



**SANTA MONICA MOUNTAINS FUND**  
**AUDITED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**FARBER HASS HURLEY LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

BOARD OF DIRECTORS

Marc Kaplan – President

Thomas Liu – Vice President

Kim Kovacs – Treasurer

Amanda Greene – Secretary

Dennis Washburn – Member

Carol Henry – Member

Annmarie Greenwood – Member

Trevis Niemeyer – Member

EXECUTIVE DIRECTOR

Charlotte Parry

CHIEF OPERATING OFFICER

Deanna Armbruster

**SANTA MONICA MOUNTAINS FUND**  
**TABLE OF CONTENTS**  
**DECEMBER 31, 2020**

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS:	
Statement of Financial Position as of December 31, 2020	3
Statement of Activities and Changes in Net Assets for the Year Ended December 31, 2020	4
Statement of Functional Expenses for the Year Ended December 31, 2020	5
Statement of Cash Flows for the Year Ended December 31, 2020	6
NOTES TO THE FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
Schedule of Contract Revenues for the Year Ended December 31, 2020	19



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Santa Monica Mountains Fund

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Santa Monica Mountains Fund (a nonprofit organization) (the "Fund"), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility 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; this includes 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Santa Monica Mountains Fund as of December 31, 2020, and changes in net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Contract Revenues on page 19, is 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink, appearing to read "Farber Hass Hurley LLP". The signature is written in a cursive, flowing style.

Farber Hass Hurley LLP

Chatsworth, California  
December 2, 2021

**SANTA MONICA MOUNTAINS FUND  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2020**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents	\$	1,202,042
Investments		1,371,283
Contributions and Grant Receivable		1,517
Pledges Receivable, current portion, net of allowance		36,000
Contracts Receivable		184,500
Other Current Assets		9,442
		2,804,784
Total Current Assets		2,804,784

**NON-CURRENT ASSETS**

Pledges Receivable, less current portion		25,000
Property and Equipment, net of accumulated depreciation		-
		25,000
Total Non-Current Assets		25,000
Total Assets	\$	2,829,784

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts Payable and Accrued Expenses	\$	26,204
Accrued Payroll and Related Expenses		72,296
PPP Promissory Note		80,000
		178,500
Total Current Liabilities		178,500

**NON-CURRENT LIABILITIES**

Deferred Revenues		19,030
		19,030
Total Non-Current Liabilities		19,030
Total Liabilities		197,530

**NET ASSETS**

Without Donor Restrictions		1,192,293
With Donor Restrictions		1,439,961
		2,632,254
Total Net Assets		2,632,254
Total Liabilities and Net Assets	\$	2,829,784

See accompanying notes to the financial statements.

**SANTA MONICA MOUNTAINS FUND**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
<b>REVENUES AND SUPPORT</b>			
Donations and Contributions	\$ 52,290	\$ 39,761	\$ 92,051
Grants	28,345	446,760	475,105
Contract Revenue	652,418	-	652,418
Investment Income and Appreciation, net	152,147	28,604	180,751
	<hr/>	<hr/>	<hr/>
Total Revenues and Support	885,200	515,125	1,400,325
Special Events	38,349	35,493	73,842
Less Direct Expenses	(11,287)	-	(11,287)
	<hr/>	<hr/>	<hr/>
Net Special Events	27,062	35,493	62,555
Net Assets Released from Restrictions	527,013	(527,013)	-
	<hr/>	<hr/>	<hr/>
Total Revenue, Support, and Reclassifications	1,439,275	23,605	1,462,880
<b>EXPENSES</b>			
Program Services	1,139,438	-	1,139,438
Management and General	142,448	-	142,448
Fundraising	35,840	-	35,840
	<hr/>	<hr/>	<hr/>
Total Expenses	1,317,726	-	1,317,726
Changes in Net Assets	121,549	23,605	145,154
<b>NET ASSETS - Beginning of Year</b>	<hr/>	<hr/>	<hr/>
	1,070,744	1,416,356	2,487,100
<b>NET ASSETS - End of Year</b>	<hr/>	<hr/>	<hr/>
	\$ 1,192,293	\$ 1,439,961	\$ 2,632,254

See accompanying notes to the financial statements.

