

Southern Utah Wilderness Alliance

Year Ended December 31, 2024

Financial Statements

And

Independent Auditor's Report



SOUTHERN UTAH WILDERNESS ALLIANCE

Southern Utah Wilderness Alliance

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southern Utah Wilderness Alliance
Salt Lake City, Utah

Opinion

We have audited the accompanying financial statements of Southern Utah Wilderness Alliance (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 Southern Utah Wilderness Alliance 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 Southern Utah Wilderness Alliance 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 these 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 the 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 Southern Utah Wilderness Alliance'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.

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 Southern Utah Wilderness Alliance'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 Southern Utah Wilderness Alliance'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 Southern Utah Wilderness Alliance's December 31, 2023 financial statements, and our report dated August 8, 2024, expressed an unmodified opinion on those audited 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.

Bountiful Peak Advisors

Bountiful, Utah
September 22, 2025

Southern Utah Wilderness Alliance

Statement of Financial Position

December 31, 2024

With Comparative Totals For December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,933,365	\$ 4,174,442
Investments, at fair value	24,849,458	19,056,303
Prepaid expenses	<u>90,215</u>	<u>46,593</u>
Total current assets	<u>28,873,038</u>	<u>23,277,338</u>
Fixed assets, at cost		
Building and improvements	857,740	857,740
Land	416,000	416,000
Equipment	66,860	66,860
Database	44,618	44,618
Vehicle	330,809	170,071
Furniture	<u>88,456</u>	<u>88,456</u>
Total fixed assets	1,804,483	1,643,745
Less: accumulated depreciation	<u>(917,950)</u>	<u>(865,529)</u>
Net fixed assets	<u>886,533</u>	<u>778,216</u>
Other assets		
Investments, at fair value	2,355,701	357,678
Right of use assets	<u>21,164</u>	<u>82,676</u>
Total other assets	<u>2,376,865</u>	<u>440,354</u>
Total assets	<u><u>\$ 32,136,436</u></u>	<u><u>\$ 24,495,908</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of lease liabilities	<u>\$ 21,800</u>	<u>\$ 56,318</u>
Total current liabilities	<u>21,800</u>	<u>56,318</u>
Lease liabilities, net of current portion	<u>-</u>	<u>33,877</u>
Total liabilities	<u>21,800</u>	<u>90,195</u>
Net assets		
Without donor restrictions	29,758,935	24,048,035
With donor restrictions	<u>2,355,701</u>	<u>357,678</u>
Total net assets	<u>32,114,636</u>	<u>24,405,713</u>
Total liabilities and net assets	<u><u>\$ 32,136,436</u></u>	<u><u>\$ 24,495,908</u></u>

See accompanying notes to financial statements.

Southern Utah Wilderness Alliance
Statement of Activities
Year Ended December 31, 2024
With Comparative Totals For The Year Ended December 31, 2023

	<u>12/31/2024</u>			12/31/2023
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
SUPPORT AND REVENUES				
Support				
Individual donations	\$ 3,837,726	\$ -	\$ 3,837,726	\$ 1,480,724
Membership renewals	2,337,569	-	2,337,569	1,716,383
Legacies and bequests	2,808,974	1,998,023	4,806,997	1,649,607
Grants	297,480	-	297,480	142,000
New memberships	78,501	-	78,501	68,006
Total support	<u>9,360,250</u>	<u>1,998,023</u>	<u>11,358,273</u>	<u>5,056,720</u>
Revenues				
Interest and dividends	883,277	-	883,277	571,357
Unrealized gains/(losses) on investments	817,181	-	817,181	1,682,540
Gains/(losses) on sales of investments	407,496	-	407,496	(328,058)
Other revenue	17,384	-	17,384	18,961
Gain/(loss) on sale/disposal of assets	4,000	-	4,000	(313)
Total revenues	<u>2,129,338</u>	<u>-</u>	<u>2,129,338</u>	<u>1,944,487</u>
Total support and revenues	<u>11,489,588</u>	<u>1,998,023</u>	<u>13,487,611</u>	<u>7,001,207</u>
EXPENSES				
Program services	5,325,741	-	5,325,741	4,223,472
Management and general	260,185	-	260,185	216,013
Fundraising	192,762	-	192,762	145,307
Total expenses	<u>5,778,688</u>	<u>-</u>	<u>5,778,688</u>	<u>4,584,792</u>
Change in net assets	5,710,900	1,998,023	7,708,923	2,416,415
Net assets, beginning of year	<u>24,048,035</u>	<u>357,678</u>	<u>24,405,713</u>	<u>21,989,298</u>
Net assets, end of year	<u>\$ 29,758,935</u>	<u>\$ 2,355,701</u>	<u>\$ 32,114,636</u>	<u>\$ 24,405,713</u>

