Continental Divide Trail Coalition

Financial Statements and Independent Auditor's Report
December 31, 2024 and 2023

CONTINENTAL DIVIDE TRAIL COALITION

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To the Board of Directors of
Continental Divide Trail Coalition
Golden, Colorado

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of Continental Divide Trail Coalition (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years 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 Continental Divide Trail Coalition as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 Continental Divide Trail Coalition 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 Continental Divide Trail Coalition's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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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.

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 Continental Divide Trail Coalition'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 Continental Divide Trail Coalition'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.

Artesian CPA, LLC

Artesian CPA, LLC

Denver, Colorado
April 9, 2025

CONTINENTAL DIVIDE TRAIL COALITION
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2024 and 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and equivalents - unrestricted	$ 902,982	$ 712,865
Cash and equivalents - restricted	277,987	490,256
Accounts and grants receivable	103,022	73,533
Inventory	4,653	10,234
Prepaid expenses	9,928	5,205
Total Current Assets	1,298,572	1,292,093
Property and Equipment:		
Automobiles	52,945	36,177
Accumulated depreciation	(14,370)	(6,633)
Total Property and Equipment, Net	38,575	29,544
Non-Current Assets:		
Investments	203,825	273,373
Total Non-Current Assets:	203,825	273,373
TOTAL ASSETS	$ 1,540,972	$ 1,595,010
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accrued expenses	$ 70,670	$ 41,417
Refundable advance - grants	277,987	490,256
Deferred revenue	20,475	-
Total Current Liabilities	369,132	531,673
Net Assets:		
Without donor restrictions	968,015	914,964
With donor restrictions	203,825	148,373
Total Net Assets	1,171,840	1,063,337
TOTAL LIABILITIES AND NET ASSETS	$ 1,540,972	$ 1,595,010

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

CONTINENTAL DIVIDE TRAIL COALITION
STATEMENT OF ACTIVITIES
For the year ended December 31, 2024

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities:			
Public support and revenues:			
Grant revenue	$ 1,382,038	$ -	$ 1,382,038
Contributions	413,575	40,000	453,575
Shuttle rides	34,334	-	34,334
Member dues	4,942	-	4,942
Other revenue:			
Merchandise revenue	21,554	-	21,554
Merchandise costs of goods sold	(10,446)	-	(10,446)
Royalty revenue	19,254	-	19,254
Special events (integral and ongoing):			
Special events revenue	12,988	-	12,988
Special events - direct costs	(2,529)	-	(2,529)
Net assets released from restriction	-	-	-
Total public support and revenues	1,875,710	40,000	1,915,710
Expenses:			
Program activities:			
Stewardship	547,930	-	547,930
Outreach	621,566	-	621,566
Communities	343,756	-	343,756
Supporting services:			
Management and general	137,003	-	137,003
Fundraising	225,545	-	225,545
Total expenses	1,875,800	-	1,875,800
Change in net assets from operating activities	(90)	40,000	39,910
Non-Operating Activities:			
Earned income tax credit refund	553	-	553
Interest and dividend income	52,588	6,739	59,327
Unrealized (loss)/gain on investments	-	8,713	8,713
Change in net assets from non-operating operating activities	53,141	15,452	68,593
Change in net assets	53,051	55,452	108,503
Net assets at beginning of year	914,964	148,373	1,063,337
Net assets at end of year	$ 968,015	$ 203,825	$ 1,171,840