**SANTA MONICA MOUNTAINS FUND  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Education	Wildlife	Trails and Restoration	Outreach and Other Programs	Total Program Services	Management and General	Fundraising	Total Expenses
Salaries and Wages	\$ 242,066	\$ 38,644	\$ 261,706	\$ 76,611	\$ 619,027	\$ 70,868	\$ 21,773	\$ 711,668
Taxes - Payroll	23,916	2,466	23,560	6,261	56,203	12,601	-	68,804
Bank Service Charges	2	867	134	-	1,003	-	1,163	2,166
Equipment	3,890	3,318	35,029	176	42,413	1,210	-	43,623
Grants and Gifts	-	2,524	-	-	2,524	-	-	2,524
Insurance	20,445	158	32,664	494	53,761	7,322	-	61,083
Membership Dues	-	-	-	-	-	292	-	292
Miscellaneous	-	-	-	-	-	1,627	20	1,647
Postage and Printing	-	-	-	-	-	893	5,728	6,621
Professional Services	19,689	10,236	96,685	4,563	131,173	33,745	4,794	169,712
Supplies	10,726	1,633	8,760	343	21,462	1,661	1,313	24,436
Telephone	1,250	-	9	-	1,259	6,334	1,049	8,642
Transportation	115,673	-	-	-	115,673	-	-	115,673
Travel and Conferences	-	-	-	-	-	5,895	-	5,895
Volunteer Support	44,662	17,155	31,707	1,416	94,940	-	-	94,940
<b>Total Expenses</b>	<b>\$ 482,319</b>	<b>\$ 77,001</b>	<b>\$ 490,254</b>	<b>\$ 89,864</b>	<b>\$ 1,139,438</b>	<b>\$ 142,448</b>	<b>\$ 35,840</b>	<b>\$ 1,317,726</b>

See accompanying notes to the financial statements.



**SANTA MONICA MOUNTAINS FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Changes in Net Assets	\$ 145,154
Adjustments to Reconcile Change in Net Assets to Net Cash from Operating Activities:	
Increase in Fair Value of Investments	(127,490)
Changes in Assets - (Increase)/Decrease:	
Contributions and Grants Receivable	54,376
Contracts Receivable	(118,267)
Pledges Receivable	11,000
Other Current Assets	(4,092)
Changes in Liabilities - Increase/(Decrease):	
Accounts Payable and Accrued Expenses	786
Accrued Payroll and Related Expenses	48,336
Deferred Revenues	(125,202)
Net Cash Used in Operating Activities	(115,399)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of Investments	(783,534)
Proceeds from Sale of Investments	469,084
Net Cash Used in Investing Activities	(314,450)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Advance on PPP Promissory Note	80,000
Net Cash Provided by Financing Activities	80,000
Net Decrease in Cash and Cash Equivalents	(349,849)

<b>CASH and CASH EQUIVALENTS - Beginning of Year</b>	1,551,891
--	-----------

<b>CASH and CASH EQUIVALENTS - End of Year</b>	\$ 1,202,042
--	--------------

**SUPPLEMENTAL DISCLOSURES**

Income Taxes Paid During the Year	\$ -
Interest Paid During the Year	\$ -

See accompanying notes to the financial statements.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 - NATURE OF THE ORGANIZATION**

Santa Monica Mountains Fund (the “Fund”) operates as a not-for-profit organization located in Thousand Oaks, California. It was established January 22, 1988 to support the education and resource protection efforts of the National Park Service (“NPS”) and California State Parks in the Santa Monica Mountains National Recreation Area (“SMMNRA”), a unit of the NPS. The Fund’s objectives are organized around the following core program areas, which are:

*Education:* The Fund facilitates strategic education initiatives designed to engage current and future SMMNRA stewards of all ages by funding programming, transportation, and endowments. Each year nearly 20,000 4th graders arrive in the SMMNRA to enjoy a day in the park to learn about plants, animals, and Native American heritage. Throughout the year, families arrive for diverse, cultural guided park adventures. In the summer, the Santa Monica (“SAMO”) Youth program brings college and high school students to the SMMNRA for a youth mentoring journey with NPS rangers. Also, the Fund employs SAMO Youth alumni as junior leaders to support the SAMO Youth program and in some cases, college students are promoted to year-long mentorship employment opportunities to work with NPS leadership. Both of these programs offer summer work opportunities to outstanding young students, exposing them to the Park’s mission and career possibilities. During 2020 some of these programs transitioned to an online format as a result of COVID-19.

*Trails and Habitat Restoration:* The Fund supports projects and programs that preserve the SMMNRA for all to explore for generations to come. In November 2018, the Woolsey fire ripped through the SMMNRA decimating 88% of the land. The Fund aims to raise funds to help rebuild Paramount Ranch. The Fund has also been working with the NPS to support restoration, recovery and maintenance of the historical routes through the mountains, including raising money for bridge repair on the Backbone Trail, and hiring a trail crew that cleared 9 miles of trails in the summer of 2020. Additionally, the Fund continues to support the revitalization of the native plant nursery at Rancho Sierra Vista and has supported upgrades to this operation. New equipment is ensuring that healthy plants can now be produced to support habitat restoration throughout the mountains. The nursery is now growing more plants than before, creating a seed bank, setting up a milkweed project to support the Monarch butterflies and involving many volunteers.

*Wildlife Research and Protection:* In addition to student interns supporting wildlife research, the Fund supports the NPS’ wildlife research program by donating funds to support staffing of the research project and provide satellite collars so that the biologists can track and understand the movement of big cats. The Fund also supports the research work relevant to the wildlife crossing at Liberty Canyon. Additionally, the Fund also supports the efforts to re-introduce California red-legged frogs to the Santa Monica Mountains, as they had become extinct within the boundaries of the park. Finally, the Fund continues to support the #BreakThePoisonChain campaign by highlighting the risks of rodenticide to wildlife and pets.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 - NATURE OF THE ORGANIZATION** (Continued)

*Outreach and Other Special Initiatives:* The Fund also provides yearly support for various volunteer programs that support the NPS and its partner park organizations in the Santa Monica Mountains, such as the Mounted Volunteer Program, the Mountain Bike Unit, National Trails Day and a variety of other volunteer activities. The Fund also supports various cultural preservation projects including archeological research projects and cultural activities at the Satwiwa Native American Indian Culture Center. Finally, the Fund continues to support the "Nature Neighbor" program, which aims to educate citizens living in and around the mountains, to promote park-friendly practices.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The accompanying financial statements of the Fund have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The net assets of the Fund are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Fund classifies their net assets and changes in net assets 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 Fund. The Fund'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 Fund or by the passage of time. Other donor restrictions, such as the Fund's endowments, are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. Generally, the donors of these assets permit the Fund to use the returns on the related investments over time for general or specific purposes. When restrictions on contributions are satisfied in the same period as the receipt of the contribution, the Fund reports the contribution or grant revenue in net assets without donor restrictions.

*Revenue and Support*

The Fund recognizes revenues upon applying the five-step model: (a) identification of the contract(s) with a customer; (b) identification of the performance obligations in the contract; (c) determination of the transaction price; (d) allocation of the transaction price to performance obligations in the contract; and (e) recognition of revenues when, or as, the contractual obligations are satisfied.

*Contributions and Grants*

Unconditional contributions are recognized at a point in time, when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Revenue and Support (Continued)

Contributions and Grants (Continued)

Contributions of cash and other assets are reported with donor-restricted support, if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, 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.