See accompanying notes to financial statements.

Southern Utah Wilderness Alliance
Statement of Functional Expenses
Year Ended December 31, 2024
With Comparative Totals For The Year Ended December 31, 2023

	12/31/2024									
	Program Services						Supporting Activities			
	Energy	ORV	RS2477	RMP	Wilderness	Total	Management and General	Fundraising	12/31/2024 Total	12/31/2023 Total
Employee compensation	\$ 168,605	\$ 734,116	\$ 62,151	\$ 175,991	\$ 1,774,677	\$ 2,915,540	\$ 63,074	\$ 98,149	\$ 3,076,763	\$ 2,671,645
Grants	-	-	-	-	873,961	873,961	-	-	873,961	314,000
Membership services	81,767	21,334	17,259	24,451	104,904	249,715	7,636	68,982	326,333	301,725
Public education costs	-	159,617	500	-	91,786	251,903	-	-	251,903	156,699
Legal and professional	2,540	2,177	182,985	-	1,346	189,048	-	-	189,048	129,607
Travel	-	1,169	-	-	110,428	111,597	-	782	112,379	144,455
Technology	14,330	20,729	13,126	14,414	32,504	95,103	3,872	7,679	106,654	94,190
Training and staff support	20,050	20,050	20,051	20,051	20,051	100,253	-	-	100,253	19,540
Investment fees	-	-	-	-	-	-	93,020	-	93,020	73,030
Event costs	4,886	4,887	4,887	4,887	5,299	24,846	-	-	24,846	86,548
Special projects	-	-	-	-	60,356	60,356	-	-	60,356	-
Rent	4,439	19,327	1,636	4,633	46,722	76,757	1,661	2,584	81,002	74,042
Repairs and maintenance	4,299	18,715	1,584	4,487	45,243	74,328	1,608	2,502	78,438	84,734
Supplies	2,361	10,281	870	2,465	44,719	60,696	883	1,374	62,953	69,070
Grassroots organizing	-	-	-	-	46,294	46,294	-	-	46,294	76,287
Insurance	2,456	10,689	905	2,562	25,839	42,451	918	1,429	44,798	57,665
Accounting and audit	-	-	-	-	-	-	38,946	-	38,946	37,801
Board expenses	5,070	5,071	5,071	5,071	5,071	25,354	5,433	5,433	36,220	37,549
Bank and credit card charges	-	-	-	-	-	-	33,515	-	33,515	25,577
Office expenses	4,931	771	763	321	4,956	11,742	7,191	68	19,001	17,705
Copies and postage	755	3,286	278	788	11,455	16,562	282	439	17,283	16,886
Telephone	645	2,807	238	673	6,787	11,150	241	375	11,766	13,851
Utilities	597	2,601	220	624	6,287	10,329	223	348	10,900	9,932
Miscellaneous	-	-	-	-	-	-	-	-	-	73
Total expenses before depreciation	317,731	1,037,627	312,524	261,418	3,318,685	5,247,985	258,503	190,144	5,696,632	4,512,611
Depreciation	4,495	19,579	1,658	4,694	47,330	77,756	1,682	2,618	82,056	72,181
Total expenses	\$ 322,226	\$ 1,057,206	\$ 314,182	\$ 266,112	\$ 3,366,015	\$ 5,325,741	\$ 260,185	\$ 192,762	\$ 5,778,688	\$ 4,584,792

See accompanying notes to financial statements.

