

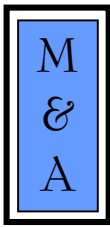


Financial Statements
June 30, 2024

**Walking Mountains
(A Colorado Non-Profit Corporation)
June 30, 2024**

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 3
Statement of Financial Position	4
Statement of Activities and Changes in Net Assets	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 18
Schedule of Revenues and Expenses – Budget and Actual	19



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

CHAPEL SQUARE, BLDG C
245 CHAPEL PLACE, SUITE 300
P.O. Box 5850, Avon, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM
MAIN OFFICE: (970) 845-8800
FACSIMILE: (970) 845-8108
E-MAIL: MCMAHAN@MCMAHANCPA.COM

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Walking Mountains
Avon, Colorado**

Opinion

We have audited the financial statements of Walking Mountains (the "Organization"), a Colorado non-profit corporation, which comprise the statement of financial position as of June 30, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 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 ("U.S. GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence 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 U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA

AVON: (970) 845-8800
ASPEN: (970) 544-3996
FRISCO: (970) 668-3481

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Walking Mountains
Avon, Colorado

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 U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules on page 19 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information, except for the portion marked "unaudited", on which we express no opinion, is fairly stated in all material respects in relation to the financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Walking Mountains
Avon, Colorado

Report on Summarized Comparative Information

We have previously audited Walking Mountain's June 30, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 9, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
November 11, 2024

Walking Mountains
(A Colorado Non-Profit Corporation)
Statement of Financial Position
June 30, 2024 and 2023

	2024	2023
Assets:		
Current assets:		
Cash and cash equivalents	\$ 23,703	209,568
Restricted cash held for others	284,913	137,587
Investments	864,058	742,276
Accounts receivable	196,319	135,468
Pledges receivable	2,009,509	758,420
Bookstore inventory	33,166	21,772
Other current assets	123,666	86,320
Total current assets	3,535,334	2,091,411
Non current assets:		
Pledges receivable	837,870	628,378
Endowment cash and investments	2,297,509	1,901,039
Total non current assets	3,135,379	2,529,417
Fixed assets, net	21,537,182	20,403,611
Total Assets	28,207,895	25,024,439
Liabilities and Net Assets:		
Current Liabilities:		
Accounts payable	431,820	172,012
Accrued payroll	264,752	196,842
Line of credit and cash reserve payable	527,763	396,815
Deferred revenue	538,438	675,592
Held for others	284,913	137,587
Total current liabilities	2,047,686	1,578,848
Total Liabilities	2,047,686	1,578,848
Net assets:		
Without donor restrictions:		
Net investment in fixed assets	21,537,182	20,403,611
Undesignated	821,043	685,928
With donor restrictions	3,801,984	2,356,052
Total net assets	26,160,209	23,445,591
Total Liabilities and Net Assets	\$ 28,207,895	25,024,439

The accompanying notes are an integral part of these financial statements.

Walking Mountains
(A Colorado Non-Profit Corporation)
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2024
With Summarized Totals for the Year Ended June 30, 2023

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Operating Income (Loss):				
Revenues:				
Contributions and grants	\$ 5,227,168	1,722,785	6,949,953	2,992,822
Contributed nonfinancial assets	310,105	-	310,105	334,765
Program fees and tuition	1,403,383	-	1,403,383	1,298,302
Special events	154,205	-	154,205	83,995
Investment income (loss)	101,112	194,669	295,781	257,210
Bookstore sales	24,379	-	24,379	23,174
Other	1,908	-	1,908	10,015
Net assets released from restrictions	471,522	(471,522)	-	-
Total Revenues	7,693,782	1,445,932	9,139,714	5,000,283
Expenses:				
Programs	4,449,910	-	4,449,910	3,776,983
Management and general	820,905	-	820,905	736,985
Fundraising and other supporting services	1,154,281	-	1,154,281	1,047,201
Total Expenses	6,425,096	-	6,425,096	5,561,169
Operating Income (Loss)	1,268,686	1,445,932	2,714,618	(560,886)
Change in Net Assets	1,268,686	1,445,932	2,714,618	(560,886)
Net Assets - Beginning of Year	21,089,539	2,356,052	23,445,591	24,006,477
Net Assets - End of Year	\$ 22,358,225	3,801,984	26,160,209	23,445,591

The accompanying notes are an integral part of these financial statements.