In-Kind Contributions

From time to time, the Fund receives in-kind contributions such as professional services, supplies, equipment, and other assets. Contributions of supplies, equipment, and other assets are recognized as revenue at a point of time at the estimated fair value, which considers the highest and best use, on the date of donation or when ownership of donated assets is transferred to the Fund. Initial measurement of contributions received where there is a major uncertainty about the existence of value may indicate an item received should not be recognized. Under these circumstances, fair value should be regarded as not determinable within reasonable limits.

Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that must be used to acquire long-lived assets are reported as donor restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Fund reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. During 2020, no donated goods were received by the Fund.

The contribution of services is recognized at a point in time if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Revenues and expenses related to contributed professional services are recognized in equal amounts at their fair market value, as estimated by management.

During 2020, the Fund received use of facilities during the year, pursuant to its Cooperative Agreement with the NPS for an unstated value. In addition, during the year a number of individuals donated services and time to the Fund; the value of these services has not been reflected in the financial statements as the services performed do not meet the criteria discussed above.

Contract Revenues

Contracts primarily consist of reimbursable federal task agreements with the U.S. Department of the Interior, NPS. Under the terms of the agreements, NPS reimburses the Fund for allowable expenses incurred. Accordingly, revenue and a related administrative fee, is recognized at a point in time as the related expenses are incurred. Payments received in advance are reported as deferred revenue until earned.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Allocation of Expenses

The costs of providing the various program services and supporting activities of the Fund have been summarized on a functional basis in the Statements of Activities and Functional Expenses. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Special Events

During the year, the Fund conducts special events, the direct costs incurred that provide a benefit to the contributors are deducted from the gross revenues raised at such events. Fundraising payments received in advance applicable to future events are deferred until event takes place.

Cash and Cash Equivalents

For purposes of the financial statements, the Fund considers all cash on hand and short-term highly liquid investments that are readily convertible into cash with original maturities of three months or less to be cash equivalents. Cash and cash equivalents consisted of the following at December 31, 2020:

Cash on Hand		\$	1,060
Cash in Banks			1,200,815
Money Market Funds			167
Total			\$ 1,202,042

Investments

Investments are reported at fair value. Unrealized gains and losses are included in the change in net assets in the period such fluctuations occur.

Investment income consisted of interest and dividend income of \$21,012 and net realized and unrealized gains and losses on investments, net of investment advisor fees, of \$159,379 for the year ended December 31, 2020.

Contributions and Grants Receivables

Contributions and grant receivables represent unconditional pledges and promises to give less an allowance for doubtful accounts. Conditional contributions received are reported as liabilities until the condition is eliminated or the assets are returned to the donor. The Fund provides for losses on receivables using the allowance method. The allowance is based on experience, other circumstances. It is the Fund's policy to charge off uncollectible receivables when management determines the receivable will not be collected. As of December 31, 2020, the Fund has recorded no allowance for doubtful accounts for contributions and grants receivables.

Property and Equipment

Property and equipment acquired by purchase are recorded at cost. The fair market value of donated fixed assets is similarly capitalized. Depreciation is provided on a straight-line basis over the useful lives of the assets, which range from five to fifteen years. The capitalization policy is items greater than \$5,000. Normal repairs and maintenance are expensed as incurred.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Income Tax Exemption*

The Fund qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code effective March 1989, and Section 23701(d) of the State of California Revenue and Taxation Code effective June 1988. Accordingly, no provision for income taxes has been made.

The Fund's tax filings are subject to audit by various taxing authorities. The Fund's federal and state informational returns for December 31, 2017 and 2016, and subsequent remain open to examination by the Internal Revenue Service and Franchise Tax Board, respectively. In evaluating the Fund's tax provisions and accruals, the Fund believes that its estimates are appropriate based on current facts and circumstances. The Fund believes that it has appropriate support for any tax position taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

*Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

*Recent Accounting Pronouncements*

*Changes to the Disclosure Requirements for Fair Value Measurement*

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement. The amendments in this Update modify the disclosure requirements on fair value measurements in Topic 820, including the consideration of costs and benefits. The guidance will be effective for fiscal years beginning after December 15, 2019. The Fund adopted the ASU on January 1, 2020 and the adoption did not have a material impact on the Fund's financial statements.

