7,803	266	1,618	9,687	9,344
Telephone and internet	6,669	227	1,383	8,279	9,212
Depreciation	5,394	184	1,118	6,696	6,783
Advertising and promotion	947	-	316	1,263	6,726
TOTAL EXPENSES	$ 1,103,137	$ 91,223	$ 188,659	$ 1,383,019	$ 1,520,339

Big City Mountaineers

Statements of Cash Flows

For the Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 208,547	$ (26,554)
Adjustment to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities		
Depreciation	6,696	6,783
Amortization (income)	(7,695)	(10,813)
Investment (income) loss, net	825	(34,068)
Donated investments	(33,091)	(32,601)
Noncash lease expense	32,345	31,431
Change in Operating Assets and Liabilities		
(Increase) Decrease in:		
Contributions and grants receivable	(80,430)	85,522
Prepaid expenses	(8,558)	(500)
Inventory	(81,584)	24,371
Increase (Decrease) in:		
Accounts payable	(3,657)	2,693
Accrued payroll liabilities	14,179	(2,420)
Operating lease liability	(31,260)	(31,260)
Net Cash Flows from Operating Activities	16,317	12,584
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase) of property and equipment	-	(115)
(Purchase) of investments	(169,961)	(350,965)
Proceeds from sale of investments	115,594	208,312
Net Cash Flows from Investing Activities	(54,367)	(142,768)
Net (Decrease) in Cash	(38,050)	(130,184)
Cash - Beginning of Year	508,809	638,993
CASH - END OF YEAR	$ 470,759	$ 508,809
Noncash investing and financing activities:		
Donated investments	$ 33,091	$ 32,601

See Notes to Financial Statements

Note 1 - Significant Accounting Policies

Nature of Organization

Big City Mountaineers, Inc. ("BCM" or the "Organization") is a nonprofit organization incorporated in the State of Florida, headquartered in Arvada, Colorado. The Organization provides free fully-outfitted and professionally-led backpacking trips, paddling expeditions, overnight camping experiences, and nature-based day trips for youth from disinvested and unfairly marginalized communities so they can access all the physical, mental, and spiritual benefits of being connected to nature. The Organization operates and serves youth in Colorado, Washington, California, Minnesota, Wisconsin, Massachusetts, Alabama, and Florida. The Organization partners with schools and youth development agencies to better address the ongoing needs of youth served. The Organization offers youth the following:

Weeklong Expeditions:
The Organization's core program is a weeklong wilderness expedition that empowers youth from traditionally marginalized communities to find their voice, build social-emotional skills, and promote their health and wellness. The Organization's expeditions have a one-to-one ratio of adult mentors to youth participants, which helps them reach their full personal potential and benefit from the wilderness experience. Adult mentors come from diverse backgrounds and have a wide range of life experiences. These mentors, as role models, help youth become better equipped to make critical career, educational, and healthy lifestyle decisions.

The weeklong expeditions:

- Provide wilderness-based mentoring opportunities to youth ages 12 to 18 with trained, caring adults
- Have been shown to support youth and improve their self-esteem, self-efficacy, and sense of belonging
- Are led by professional field instructors as to ensure participant safety

Single Day Programs:
Single-day outings are outdoor activities in parks and outdoor spaces close to where the students the Organization serves live. Activities include hiking and canoeing. Single-day outings are the entry point that eventually lead up to the Organization's weeklong expeditions, where youth begin to foster relationships with adult mentors and grow more comfortable in the outdoors.

Overnight Programs:
Through single night front-country camping experiences, the Organization provides youth with a safe and supportive environment to develop a sense of self, understanding of their place in the natural world, a passion for lifelong learning, awareness of healthy lifestyles, and respect for the great outdoors. Activities at BCM overnights emphasize team-building and outdoor education to teach citizenship and teamwork. These activities allow campers to learn, refine, and practice critical life skills using the outdoors as a unique context for these lessons.