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

CONTINENTAL DIVIDE TRAIL COALITION
STATEMENT OF ACTIVITIES
For the year ended December 31, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities:			
Public support and revenues:			
Grant revenue	$ 852,541	$ -	$ 852,541
Contributions	384,937	16,767	401,704
Shuttle rides	71,903	-	71,903
Member dues	12,199	-	12,199
Other revenue:			
Merchandise revenue	23,399	-	23,399
Merchandise costs of goods sold	(14,376)	-	(14,376)
Miscellaneous	22,811	-	22,811
Special events (integral and ongoing):			
Special events revenue	18,156	-	18,156
Special events - direct costs	(337)	-	(337)
Net assets released from restriction	-	-	-
Total public support and revenues	1,371,233	16,767	1,388,000
Expenses:			
Program activities:			
Stewardship	391,842	-	391,842
Outreach	290,034	-	290,034
Communities	237,628	-	237,628
Supporting services:			
Management and general	290,776	-	290,776
Fundraising	196,235	-	196,235
Total expenses	1,406,515	-	1,406,515
Change in net assets from operating activities	(35,282)	16,767	(18,515)
Non-Operating Activities:			
Earned income tax credit refund	1,056	-	1,056
Interest and dividend income	42,651	5,677	48,328
Unrealized gain on investments	5,814	-	5,814
Change in net assets from non-operating operating activities	49,521	5,677	55,198
Change in net assets	14,239	22,444	36,683
Net assets at beginning of year	900,725	125,929	1,026,654
Net assets at end of year	$ 914,964	$ 148,373	$ 1,063,337

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

CONTINENTAL DIVIDE TRAIL COALITION
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2024

	Program Activities				Supporting Activities		
	Stewardship	Outreach	Communities	Program Subtotal	Management and General	Fundraising	Total
Payroll expense	$ 314,920	$ 313,450	$ 225,692	$ 854,062	$ 97,204	$ 166,631	$ 1,117,897
Outreach expense	-	206,772	-	206,772	-	-	206,772
Payroll tax	21,336	21,237	15,291	57,864	6,471	11,356	75,691
Meetings and trainings	10,615	9,931	37,628	58,174	2,641	-	60,815
Cooperative stewardship expenses	58,557	-	-	58,557	-	-	58,557
Volunteer trail work	43,607	-	-	43,607	-	-	43,607
Membership and development expense	-	-	-	-	-	41,996	41,996
Occupancy expense	14,178	10,459	7,531	32,168	3,187	5,562	40,917
Community engagement expense	-	-	39,603	39,603	-	-	39,603
Terminus shuttle program	11,493	11,493	11,492	34,478	-	-	34,478
Website expense	-	29,959	-	29,959	-	-	29,959
Trail policy expense	16,857	8,875	-	25,732	-	-	25,732
Volunteer administration	16,348	-	-	16,348	-	-	16,348
Trail protection expenses	14,692	-	-	14,692	-	-	14,692
Insurance expense	9,208	-	2,000	11,208	3,083	-	14,291
Technology expense	2,643	2,643	2,643	7,929	3,492	-	11,421
Office expense	894	4,247	1,876	7,017	2,295	-	9,312
Depreciation	7,737	-	-	7,737	-	-	7,737
Dues, subscriptions, and licenses	2,500	2,500	-	5,000	2,671	-	7,671
Professional fees	-	-	-	-	6,500	-	6,500
Miscellaneous expense	-	-	-	-	4,748	-	4,748
Contractor expense	-	-	-	-	3,800	-	3,800
Geospacial information services	2,345	-	-	2,345	-	-	2,345
Bank fees	-	-	-	-	911	-	911
	$ 547,930	$ 621,566	$ 343,756	$ 1,513,252	$ 137,003	$ 225,545	$ 1,875,800

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

CONTINENTAL DIVIDE TRAIL COALITION
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2023