Walking Mountains
(A Colorado Non-Profit Corporation)
Statement of Functional Expenses
For the Year Ended June 30, 2024

	2024			
	Program Services	Management and General	Fundraising	Total
Accounting	\$ 19,559	2,201	2,690	24,450
Advertising and marketing	139,184	1,606	37,651	178,441
Bad debt expense (recovery)	-	(18,900)	-	(18,900)
Bank charges and credit card fees	15,733	5,095	5,987	26,815
Board and committee ops.	-	3,963	3,964	7,927
Capital improvements	73,137	9,142	9,142	91,421
Computer support	79,760	8,192	19,832	107,784
Contract services	69,861	-	-	69,861
Depreciation expense	542,489	36,166	24,111	602,766
Dues and subscriptions	9,891	9,891	9,894	29,676
Employees: IRA contribution	93,471	27,750	24,829	146,050
Employees: employee benefits	131,175	38,943	34,843	204,961
Employees: payroll expenses	190,431	56,534	50,583	297,548
Employees: salaries and wages	2,036,754	604,662	541,013	3,182,429
Employees: uniforms	9,127	2,710	2,424	14,261
Equipment	32,361	4,149	4,979	41,489
Fees and permits	10,873	-	1,344	12,217
Bookstore	2,928	-	-	2,928
Insurance	160,091	-	-	160,091
Interest expense	22,125	-	-	22,125
(Gain) loss on disposal of assets	(540)	-	(231)	(771)
Miscellaneous expenses	14,615	-	-	14,615
Office supplies	2,578	459	494	3,531
Postage	1,648	342	1,120	3,110
Printing and copying	9,589	2,397	3,996	15,982
Professional development	136,652	-	-	136,652
Professional fees	265,553	-	-	265,553
Program supplies	130,836	-	-	130,836
Recognition and awards	8,345	-	439	8,784
Recruitment	3,258	617	(446)	3,429
Rent and utilities	77,598	16,105	52,708	146,411
Repairs and maintenance	67,861	4,627	4,627	77,115
Special events expense	-	-	314,034	314,034
Telephone	25,633	1,748	1,748	29,129
Travel, lodging and entertainment	36,756	2,506	2,506	41,768
Vehicle	30,578	-	-	30,578
Total Expenses	\$ 4,449,910	820,905	1,154,281	6,425,096

The accompanying notes are an integral part of these financial statements.

Walking Mountains
(A Colorado Non-Profit Corporation)
Statement of Cash Flows
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	2024	2023
Cash Flows From Operating Activities:		
Cash received from contributions and grants	\$ 4,357,043	2,631,970
Cash received for program fees and tuition	1,337,709	1,318,225
Cash received from special events	154,205	83,995
Cash received from other	26,288	33,189
Cash received from interest	61,631	87,605
Cash paid to employees	(3,581,983)	(3,168,243)
Cash paid for interest	(22,125)	(7,508)
Cash paid for goods and services	(1,482,585)	(1,649,569)
Net Cash Provided by Operating Activities	850,183	(670,336)
Cash Flows From Financing Activities:		
Proceeds from contributions for:		
Investment in fixed assets	1,000,000	452,300
Cash drawn on line of credit	2,512,349	1,971,981
Cash repaid on line of credit	(2,381,401)	(1,581,962)
Net Cash Provided (Used) by Financing Activities	1,130,948	842,319
Cash Flows From Investing Activities:		
Cash received from sale of assets	6,278	-
Payments for purchase of property and equipment	(1,741,846)	(1,650,847)
Cash paid to purchase investments	(393,533)	(103,718)
Cash received from sale of investments	109,431	1,727,517
Net Cash Provided (Used) by Investing Activities	(2,019,670)	(27,048)
Net Change in Cash	(38,539)	144,935
Cash and Cash Equivalents - Beginning of Year	347,155	202,220
Cash and Cash Equivalents - End of Year	308,616	347,155
Reconciliation to Cash on Statement of Financial Position		
Cash and cash equivalents	23,703	209,568
Cash held for others	284,913	137,587
	308,616	347,155
Reconciliation of Operating Income (Loss) to		
Net Cash Provided by Operating Activities:		
Operating income (loss)	2,714,618	(560,886)
Adjustments:		
Depreciation expense	602,766	510,721
(Gain) loss on sale of asset	(771)	-
Contributions restricted for fixed assets	(1,000,000)	(452,300)
Unrealized (gain) loss on investments	(234,150)	(169,605)
(Increase) decrease in accounts receivable	(60,851)	1,093
(Increase) decrease in pledges receivable	(1,460,577)	(178,176)
(Increase) decrease in bookstore inventory	(11,394)	869
(Increase) decrease in other current assets	(37,346)	(17,309)
Increase (decrease) in accounts payable	259,324	(52,418)
Increase (decrease) in accrued payroll	67,910	24,321
Increase (decrease) in deferred revenue	(137,154)	288,452
Increase (decrease) in infrastructure escrow	147,808	(65,098)
Total Adjustments	(1,864,435)	(109,450)
Net Cash Provided by Operating Activities	\$ 850,183	(670,336)
Schedule of Noncash Investing Activities:		
Capitalized contributions	\$ -	92,700
	\$ -	92,700