Note 1 - Significant Accounting Policies (continued)

Nature of Organization (continued)

Adventure for Someone:
Adventure for Someone (AFS) enables anyone to create their own custom challenge in the outdoors and turn it into a peer-to-peer fundraiser for the Organization. Individuals raise funds for the Organization while participating in their climb or custom challenge.

Basis of Presentation

The financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP).

Classification of Net Assets

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

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor restrictions. The governing Board has designated from net assets without donor restrictions, funds to be held in an endowment.

Net assets with donor restrictions: Net assets subject to donor or certain grantor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time, or other events specified by the donor. Other explicit donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose for which the resource was restricted has been fulfilled.

Prior-Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. The prior-year presentation does not include sufficient detail to constitute presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Note 1 - Significant Accounting Policies (continued)

Income Taxes

The Organization is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from activities not directly related to the Organization's tax exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(ii) and has been classified as an organization other than a private foundation under Section 509(a)(1).

The Organization applies a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in a tax return. After evaluating the tax positions taken, none are considered to be uncertain, therefore, no amounts have been recognized as of December 31, 2024 and 2023.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from the estimates.

Fair Value of Financial Instruments

The Organization's financial instruments include cash, receivables, investments, accounts payable and short-term borrowings. The fair values of these financial instruments approximate their carrying amounts based on current market indicators, such as prevailing interest rates and their nearness to maturity.

Contributions and Grants Receivable

Contributions and grants receivable are recognized as revenue in the period awarded and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Contributions and grants receivable are recognized at the net realizable value if expected to be collected within one year, and at fair value if expected to be collected in greater than one year. At December 31, 2024 and 2023, contributions and grants receivable have been determined to be fully collectible. Accordingly, no allowance for doubtful accounts has been recorded.

Conditional contributions and grants receivable are recognized when the conditions on which they depend are substantially met.

Investments

The Organization carries investments in marketable securities with readily determinable fair values at their fair values in the Statements of Financial Position. Realized and unrealized gains and losses, dividends, interest, and investment management fees are reported in investment income (loss) on the Statement of Activities.

Note 1 - Significant Accounting Policies (continued)

Inventory

Inventory consists of items such as clothing, camping supplies, food items, and other materials that have been purchased by or donated to the Organization. Purchased inventory is recorded at the lower of cost or realizable value. Donated inventory is recorded at 50% of the MSRP for any given item.

Property and Equipment

Property and equipment are stated at cost or at the estimated fair value at the date of donation. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, which range from 5 to 30 years. All assets with a useful life of more than 1 year and a cost of more than $1,000 are capitalized.

Lease Accounting

The Organization determines if an arrangement is or contains a lease at inception. If the contract provides the Organization the right to substantially all of the economic benefits and the right to direct use of the identified asset, it is considered to be or to contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred. The Organization has elected to use a risk-free rate for a term similar to the underlying lease as the discount rate is the implicit rate in the lease contract is not readily determinable.

Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

For operating leases with lease payments that fluctuate over the lease term, the total lease costs are recognized on a straight-line basis over the lease term.

For all underlying classes of assets, the Organization has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include a option to renew the lease that the Organization is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The Organization recognizes short-term lease cost on a straight-line basis over the lease term.

For all underlying classes of assets, the Organization separated lease and non-lease components to determine the lease payment.

Note 1 - Significant Accounting Policies (continued)

Revenue Recognition

Contribution Revenue

Contributions are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when awarded.

Unconditional or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any 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 restrictions.

Grant Revenue

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

Grant Awards that are Contributions - Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.

Grant Awards that are Exchange Transactions - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control over the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

Note 1 - Significant Accounting Policies (continued)

Revenue Recognition (continued)

In-Kind Contributions

Donated goods are reflected as contributions in the financial statements at their estimated fair values at the date of donation. Donated services are recognized as contributions in accordance with GAAP for Not-for-Profit Organizations if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Volunteers provided assistance with specific programs and fundraising events throughout the year that were not recognized as contributions in the financial statements because the recognition criteria were not met.