	Program Activities				Supporting Activities		
	Stewardship	Outreach	Communities	Program Subtotal	Management and General	Fundraising	Total
Payroll expense	$ 220,880	$ 190,944	$ 160,916	$ 572,740	$ 163,100	$ 152,206	$ 888,046
Contractor expense	24,686	15,738	3,034	43,458	46,808	5,838	96,104
Payroll tax	15,820	13,676	11,525	41,021	11,682	10,902	63,605
Meetings and training	6,534	2,613	20,009	29,156	14,801	-	43,957
Outreach expense	-	41,243	-	41,243	-	-	41,243
Terminus shuttle program	14,833	7,417	14,833	37,083	-	-	37,083
Land protection expenses	34,467	-	-	34,467	-	-	34,467
Volunteer trail work	30,881	-	-	30,881	-	-	30,881
Community engagement expense	-	-	27,311	27,311	-	-	27,311
Membership and development expense	-	-	-	-	-	27,289	27,289
Advocacy expense	16,254	8,752	-	25,006	-	-	25,006
Occupancy expense	2,352	-	-	2,352	13,324	-	15,676
Insurance expense	1,783	2,648	-	4,431	9,049	-	13,480
Technology expense	-	-	-	-	11,818	-	11,818
Trail Management expense	10,335	-	-	10,335	-	-	10,335
Office expense	-	-	-	-	8,141	-	8,141
Website expense	-	7,003	-	7,003	-	-	7,003
Depreciation	6,633	-	-	6,633	-	-	6,633
Volunteer administration	6,384	-	-	6,384	-	-	6,384
Dues, subscriptions and licenses	-	-	-	-	6,196	-	6,196
Bank fees	-	-	-	-	4,265	-	4,265
Miscellaneous expense	-	-	-	-	1,592	-	1,592
	$ 391,842	$ 290,034	$ 237,628	$ 919,504	$ 290,776	$ 196,235	$ 1,406,515

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

CONTINENTAL DIVIDE TRAIL COALITION
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 108,503	$ 36,683
Adjustments to reconcile change in net assets to net cash provided by/(used in) operating activities:		
Depreciation	7,737	6,633
Unrealized gain on investments	(8,713)	(5,814)
Change in operating assets and liabilities:		
Change in accounts and grants receivable	(29,489)	56,447
Change in inventory	5,581	2,680
Change in prepaid expenses	(4,723)	(1,423)
Change in accrued expenses	29,253	(10,078)
Change in refundable advance - grants	(212,269)	205,878
Change in deferred revenue	20,475	-
Net cash (used in)/provided by operating activities	(83,645)	291,006
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from withdrawal of investments	125,000	-
Purchase of investments	(40,000)	(10,955)
Purchase of property and equipment	(16,768)	(36,177)
Reinvested dividends	(6,739)	(5,676)
Net cash provided/(used in) investing activities	61,493	(52,808)
Net change in cash and equivalents	(22,152)	238,198
Cash and equivalents at beginning of year	1,203,121	964,923
Cash and equivalents at end of year	$ 1,180,969	$ 1,203,121
Cash reported on Statement of Financial Position:		
Cash and equivalents - unrestricted	$ 902,982	$ 712,865
Cash and equivalents - restricted	277,987	490,256
Total cash and cash equivalents	$ 1,180,969	$ 1,203,121
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	$ -	$ -

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Continental Divide Trail Coalition (the "Organization" or "CDTC") is a non-profit organization incorporated on June 14, 2012. The Organization's mission is to complete, promote, and protect the Continental Divide National Scenic Trail ("CDNST" or the "Trail").

The Organization has the following program services:

Stewardship: The CDNST will be located and constructed to provide the most scenic, diverse and inspiring experience, sensitive to the environment, constructed to a high quality non-motorized standard, and signed. The work varies in difficulty due to location, topography, soils and weather conditions; and determines whether volunteers, youth corps, land manager crews or private contractors perform the work. CDTC works closely with our federal partners to foster communication with the public in an effort to find the most appropriate location for the Trail. Trail planning, which includes environmental assessments, public input and review, field surveys, engineering and trail layout, is the critical first step toward building and completing the Trail. This also includes active engagement in forest planning efforts, BLM resource management planning, and National Park Service Planning efforts.

Outreach: Outreach and education conducted through CDTC's programs, website and printed materials are critical to successfully build and preserve the Trail for future generations and will result in more knowledgeable and environmentally and socially responsible individuals, as well as the completion and preservation of an American treasure.

Communities: Through the CDT Gateway Community Program, we have designated 21 communities along the CDT including one in every Trail state.

Financial Statement Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). ASC 958-205 was adopted effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and 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 as follows:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net Assets 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 Non-Profit 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.

Use of Estimates

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

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less, except those designated for long-term purposes, to be cash equivalents. The Organization's cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits. As of December 31, 2024 and 2023, the Organization's cash balances exceeded FDIC insured limits by $835,451 and $862,453, respectively.