The accompanying notes are an integral part of these financial statements.

**Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024**

1. Organization

Walking Mountains (the "Science Center"), a non-profit corporation, was founded in 1998. The Science Center was formerly Gore Range Natural Science School, but filed Articles of Amendment June 3, 2010 to change the name to Walking Mountains. The Science Center is located in Avon, Colorado, and strives to awaken a sense of wonder and inspire environmental stewardship and sustainability through natural science education. Programs include scientific field study trips for school groups, teacher training workshops, adult natural history seminars, guided nature hikes for families and adults, summer science camps, sustainability and stewardship programs, Hispanic community outreach, and graduate fellowship programs.

2. Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, which recognizes revenues when earned and expenses when incurred.

B. Support and Revenue Recognition

Unconditional promises to give (pledges) are recorded when received. Unconditional promises to give which are due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give that are due in subsequent years are reflected as long-term promises to give, and are recorded at the present value of their net realizable value, using an average of the one-year and three-year risk-free interest rates to discount these amounts.

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit or specify the use of the donated assets, whether by time period or purpose. When a donor restriction expires, that is, when a stipulated time restriction ends or the stated purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Endowment contributions are permanently restricted by the donor, with investment earnings to be used by the Science Center. Such investment earnings are recorded in accordance with the donor's stipulation.

Non-monetary donations of goods and services are accepted and recorded at their fair values when received. Donated services are recorded at their fair values in the period received, provided that such services either create or enhance non-financial assets or are considered to be "professional" services which the Science Center would otherwise be required to purchase. Donated fixed assets are recorded at fair value when received and reflected in these financial statements as contribution revenue and an addition to fixed assets.

The Science Center also derives revenues from program fees and tuition revenue within the fiscal year in which the related programs and educational services is provided. The Science Center may receive program funding from various governmental or corporate sources in exchange for an equivalent benefit in return. Revenues from such exchange transactions are recognized as related costs to the program funding as incurred. Retail store sales income is recognized at a point in time when goods are transferred to the customer.

**Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)**

2. Summary of Significant Accounting Policies (continued)

C. Cash and Cash Equivalents

All short-term investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the date of purchase, they have a maturity date of less than three months.

D. Restricted Cash Held for Others

At June 30, 2024, the Science Center held the following accounts for others and does not have the power to redirect funds to a different beneficiary:

Vail Community Gardens	\$ 7,636
Great Outdoors Colorado	757
Climate Action Collaborative	32,927
Eagle Valley Wild	15,561
EcoBuild	228,032
	<u>\$ 284,913</u>

The Science Center has a liability recorded for the same amount at June 30, 2024, representing that cash is being held for the use of others.

E. Investments

The Science Center has invested certain funds in mutual funds, equities and money market funds. Since these securities are intended to fund future expenditures and may provide a ready source of cash when so required, these investments are classified as trading. Accordingly, these securities are reported on these financial statements at fair market value, and all realized and unrealized gains and losses relating to original cost are included in current period earnings. See Note 5 below.