Functional Expense Allocation

The Statement of Functional Expenses reports certain categories of expenses that are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated among the program and supporting services benefited. Allocated expenses include salaries, payroll taxes and employee benefits, rent, telephone and internet, and insurance, and are allocated based on time and effort.

Advertising and Promotion

Advertising and promotion are expensed as incurred and totaled $1,263 and $6,726 for the years ended December 31, 2024 and 2023, respectively.

Subsequent Events

In preparing its financial statements, the Organization has evaluated subsequent events through June 30, 2025, which is date the financial statements were available to be issued. Management of the Organization has not identified any material subsequent events that require reporting or disclosure, except as discussed in Note 9.

Note 2 - Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following as of December 31, 2024 and 2023:

	2024	2023
Cash	$ 470,759	$ 508,809
Investments	495,234	408,601
Contributions and grants receivable - due within one year	293,298	206,275
Total Financial Assets	1,259,291	1,123,685
Less:		
Donor restricted endowment fund	394,034	308,601
Restricted program contributions included in cash	135,000	135,000
Restricted program contributions included in receivables due within one year	118,250	57,917
Total Financial Assets Available for General Expenditure	$ 747,007	$ 757,167

The Organization does not have a formal liquidity policy. According to the investment policy, cash is to be employed productively by investing in short-term equivalents to provide for liquidity and to optimize returns within the constraints defined in the policy.

At December 31, 2024, the Organization also had two lines-of-credit for cash flow needs up to $85,000 as discussed in Note 9. One of the lines matured in 2025 and was not renewed.

Note 3 - Concentration of Credit Risk

Since the Organization periodically places cash in individual financial institutions in excess of FDIC insured limits, the Organization periodically reviews the financial condition of the financial institutions to reduce the Organization's credit risk associated with cash. Additionally, the Organization places its cash with high credit quality financial institutions.

Credit risk associated with contributions and grants receivable is limited due to the number and creditworthiness of the entities from which the amounts are due. At December 31, 2024 and 2023, 77% and 70% of contributions and grants receivable were due from three donors and two donors, respectively.

The Organization receives virtually all its revenue from public support. A significant reduction in the level of support, if this were to occur, may have an adverse effect on the Organization's programs and activities.

Note 4 - Contributions and Grants Receivable

The Organization accounts for contributions receivable at the net realizable value if expected to be collected within one year, and at fair value if expected to be collected in greater than one year. The Organization discounted the long-term contribution receivable to present value discount using a weighted-average discount rate of 4.16% and 3.98% for the years ended December 31, 2024 and 2023, respectively.

The following table represents the expected maturities of contributions and grants receivable at December 31, 2024 and 2023.

	2024	2023
Due in less than one year	$ 293,298	$ 206,275
One to five years	122,242	121,140
	415,540	327,415
Less: present value discount	(13,189)	(13,189)
	$ 402,351	$ 314,226

Conditional Contributions and Grants Receivable

At December 31, 2024 and 2023, the Organization had been awarded $35,323 and $95,750, respectively, of grants that had not been recognized into revenue as payments are conditional upon the Organization incurring qualifying expenditures.

Note 5 - Investments

Investments in marketable securities are recorded at fair value and consist of the following at December 31, 2024 and 2023:

	2024	2023
Equity mutual funds and exchange traded funds	$ 254,844	$ 132,807
Fixed income mutual funds	96,536	98,482
Crypto-currency	1,200	644
Certificates of deposit	-	50,058
Money market funds	142,654	126,610
Total Investments	$ 495,234	$ 408,601

Note 5 - Investments (continued)

Investments, in general are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment Income (Loss)

Investment income (loss) consisted of the following for the years ended December 31, 2024 and 2023:

	2024	2023
Interest and dividends	$ 15,624	$ 4,752
Realized and unrealized gains (losses) on investments, net	(16,449)	29,316
Investment Income (Loss), Net	$ (825)	$ 34,068