Grants and Accounts Receivable

Receivables, representing amounts due from grantors and contributions pledged by donors, are stated at amounts estimated by management to be the net realizable value. The Organization periodically evaluates the collectability of accounts receivable and establishes a reserve for uncollectible accounts based on an evaluation of the specific unpaid account balances.

Inventory

Inventory is stated at the lower of cost or market and accounted for using the first-in first-out method. The inventory balances as of December 31, 2024 and 2023 consist of hats, maps and water bottles. The Organization evaluates its inventory for impairment and obsolescence based on future demand, market conditions, sales history, changes in product demand, regional economic conditions, and historical experience. When the estimated inventory market value is less than its carrying value, the carrying value is adjusted to market value and the resulting impairment is charged to costs of goods sold in the statement of activities.

Property and Equipment

Acquisitions of assets in excess of $1,000 are capitalized at cost. Property and equipment is depreciated using the straight-line method over the assets estimated useful life. Depreciation expense for the years ended December 31, 2024 and 2023 was $7,737 and $6,633, respectively.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings and equipment are reported as net assets without donor restrictions upon acquisition of the assets and the assets are placed in service.

Grant Revenue Recognition

The Organization's revenues from government and private grants are recognized when the Organization incurs qualifying expenditures in compliance with specific grant provisions. Funds received in advance of being earned are recognized as deferred revenue and reported as Refundable advance – grants, which represents a contract liability. Generally, payment is due from the grantor once the Organization submits an invoice for payment. The continuation of grant-funded programs beyond the expiration dates of current agreements is subject to future funding decisions by sponsoring agencies.

Contributions

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor's conditions. A contribution or promises to give contains a donor or grantor condition when both of the following are present: A) an explicit indication of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized; B) 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 barriers to entitlement are overcome. Unconditional contributions are recognized as revenue when received. Unconditional contributions 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 up 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. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Contributed Services and Other In-Kind Contributions

Contributed services are recorded if they (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. A number of volunteers have contributed significant amounts of their time in the Organization's program services but are not recognized as contributions in the financial statements because they do not meet the aforementioned criteria. For the years ended December 31, 2024 and 2023 there were no in-kind contributions.

Revenue Recognition

The Organization recognizes revenue in accordance with ASC 606 when it has satisfied its performance obligations under agreements with customers and collectability is probable.

Measure of Operation

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

Leases

In 2022, the Organization adopted ASC 842, *Leases*, as amended, which supersedes the lease accounting guidance under Topic 840, and generally requires lessees to recognize operating and finance lease liabilities and corresponding right-of-use (ROU) assets on the balance sheet and to provide enhanced disclosures surrounding the amount, timing and uncertainty of cash flows arising from lease arrangements. The Organization adopted the new guidance using a modified retrospective method. Under this method, the Organization elected to apply the new accounting standard only to the most recent period presented, recognizing the cumulative effect of the accounting change, if any, as an adjustment to the beginning balance of net assets. Accordingly, prior periods have not been restated to reflect the new accounting standard.

The Organization elected transitional practical expedients for existing leases which eliminated the requirements to reassess existing lease classification, initial direct costs, and whether contracts contain leases. Also, the Organization elected to present the payments associated with short-term leases as an expense in statements of operations. Short-term leases are leases with a lease term of 12 months or less.

Functional Allocation of Expenses

The costs of providing the various programs and services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Payroll and payroll taxes	Time and Effort
Occupancy	Square Footage

All other expenses were allocated based on the specific identification method.

Income Tax

No provision has been made for income taxes, since the Organization is exempt from Federal income tax pursuant to Internal Revenue Code Section 501(c)(3). There was no unrelated business taxable income during the year. The Organization has not recognized any cumulative adjustment relating to the adoption of FASB ASC Income Tax Topic, nor are there any unrecognized tax benefits to be disclosed as of December 31, 2024 and 2023. Uncertainty in income taxes for a not-for-profit organization would include the status of its exemption from taxes, status of filings in local jurisdictions, and unrelated business income, if any. The Organization's information return filings for the years 2022 to 2024 remain subject to examination by the Internal Revenue Service.