F. Allowance for Doubtful Pledges

The Science Center uses the allowance method for recognizing uncollectible pledges receivable. The allowance is an estimate based on an analysis of outstanding pledges receivable. At June 30, 2024, an allowance of \$12,168 was recorded. The Science Center considers pledges to be doubtful when they are 365 days or more past due and there has been no response from the donor.

G. Inventories

Bookstore inventories are stated at the lower of cost, utilizing the first in, first out method, and market value.

**Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)**

2. Summary of Significant Accounting Policies (continued)

H. Fixed Assets and Depreciation

Property and equipment having a unit cost of \$2,500 or more is capitalized at cost. Donated fixed assets having a fair value of \$2,500 or more are capitalized at fair value at the date of donation. Land and construction in progress are not depreciated.

Depreciation is provided using the straight-line basis over the following estimated useful lives:

Buildings and infrastructure	39
Furniture and fixtures	5-7
Computer equipment and website	3-7
Program and office equipment	5
Vehicles	5

I. Deferred Revenue

Deferred revenue represents funds for tuition, contract agreements and special event revenue for next fiscal year, which has been received in advance.

J. Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets 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 (or certain grantor) restrictions.

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 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, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)**

2. Summary of Significant Accounting Policies (continued)

K. Functional Expenses

The cost of providing the various programs and supporting services have been summarized on a functional basis in the Statement of Activities and Changes in Net Assets. Directly identifiable program expenses are charged to program services. Expenses related to more than one function are charged to program services on the basis of time spent or other factors influencing the generation of the expense. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Science Center. Accordingly, certain costs have been allocated among the program services benefited. Advertising costs are expensed as incurred and totaled \$165,569 for the year ended June 30, 2024.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

M. Comparative Information

The financial statements include certain prior year comparative information in total but not by net asset class. Accordingly, such information should be read in conjunction with the Science Center's financial statements for the year ended June 30, 2023, from which the comparative totals were derived.

N. Subsequent Events

Management has evaluated subsequent events through date of the auditor's report, the date the financial statements were available to be issued. Management does not believe there are any material subsequent events to report.

3. Promise to Give

Unconditional promises to give at June 30, 2024, are as follows:

Receivable in less than one year	\$ 2,009,509
Receivable in one to five years	960,305
Total unconditional promises to give	<u>2,969,814</u>
Less allowance for doubtful accounts	(12,167)
Less discount to present value	(110,268)
Net unconditional promises to give	<u><u>\$ 2,847,379</u></u>

Unconditional promises expected to be collected within one year are reported at their net realizable value. Unconditional promises to give in subsequent years are reported at the present value of their net realizable value, using risk-free interest rate applicable to the years in which the promises are received. The discount rate used on long-term promises to give at June 30, 2024 was 4.71%.

Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)

4. Conditional Promises to Give

Walking Mountains has received notification of the intention of twelve separate donors to bequeath \$3,483,068 in total. The amount of each bequest will be recognized in revenue when the probate court declares the will valid.

5. Investment Fair Value Measurements

Walking Mountains reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost as identified below, at June 30, 2024:

	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 23,703	\$ -	\$ -	\$ -
Investments:				
Money Market	864,058	864,058	-	-
Equity funds	1,426,761	1,426,761	-	-
Bond funds	870,748	870,748	-	-
	<u>3,161,567</u>	<u>3,161,567</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,185,270</u>	<u>\$ 3,161,567</u>	<u>\$ -</u>	<u>\$ -</u>

The Science Center's investments at June 30, 2024 were comprised of US treasuries and bond funds, exchange traded funds and mutual funds.

Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)

6. Liquidity and Availability of Resources

Walking Mountain's net assets consist of donor-restricted amounts and amounts without donor restrictions. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditures. Walking Mountain maintains access to a line of credit in the amount of \$750,000, which it could draw upon, to ensure financial assets are available as general expenditures and other obligations become due. The financial assets available within one year from June 30, 2024 for general expenditures are as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 23,703	\$ 209,568
Accounts and interest receivable	196,319	135,468
Contributions receivable	2,009,509	758,420
Investments - unrestricted	864,058	742,276
	<u>\$ 3,093,589</u>	<u>\$ 1,845,732</u>

7. Fixed Assets

The following is a schedule of changes in fixed assets:

	<u>Balance</u> <u>6/30/23</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/24</u>
Non-depreciable:				
Land	\$ 6,205,409	34,071	-	\$ 6,239,480
Construction in progress	-	-	-	-
Depreciable:				
Buildings and infrastructure	16,930,402	1,666,012	-	18,596,414
Equipment	165,750	8,022	-	173,772
Furniture and fixtures	236,851	33,740	-	270,591
Vehicles	208,829	-	(18,352)	190,477
Website	30,750	-	-	30,750
Total fixed assets	<u>23,777,991</u>	<u>1,741,845</u>	<u>(18,352)</u>	<u>25,501,484</u>
Less: accumulated depreciation	(3,374,380)	(602,766)	12,844	(3,964,302)
Total	<u>\$ 20,403,611</u>	<u>1,139,079</u>	<u>(5,508)</u>	<u>\$ 21,537,182</u>

Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)

8. Classification of Net Assets and Net Assets Released from Restriction

At June 30, 2024, Walking Mountains had the following net assets both without donor restrictions and with donor restrictions:

Without donor restriction	
Undesignated	\$ 821,043
Net investment in fixed assets	21,537,182
	<u>22,358,225</u>
With donor restriction	
Perpetual in nature	
Endowments	1,058,227
Time restrictions	2,358,122
Purpose restrictions	
Charitable Annuity	26,374
Professional development	359,261
	<u>3,801,984</u>
Total net assets	<u>26,160,209</u>
Total liabilities and net assets	<u>\$ 28,207,895</u>

Net assets were released from donor restriction by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Purpose restriction accomplished:	
Professional development	\$ 50,000
Charitable gift annuity	3,245
Purpose restrictions released to time restrictions	418,277
Total restrictions released	<u>\$ 471,522</u>

**Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)**

9. Long-Term Restricted Net Assets

During August 2014, a donor converted a short-term endowment into a long-term endowment for teacher remuneration in programs qualifying under the Colorado Child Care Credit. The balance of this endowment at June 30, 2024 was \$74,821.

During December 2015, a donor contributed \$1,000,000, whereby the Science Center can withdraw up to \$50,000 annually, without donor approval, for use in the professional development of Science Center staff. Any withdrawal amount greater than \$50,000 annually requires written approval from the donor. The balance of this endowment at June 30, 2024 was \$1,359,261.

The purpose of the Endowment is to provide the Science Center with a reliable source of ongoing, permanent revenue to compliment annual fundraising efforts. The Board of Trustees has interpreted the Colorado 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, unless there are explicit donor stipulations to the contrary. At June 30, 2024, there were no such donor stipulations. As a result of this interpretation, the School retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

Walking Mountain's investment policy ensures that funds are available to meet obligations with optimized returns within appropriate safety and liquidity constraints. Annual withdrawals from endowments will be limited to 5% of the market value of the originally endowed amount or current market value, whichever is greater, unless otherwise limited by the donor.

The following is a reconciliation of endowment balances:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Endowment net assets, beginning	\$ 613,338	\$ 1,287,701	\$ 1,901,039
Contributions	271,751	50,000	321,751
Release in donor restrictions	(143,245)	(50,000)	(193,245)
Net appreciation, realized and unrealized	97,519	159,652	257,171
Investment income (loss)	3,518	7,275	10,793
Endowment net assets, ending	<u>\$ 842,881</u>	<u>\$ 1,454,628</u>	<u>\$ 2,297,509</u>

10. Line of Credit – Alpine Bank

On August 16, 2010, the Science Center entered into an agreement with Alpine Bank for a revolving line of credit not to exceed \$300,000. During October 2018, The Science Center entered into change in terms agreements with Alpine Bank to increase the credit limit to \$750,000, and subsequently has extended the line of credit January 2025. Interest accrues on outstanding principal at a rate of J.P. Morgan Chase Prime rate. During the year ended June 30, 2024, the Science Center drew and repaid \$2,512,349 on this line of credit. There was no balance outstanding at June 30, 2024. Collateral required to secure this line includes all accounts receivable, cash, pledges, equipment and inventory.

Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)

11. Letters of Credit

The Science Center has a letter of credit, not to exceed \$7,128 outstanding with Alpine Bank to be held for the purpose of complying with the Colorado Department of Labor and Employment Unemployment Insurance Operations, the named beneficiary. This letter of credit expires October 23, 2024.