Southern Utah Wilderness Alliance
Statement of Cash Flows
Year Ended December 31, 2024
With Comparative Totals For The Year Ended December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 7,708,923	\$ 2,416,415
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	82,056	72,181
Unrealized (gains)/losses on investments	(817,181)	(1,682,540)
Realized (gains)/losses on sales of investments	(407,496)	328,058
Donated securities	(2,272,803)	(192,292)
(Gain)/loss on sale/disposal of assets	(4,000)	313
Amortization of right of use assets	61,512	85,049
Amortization of lease liabilities	(68,395)	(87,778)
Changes in operating assets and liabilities:		
Prepaid expenses	(43,623)	19,788
Accounts payable	-	(25,559)
Accrued liabilities	-	(1,006)
	<u>4,238,993</u>	<u>932,629</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(190,373)	-
Proceeds from sale/disposal of assets	4,000	-
Purchase of investments	(16,020,774)	(12,909,302)
Proceeds from sale of investments	<u>11,727,077</u>	<u>14,047,108</u>
	<u>(4,480,070)</u>	<u>1,137,806</u>
 CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
 Net change in cash and cash equivalents	(241,077)	2,070,435
Cash and cash equivalents, beginning of year	<u>4,174,442</u>	<u>2,104,007</u>
Cash and cash equivalents, end of year	<u>\$ 3,933,365</u>	<u>\$ 4,174,442</u>
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

Southern Utah Wilderness Alliance

Notes to Financial Statements

December 31, 2024

1. ORGANIZATION

Southern Utah Wilderness Alliance (the “Organization”) was incorporated under the laws of the State of Utah as a nonprofit corporation on December 12, 1983. The principal purpose of the Organization is the preservation and the management of the outstanding Southern Utah wild lands in their natural state. The Organization’s major sources of revenue come from donations from the general public and non-governmental grants.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Association have been prepared on the accrual basis. The Association follows the provisions of Accounting Standards Codification (ASC) 958, Not-for-Profit Entities. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Date of Management’s Review

Subsequent events were evaluated through September 22, 2025, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.

Estimates in the Financial Statements

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Classes of Net Assets

Net assets, revenues and gains are classified based on the presence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- a. ***Net Assets Without Donor Restrictions*** – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- b. ***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.

We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Therefore, investments are reported at their fair values in the statement of financial position. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. U.S. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions, with highest priority given to quoted prices in active markets and lowest priority to an entity's assumptions. The Organization groups assets at fair value in three levels, based on the markets in which the assets are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1	Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
Level 2	Other observable inputs including quoted prices for similar assets in active or non-active markets, or other observable inputs for the asset.
Level 3	Unobservable inputs that cannot be corroborated by observable market data, such as pricing models, discounted cash flow models, and similar techniques.

Fixed Assets

Fixed assets are recorded at acquisition cost, or if donated, at the fair market value at the date donated. The Organization capitalizes additions that exceed \$10,000. Minor repairs and maintenance that do not extend the useful lives of the assets are expensed as incurred. Depreciation expense is provided on a straight-line basis over the estimated useful lives of the respective assets, which range from five to thirty-nine years. Depreciation expense for the year ended December 31, 2024 was \$82,056.

The Organization reviews long-lived assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, as measured by a comparison of estimated future cash flows (undiscounted and without interest charges) to the carrying value of the asset. Assets held for sale are written down to their fair value, less cost to sell.

Impairment of Long-Lived Assets

The Organization evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amounts of the assets may not be fully recoverable. The Organization evaluates the recoverability of long-lived assets by measuring the carrying amounts of the assets against the estimated undiscounted future cash flows associated with them. When future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying amounts of the assets, the assets are adjusted to their fair values.