Note 6 - Endowment

The State of Colorado adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective September 1, 2008. Board of Directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a consequence, the Organization classifies as net assets with donor restrictions: (a) the original value of the gifts donated to the endowment, and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified as permanent endowment is classified as accumulated earnings on the endowment until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Board acknowledges that donors to an endowment fund intend that the principal of the endowment fund shall be preserved in perpetuity. In making a determination to appropriate or accumulate, the Organization shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and shall consider, if relevant, the following factors:

(1) The duration and preservation of the fund;
(2) The purpose of the Organization and the donor-restricted endowment fund;
(3) General economic conditions;
(4) The possible effect of inflation and deflation;
(5) The expected total return from income and the appreciation of investments;
(6) Other Organization resources;
(7) The investment policies of the Organization.

Note 6 - Endowment (continued)

The following table summarizes the changes in the endowment net assets for the years ended December 31, 2024 and 2023:

	Total
Balance, December 31, 2022	$ 197,433
Undesignation of donor restricted contribution *	(29,465)
Contributions	107,146
Investment income, net	33,487
Balance, December 31, 2023	308,601
Contributions	83,700
Investment income, net	1,733
Balance, December 31, 2024	$ 394,034

* At December 31, 2022, the Organization had designated $29,465 of net assets to function as an endowment. In 2023, the Board of Director's approved a motion to remove the designation and permit the funds to be used for operations.

The following tables summarize the historical gift value and accumulated earnings of the donor-restricted endowment and the board designated endowment at December 31, 2024 and 2023:

	2024	2023
Donor restricted endowment		
Historical gift value	$ 340,889	$ 257,189
Accumulated earnings	53,145	51,412
Total	$ 394,034	$ 308,601

Investment Return Objectives

The Organization has adopted an investment policy for the endowment assets with an objective of providing a predictable stream of funding to programs supported by the endowment while seeking to maintain purchasing power of the endowment assets.

Note 6 - Endowment (continued)

Spending Policy

Disbursements from the endowment is determined by a spending policy established by the Endowment Policy. The spending policy allows for annual disbursements of up to 5% of the market value of the fund.

Funds with Deficiencies

From time to time, the endowment fund may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2024 and 2023, there was no such deficiency.

Note 7 - Fair Value Measurements

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority level; Level 2 inputs consist of observable inputs other than quoted prices for identical assets (Level 1); and Level 3 inputs are unobservable and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are used for investments for which Level 1 inputs were not available. Level 3 inputs would only be used if Level 1 or Level 2 inputs were not available. There are no Organization assets requiring the use of Level 3 inputs for the periods presented.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used as of December 31, 2024 and 2023.

Mutual funds, exchange traded funds and crypto-currency: Fair value based on publicly-quoted price in an active market.

Certificates of deposit: valued at cost plus accrued interest which approximates fair value.

Note 7 - Fair Value Measurements (continued)

The following tables set forth by level, within the fair value hierarchy, the Organization's investment assets at fair value as of December 31, 2024 and 2023. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

December 31, 2024	Level 1	Level 2	Level 3	Total
Mutual funds, exchange traded funds and crypto-currency	$ 495,234	$ -	$ -	$ 495,234

December 31, 2023	Level 1	Level 2	Level 3	Total
Mutual funds, exchange traded funds and crypto-currency	$ 358,543	$ -	$ -	$ 358,543
Certificates of deposit	-	50,058	-	50,058
	$ 358,543	$ 50,058	$ -	$ 408,601

Note 8 - Property and Equipment

Property and equipment consisted of the following at December 31, 2024 and 2023.

	2024	2023
Land	$ 104,024	$ 104,024
Building and improvements	105,679	105,679
Furniture, fixtures and equipment	26,683	26,683
	236,386	236,386
Less: accumulated depreciation	(45,530)	(38,834)
	$ 190,856	$ 197,552

In May 2015, certain real property (land and a building located in Minnesota) was donated to the Organization. The land and building were valued at appraised value. The property is subject to a conservation easement granted to the Minnesota Land Trust in October 2006. The property is also subject to restrictions on future sale.