12. Revenue from Contracts with Customers

For the year ended June 30, 2024, revenue recognized for goods transferred were \$24,379, and tuition and program revenues met over time were \$1,403,383. Revenues may be affected by general economic conditions and inflationary pressures. Revenues from contracts with customers are primarily collected from governments and local program participants.

13. Program Partners

A. Vail Associates, Inc. and the United States Forest Service

The Science Center has entered into a challenge cost share agreement with Vail Associates, Inc. ("VA") and the United States Forest Service (the "Forest Service"). The purpose of this agreement is to provide for the enjoyment of Environmental Education for the public at Vail and Beaver Creek. The terms of the agreement is through December 1, 2026.

Under the terms of this agreement, the Forest Service shall provide housing for five employees on a yearly basis during the period of November 1 through April 30, provide materials and equipment as needed to support the Nature Discovery Center operations, provide information or distribute promotional materials, and provide personnel to aid in training and give updated information concerning forest issues. For the fiscal year 2024, the Science Center recognized \$5,810 of in-kind contribution for housing expenses from the Forest Service.

Under the terms of this agreement, VA will provide cash to cover internship stipends and wages for three naturalists, provide summer housing on a yearly basis from May 1 through October 31, provide yearly funds to the Science Center, provide twelve full time employee winter ski passes and twenty-five summer passes, provide promotion for interpretive programming, provide a facility at Eagle's Nest of Vail Mountain in which displays and programs can exist, and provide general liability insurance. For the fiscal year 2024, VA provided the Science Center labor, equipment and use of facilities. During fiscal 2024, the Science Center recognized \$27,488, \$6,600 and \$84,510 for lift tickets, use of facilities and employee housing provided by VA, respectively.

Under the terms of this agreement, the Science Center will provide an Interpretive Programs Coordinator and supervision for the intern staff, provide interns to staff interpretive programs at the Nature Discovery Center, provide the internship job description and hiring process, provide concentrated training for interns, provide staffing of the Nature Discovery Center, provide Vail and Beaver Creek ski schools with experiential ecology and natural history lessons, and maintain certain insurance policies.

**Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)**

13. Program Partners (continued)

B. United States Forest Service Bookstore

In fiscal year 2007, the Science Center entered into an agreement with the Forest Service to operate the bookstore. Under the terms of the agreement, the Science Center will reimburse the Forest Service 10% of gross revenue from the bookstore in return the Forest Service will provide a representative to staff the store. The Science Center is responsible for providing a representative, ordering and maintaining inventory.

C. Town of Vail

The Science Center entered into a services agreement with the Town of Vail to provide staffing, programming, operating supplies, electricity, transportation, and maintenance costs at the Vail Nature Center from February 2023 through November 2023. Under the terms of the agreement, the Town of Vail will pay maintenance costs of the Vail Nature Center, costs to maintain required licenses, costs for telephone and internet service, and compensation to the Science Center in exchange for services performed. During the year ended June 30, 2024, the Science Center recognized \$109,373 in program fees under this agreement.

14. Contributed Nonfinancial Assets

The following contributed nonfinancial assets were recognized during the year:

	Revenue Recognized
Cleaning	\$ 16,548
Property Management	4,702
Special Events	162,809
Facilities	6,600
Professional Services	1,638
Lift Passes	27,488
Housing	90,320
	<u><u>\$ 310,105</u></u>

Contributed nonfinancial assets did not have donor-imposed restrictions. The Science Center estimates the value of contributed nonfinancial assets based on current rates for similar services or wholesale values that would be received for selling similar products in the United States.

Cleaning and property management were used for general building maintenance in support of programs. Special events contributed assets consisted of food and prizes for fundraising events. Facilities, lift passes, and housing were contributed by the USFS and Vail Resorts for the Conservation Education and Workforce Development Partnership.

15. Retirement Plans

The Science Center has a 401k plan (the "Plan") that covers eligible regular full-time employees on the first of the month after 60 days, and regular part-time employees after the first year of service, if 1,000 hours are worked. The plan does not cover graduate fellows, temporary part-time, temporary full-time, and seasonal interns, or regular employees under the age of 21 years old. The Science Center makes matching contributions up to 6% of each employee's pay. Total retirement expense for retirement recognized for the year ended June 30, 2024 was \$146,050.