NOTE 2: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

> Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
>
> Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).
>
> Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

The asset's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Cash and money market accounts are listed at cost which approximates their fair value. The Organization values mutual funds using their adjusted close prices from the last day of trading before the balance sheet date.

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

The carrying amount reported in the Statement of Financial Position for cash and cash equivalents, accounts and grants receivable, accrued expenses and investments, approximate fair value because of the immediate or short-term maturities of these financial instruments.

At December 31, 2024, the Organization's investments resided in the following classifications:

	Total	Level 1	Level 2	Level 3
Money market	$ 151,947	$ 151,947	$ -	$ -
Mutual fund	51,878	51,878	-	-
Total	$ 203,825	$ 203,825	$ -	$ -

At December 31, 2023, the Organization's investments resided in the following classifications:

	Total	Level 1	Level 2	Level 3
Money market	$ 105,234	$ 105,234	$ -	$ -
Mutual fund	43,139	43,139	-	-
Investment in debt security	125,000	-	-	125,000
Total	$ 273,373	$ 148,373	$ -	$ 125,000

Investment in Debt Security

On December 1, 2022, the Organization purchased a debt security from a privately-held company in the form of a promissory note (the "Note") for $125,000. The Organization's investment in the Note has been classified as a cost basis investment. The Note earned interest at a rate of 5% per annum and matured on September 24, 2024. The Organization recorded interest income of $4,589 and $6,250 for the years ended December 31, 2024 and 2023, respectively.

NOTE 3: LEASE OBLIGATIONS

In October 2020, the Organization renewed its lease agreement. Monthly lease obligations under this agreement were $1,030 per month on a month-to-month basis and were reduced to $1,000 per month effective January 2024. The lease was terminated in September 2024.

In January 2024, the Organization entered into a 12-month lease for office and storage spaces, until December 2024. The agreement required monthly payments of $600.

In July 2024, the Organization entered into a lease agreement. Monthly lease obligations under this agreement is $600 per month on a month-to-month basis.

On October 29, 2024, the Organization entered into a 12-month lease commencing October 2024. The lease obligations under this agreement are $1,285 per month. At December 31, 2024, the future minimum lease payments required under this agreement due in 2025 totaled $11,565.

Rent expense for the years ended December 31, 2024 and 2023 totaled $27,404 and $14,326, respectively.

NOTE 4: REVENUE FROM CONTRACTS WITH CUSTOMERS

The Organization's revenue from contracts with customers is recognized within the following category for the years ended December 31, 2024 and 2023:

	2024	2023
Recognized at point in time		
Shuttle rides	$ 34,344	$ 71,903
Merchandise revenue	21,554	23,399
Royalty revenue	19,254	22,811
	$ 75,152	$ 118,113

A description of the Organization's revenue stream is as follows:

Shuttle rides: The Organization offers a shuttle service to assist hikers interested in traveling along the southernmost sections of the CDNST. The Organization recognizes revenue upon completion of the trip. The change in the Organization's deferred revenue account for the years ended December 31, 2024 and 2023, is comprised of the following:

	2024	2023
January 1	$ -	$ -
Shuttle rides revenue received	54,809	71,903
Shuttle rides revenue earned	(34,334)	(71,903)
December 31	$ 20,475	$ -

Merchandise revenue: The Organization sells hats, maps and water bottles. The Organization recognizes revenue when items are shipped, which satisfies the performance obligations.

Royalty revenue: The Organization also sells merchandise owned by partner vendors. In return, a portion of those merchandise sales goes to the Organization and recognized when items are shipped.

NOTE 5: CONCENTRATIONS

The Organization's revenue sources carry significant concentrations. For the year ended December 31, 2024, there were two granting agencies that represented over 10% of revenues and represented concentration of risk which were approximately 22% and 19% of total revenues. The Organization's grant receivables carry significant concentrations. For the year ended December 31, 2024, there were two granting agencies that represented over 10% of total receivables and represented a concentration of risk which were approximately 55% and 30% of total receivables. For the year ended December 31, 2023, the United States Forest Service represented over 10% of revenues and represented a concentration of risk which was approximately 17% of total revenues and 92% of receivables.