Note 9 - Lines-of-Credit

The Organization had a line-of-credit with a financial institution for borrowings of up to $55,000 at an interest rate equal to the prime rate plus 1.25% with a minimum rate of 5.5%. The line matured on March 1, 2025 and was not renewed. As of December 31, 2024 and 2023, there was no outstanding balance on the line of credit.

The Organization has an unsecured line-of-credit with a financial institution for borrowings of up to $30,000 at an interest rate equal to the prime rate plus .5% with a minimum rate of 5.0%. The line matures on April 5, 2026. As of December 31, 2024 and 2023, there was no outstanding balance on the line of credit.

Note 10 - Operating Lease Commitments

In February 2022, the Organization entered into a twelve month operating lease for office space located in Arvada, Colorado. The lease requires monthly rents of $2,605 and was set to mature in December 2024. In October 2024, the Organization entered into an amended lease agreement to extend the maturity date to December 31, 2025. The amended lease agreement requires monthly rents of $2,735.

The ROU asset reflected on the Statement of Financial Position represents the Organization's right to use underlying assets for the lease term, and the lease liability reflected on the Statement of Financial Position represents the Organization's obligation to make lease payments arising from these leases. The ROU asset and lease liability, which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The Organization has elected to use a risk free rate in lieu of its incremental borrowing rate to discount future lease payments. For both years, the weighted-average discount rate applied to calculate the operating lease liability was 1.18% and the weighted average remaining maturity is 12 months.

Future minimum rent payments due under the operating lease is as follows:

	December 31st
2025	$ 31,260
Less: present value discount	(1,388)
Operating lease liability	$ 32,648

For the years ended December 31, 2024 and 2023, lease costs consisted of operating lease costs of $33,521 and $31,451, respectively.

Note 11 - Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following at December 31, 2024 and 2023:

As of December 31,	2024	2023
Subject to expenditure for specified purpose		
Home office purchase	$ 100,000	$ 100,000
Subject to the passage of time		
Contributions and grants receivable	402,351	314,226
Endowment		
Historical gift value	340,889	257,189
Accumulated earnings on the endowment	53,145	51,412
Total Net Assets with Donor Restrictions	$ 896,385	$ 722,827

Note 12 - In-Kind Contributions

Donated materials and services are reflected in the Statements of Activities as contributions without restrictions unless restricted by the donor for a specific purpose and consisted of the following for the years ended December 31, 2024 and 2023:

Description	Valuation Methodology	2024	2023
Gear and equipment	50% of MSRP for the specific product or comparable products	$ 104,328	$ 86,514
Donated stock	Valued in a publicly traded market on the date of donation	33,091	32,601
Professional services	Standard industry pricing for similar services	138,662	225,047
		$ 276,081	$ 344,162

Note 12 - In-Kind Contributions (continued)

The Organization receives donations of clothing, camping gear, food items, and other materials for use in its programs. The Organization sold the donated stock on the date of the donation. Professional services consists primarily of marketing and public relations services utilized to market and brand the Organization and its programs.

Note 13 - Retirement Plan

The Organization has established an employee benefit plan under Section 401(k) of the Internal Revenue Service (the "Plan"). The Plan covers all employees aged twenty-one or older who have attained three months of service. Employees may elect to defer a portion of their compensation, subject to certain limits, as allowed under the Internal Revenue Code. The Plan is completely employee funded. For the years ended December 31, 2024 and 2023, the Organization has elected to not make any employer contributions to the Plan.

Note 14 - Reclassifications

During the year ended December 31, 2024, the Organization determined that it had not properly accounted for release of restricted funds relating to construction of real property in Minnesota. The Organization recorded a prior-period adjustment in the amount of $35,000 to reclassify restricted net assets to unrestricted net assets to correct the restricted balance at December 31, 2024 and 2023.