Revenue Recognition

Contributions – Contributions are recognized as support when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give (those with a measurable performance or other barrier and a right of return) are not recognized until the conditions on which

they depend have been substantially met. Contributions are considered to be without donor restrictions unless restricted by the donor.

Memberships - Memberships entitle the members three issues of the Organization's Redrock Wilderness newsletter. Memberships typically last one year.

Contributed Nonfinancial Assets – Contributed goods, use of facilities, and services that either create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at fair value at the date of donation.

Concentrations of Credit Risks

The Organization maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. At December 31, 2024, the Organization had bank deposits of \$1,331,972 that exceeded the FDIC insurance limit of \$250,000 per financial institution, and therefore were not insured. The Organization also holds cash and securities at investment firms. The cash and investments held at those firms are insured through the Securities Investor Protection Corporation (SIPC) up to \$500,000 per institution. The Organization had cash and securities in the amount of \$28,689,003 that exceeded the insurance limit. The Organization has not experienced any losses in such account and believes it is not exposed to any significant credit risk on cash and securities.

Income taxes

The Organization has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(c)(3), qualifying for the charitable contribution deduction under section 170(b)(1)(A)(vi) and has been determined not to be a private foundation under Section 509(a). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) and is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax. Management believes that the Organization has appropriate support for any tax positions taken in its annual filing and does not have any uncertain tax positions that are material to the financial statements. The Organization's Forms 990 are no longer subject to tax examination for years before 2021.

Functional Allocation of Expenses

The cost of providing programs and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, employee benefits, professional fees, occupancy, and depreciation, which are allocated on the basis of estimated time and effort.

Fair Value of Financial Instruments

The Organization has a number of financial instruments, none of which are held for trading purposes. The Organization estimates that the fair value of all financial instruments at December 31, 2024, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

Reclassifications

Certain items from December 31, 2023 have been reclassified to conform to the December 31, 2024 presentation.

3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date consisted of the following:

Cash and cash equivalents	\$ 3,933,365
Investments	<u>27,205,159</u>
Current financial assets, at year-end	31,138,524
Less those unavailable for general expenditure within one year, due to donor-imposed time or purpose restrictions	<u>(2,355,701)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 28,782,823</u>

As part of its liquidity management plan, the Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in savings and short-term investments. To help manage unanticipated liquidity needs, the Organization credit cards with an aggregate credit limit of \$79,000, which it could draw upon.

4. FAIR VALUE MEASUREMENTS

The fair value of assets and liabilities measured on a recurring basis as of December 31, 2024 are as follows:

	Assets at Fair Value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 12,119,335	\$ -	\$ -	\$ 11,571,270
Stocks	1,736,982	-	-	1,736,982
U.S. Treasury Securities	12,101,742	-	-	12,101,742
Exchange-traded funds	<u>1,247,100</u>	<u>-</u>	<u>-</u>	<u>1,247,100</u>
Totals	<u>\$ 27,205,159</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,205,159</u>

Investment income / (loss) consisted of the following for the year ended December 31, 2024:

Interest and dividend income	\$ 883,277
Realized losses on sale of investments	407,496
Unrealized gains on investments	<u>817,181</u>
Total investment income / (loss)	<u>\$ 2,107,954</u>

5. NET ASSETS WITH DONOR RESTRICTIONS

In December 1995 and December 2024, investments totaling \$357,678 and \$1,998,023 were respectively contributed to the Organization for the establishment of an endowment funds and are therefore considered to be a donor-restricted endowment held in perpetuity.

6. ENDOWMENT FUND

The Organization's endowment funds consists of the Wyss endowment and the Thompson Endowment. The Wyss and Thompson endowments consists of donor-restricted funds, \$357,678 and \$1,998,023 both of which are permanently restricted. The remainder of the Wyss and Thompson endowments are unrestricted. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization has interpreted 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. At December 31, 2024, there were no such donor stipulations. As a result of this interpretation, the organization retains in perpetuity:

- The original value of gifts donated to the endowment, and
- 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 by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other sources of the Organization
- The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner that is intended to produce returns that are 2% to 3% higher than the rate of inflation, while assuming a moderate level of investment risk.