Walking Mountains
(A Colorado Non-Profit Corporation)
Notes to the Financial Statements
June 30, 2024
(continued)

16. Related Party – Buck Creek Association

Pursuant to the Declarations filed December 30, 2009 for The Buck Creek Association, Inc., (“Association”), the Science Center holds a 35% allocated interest in the common expenses of the Association. There was no assessment for common expenses of the Association during fiscal year 2024.

17. Other Related Parties

A board member is president of a bank that is the primary bank for the Science Center’s deposits.

Walking Mountains
(A Colorado Non-Profit Corporation)
Schedule of Revenues and Expenses - Budget (Non-GAAP Basis) and Actual
With Reconciliation to GAAP Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	<u>2024</u>		Variance Positive (Negative)	<u>2023</u>
	Budget (Unaudited)	Actual		Total
Revenues:				
Contributions and grants	\$ 3,571,945	6,949,953	3,378,008	2,992,822
Contributed nonfinancial assets	-	310,105	310,105	334,765
Program fees and tuition	1,306,657	1,403,383	96,726	1,298,302
Special events	-	154,205	154,205	83,995
Investment income (loss)	145,000	295,781	150,781	257,210
Bookstore sales	21,810	24,379	2,569	23,174
Other	3,800	1,908	(1,892)	10,015
Total Revenues	<u>5,049,212</u>	<u>9,139,714</u>	<u>4,090,502</u>	<u>5,000,283</u>
Expenses:				
Accounting	23,300	24,450	(1,150)	23,300
Advertising and marketing	174,259	178,441	(4,182)	167,395
Bank charges and credit card fees	29,280	26,815	2,465	28,638
Board and committee ops.	8,184	7,927	257	14,166
Capital improvements	65,000	91,421	(26,421)	82,363
Computer support	105,574	107,784	(2,210)	104,627
Professional development	142,969	136,652	6,317	129,527
Contract services	53,556	69,861	(16,305)	64,865
Dues and subscriptions	38,006	29,676	8,330	30,472
Employees: IRA contribution	131,883	146,050	(14,167)	132,401
Employees: employee benefits	205,152	204,961	191	182,763
Employees: payroll expenses	248,201	297,548	(49,347)	240,970
Employees: salaries and wages	2,930,738	3,182,429	(251,691)	2,788,259
Employees: uniforms	10,518	14,261	(3,743)	14,794
Equipment	27,982	41,489	(13,507)	30,267
Fees and permits	13,149	12,217	932	12,254
Bookstore	16,650	2,928	13,722	14,442
Insurance	146,000	160,091	(14,091)	91,047
Interest expense	800	22,125	(21,325)	7,508
Legal	3,600	-	3,600	6,167
(Gain) loss on disposal of assets	(45,000)	(771)	(44,229)	-
Miscellaneous expenses	16,900	14,615	2,285	20,484
Office supplies	5,505	3,531	1,974	5,802
Postage	6,784	3,110	3,674	4,966
Printing and copying	16,300	15,982	318	16,873
Professional fees	224,440	265,553	(41,113)	168,936
Program supplies	76,803	130,836	(54,033)	61,453
Recognition and awards	5,615	8,784	(3,169)	6,168
Recruitment	3,585	3,429	156	4,532
Rent and utilities	21,950	146,411	(124,461)	145,781
Repairs and maintenance	78,620	77,115	1,505	80,782
Special events expense	158,886	314,034	(155,148)	293,568
Telephone	25,400	29,129	(3,729)	20,183
Travel, lodging and entertainment	48,444	41,768	6,676	33,484
Vehicle	26,315	30,578	(4,263)	27,363
Total Expenses - Budget Basis	<u>\$ 5,045,348</u>	<u>5,841,230</u>	<u>(795,882)</u>	<u>5,056,600</u>
Reconciliation to GAAP Basis:				
Bad debt expense		(18,900)		(6,152)
Depreciation expense		602,766		510,721
Total Expenses - GAAP Basis		<u>6,425,096</u>		<u>5,561,169</u>

The accompanying notes are an integral part of these financial statements.