NOTE 6: COMMITMENTS AND CONTINGENCIES

The Organization has received grants for specific purposes that are subject to review and audit by grantor agencies. Such audits may result in grantor agencies requiring a reimbursement from the Organization for expenditures disallowed by the grant terms. Management does not expect any such disallowances to be material.

NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2024, net assets with donor restriction consisted of the following:

Subject to expenditure for specified purpose		
Weggel Legacy Fund	$	151,947
Winchester Trailblazer Fund		26,877
Board Endowment Fund		25,001
Total	$	203,825

As of December 31, 2023, net assets with donor restriction consisted of the following:

Subject to expenditure for specified purpose		
Weggel Legacy Fund	$	105,234
Winchester Trailblazer Fund		22,362
Board Endowment Fund		20,777
Total	$	148,373

NOTE 8: ENDOWMENT

General

The Organization's Endowment Fund was established by action of the Board of Directors (the "Board") to be maintained in perpetuity. The Endowment Fund may include both donor-restricted endowment funds as well as funds designated by the Board to function as endowments. The endowment funds may be established for either specific purposes or general operating use. As required by Generally Accepted Accounting Principles (GAAP), net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the net assets with donor restrictions and (b) the original value of subsequent gifts to be held in perpetuity. The investment amount reflected in net assets with donor restrictions is adjusted for the annual appreciation or depreciation and distribution of the funds held by Vanguard. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes 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 resources of the Organization
(7) The investment policies of the Organization

Return Objective and Risk Parameters

The Organization follows the investment and spending policies adopted by Vanguard for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of endowment assets. Investments include those assets of donor-restricted funds that the Foundation must hold in perpetuity.

Changes in Endowment Net Assets during the year ended December 31, 2024 are as follows:

Balance, January 1, 2024	$148,373
Contributions	40,000
Unrealized gain	8,713
Interest and dividend income	6,739
Endowment net assets December 31, 2024	$203,825

Changes in Endowment Net Assets during the year ended December 31, 2023 are as follows:

Balance, January 1, 2023	$125,929
Contributions	16,767
Interest and dividend income	5,677
Endowment net assets December 31, 2023	$148,373

Strategies Employed for Achieving Objectives

To satisfy its long-term objectives, the Organization relies on the Vanguard's investment policy and strategy which strive to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The funds are held in a pooled investment portfolio which are invested with a long-term strategy with a balanced portfolio of mutual funds and cash.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The principal balance of the Endowment may not be used. Once the fund has reached $25,000, 3.5% of the donor restricted Endowment may be appropriated for distribution each year, calculated based on the average fair market value of the end of the prior 12 quarters from September 30th preceding the fiscal year in which the distribution is planned. For endowments that were established within the last 12 quarters, quarters for which the balance was zero will not be included in the calculation of fair market value. The portion of the distribution amount to be derived from the Organization's Endowment Fund shall not exceed their prior year earnings. (Including interest and dividends), unless explicitly authorized by the Organization's Board. If the rate of return is declining, the Finance Committee will determine whether or not to take distributions or reinvest dividends until the pattern reverses.

NOTE 9: LIQUIDITY

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Financial Assets:	
Cash and equivalents -unrestricted	$ 902,982
Accounts receivable	103,022
Inventory	4,653
Prepaid expenses	9,928
Total Financial Assets	1,020,585
Less those unavailable for general expenditures within one year:	-
Financial assets available to meet cash needs for general expenditures within one year	$ 1,020,585

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization has historically operated at approximately break-even results, and can adjust expenses as necessary should future revenues decline.

NOTE 10: SUBSEQUENT EVENTS

Management of the Organization has evaluated events and transactions that occurred after the statement of financial position date through April 9, 2025, the date the financial statements were available to be issued and has determined that no subsequent events occurred that require recognition or disclosure in the financial statements.