Spending Policy

The Organization has a policy which allows all portions of the endowment fund that are not donor-restricted in perpetuity to be appropriated for expenditure at the discretion of the board of directors.

Strategies Employed for Achieving Objectives

The Organization relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The organization targets a diversified asset allocation that emphasizes common stocks and fixed income securities to achieve its long-term objectives within prudent risk constraints.

Endowment net asset composition by type of fund as of December 31, 2024 was as follows:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Wyss endowment	\$ 3,741,309	\$ 357,678	\$ 4,098,987
Thompson endowment	<u>(57,956)</u>	<u>1,998,023</u>	<u>1,940,067</u>
Total endowments net assets	3,683,353	2,355,701	6,039,054

Changes in endowment net assets for the fiscal years ending December 31, 2024 are as follows:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Net assets, December 31, 2023	\$ 3,353,838	\$ 357,678	\$ 3,711,516
Endowment additions	-	1,998,023	1,998,023
Investment return			
Investment income, net of fees	106,172	-	106,172
Investment expenses	(13,509)	-	(13,509)
Net appreciation / (depreciation)	<u>236,852</u>	<u>-</u>	<u>236,852</u>
Total investment return	329,515	-	329,515
Appropriation of endowment assets for expenditure	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, December 31, 2024	<u>\$ 3,683,353</u>	<u>\$ 2,355,701</u>	<u>\$ 6,039,054</u>

7. ALLOCATION OF EXPENSES

Based on management's allocation of expenses, operating expenses have been allocated in the following manner:

	<u>Amount</u>	<u>%</u>
Program services	\$ 5,325,741	92.16
Management and general	260,185	4.50
Fundraising	<u>192,762</u>	<u>3.34</u>
	<u>\$ 5,778,688</u>	<u>100.00</u>

8. RETIREMENT PLAN

The Organization has a 403(b) Retirement Plan, which is a contributory plan and covers all employees. The Organization is entitled to make discretionary contributions to the plan. The Organization made contributions totaling \$81,271 for the year ended December 31, 2024.

9. COMMITMENTS AND CONTINGENCIES

The Organization may be involved in certain claims arising from the ordinary course of operations and has purchased insurance policies to cover these risks.

10. LEASE COMMITMENTS

The Organization leases office space for its satellite offices in Moab, Utah and Washington D.C. under operating lease agreements. The Organization entered into an operating lease for the Moab location in January 2022. The lease agreement expired on December 31, 2023. The Organization entered into an operating lease for the Washington D.C. location in January 2018. The lease agreement expires on June 30, 2025. The lease requires monthly payments of \$5,005 which escalate each year by 2.75%. Future minimum operating lease payments are based on remaining terms of the agreement. The following is supplemental information related to leases at December 31, 2024:

Right of use assets	\$ 382,157
Less: amortization	<u>(360,993)</u>
	<u>\$ 21,164</u>
Lease liabilities	<u>\$ 21,800</u>
Weighted average remaining lease term	.50 years
Weighted average discount rate	3.89%
Lease maturity table:	
<u>Year ending</u> 12/31/2025	<u>\$ 21,972</u>
Total lease payment	<u>21,972</u>
Less: present value discount	<u>(172)</u>
Total lease liabilities	<u>\$ 21,800</u>

Lease expense during the year ended December 31, 2024 consisted of the following:

Operating lease expense, included in the statement of operations	<u>\$ 71,545</u>
Total lease expense	<u>\$ 71,545</u>

11. PRIOR YEAR INFORMATION

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class or functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2024 from which the summarized information was derived.

12. SUBSEQUENT EVENTS

The Organization signed a new lease for the Moab satellite office in January 2025. There are no other subsequent events after year ended December 31, 2024.