**NOTE 3 - FAIR VALUE MEASUREMENTS**

In accordance with FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. FASB ASC 820 establishes a consistent framework which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1    Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Fund has the ability to access.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 3 - FAIR VALUE MEASUREMENTS (Continued)**

- Level 2 Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets or liabilities in inactive markets;
  - inputs other than quoted prices that are observable for the asset or liability;
  - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and the are based upon the best information in the circumstance and may require significant management judgment.

The methods described below may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Following is a description of the valuation methodologies used for assets measured at fair value:

*Mutual funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Fund are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission (“SEC”). These funds are required to publish their daily net asset value (“NAV”) and to transact at that price. The mutual funds held by the Fund are deemed to be actively traded.

Fair value of assets measured on a recurring basis as of December 31, 2020 are as follows:

	Level 1	Level 2	Level 3	Totals
<i>Mutual Funds</i>				
Fixed Income Taxable	\$ 399,201	\$ -	\$ -	\$ 399,201
US Equity	454,622	-	-	454,622
Global Equity	502,257	-	-	502,257
Emerging Markets	15,203	-	-	15,203
	<u>\$ 1,371,283</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,371,283</u>

**NOTE 4 - PLEDGES RECEIVABLE**

Unconditional promises to give at December 31, 2020, are as follows:

Receivable in less than one year	\$ 40,000
Receivable in one to two years	25,000
Total unconditional promises to give	<u>\$ 65,000</u>

Based upon management’s expectations, the Fund has established an allowance for uncollectible pledges of \$4,000 as of December 31, 2020.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 5 - PROPERTY AND EQUIPMENT**

Property and equipment consist of the following as of December 31, 2020

Equipment and Furniture	\$ 11,574
Software	606
Total Property and Equipment	<u>12,180</u>
Less Accumulated Depreciation	<u>(12,180)</u>
Net Property and Equipment	<u>\$ -</u>

During the year ended December 31, 2020, there was no depreciation expense.

**NOTE 6 - LIQUIDITY**

The Fund regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Fund's financial assets available within one year as of December 31, 2020 for general expenditure reduced by amounts not available for general use because of donor imposed, board designated, and other restrictions (see Note 9 and 10) are as follows:

Cash and Cash Equivalents	\$ 1,202,042
Investments	1,371,283
Contributions and Grants Receivable	1,517
Contract Receivable	184,500
Pledges Receivable, current portion	<u>36,000</u>
Total Financial Assets	2,795,342
Less:	
Contract Deferred Revenues	(19,030)
Donor Restricted Funds by Purpose or Time	(1,236,873)
Donor Restricted Endowment Funds	(203,088)
Board Designated Net Assets	<u>(8,883)</u>
Total Financial Assets Available for General Expenditures Within One Year	<u>\$ 1,327,468</u>

**NOTE 7 - CONCENTRATION OF RISK**

During the year, a significant amount of revenue and support was generated from individual grants and contributions. It is always considered reasonably possible that benefactors, grantors, or contributors might be lost in the near term.



**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 7 - CONCENTRATION OF RISK (Continued)**

Financial instruments that potentially subject the Fund in concentrations of credit risk consists of cash deposits and investments. All cash and time deposits are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000 by financial institution. All brokerage accounts are insured by the Securities Investor Protection Corporation (“SIPC”) up to \$500,000 by financial institution. From time to time, the balances may exceed these insured limits, although the Fund has not experienced any losses in such accounts.

**NOTE 8 - RELATED PARTY TRANSACTIONS**

The Fund entered into a cooperative agreement with the U.S. Department of the Interior, NPS on behalf of the SMMNRA. This agreement states that the Fund provides expertise and services for the purpose of providing support and assistance to interpretive, educational, resource restoration, resource protection, and research activities of the NPS.

For the year ended December 31, 2020, the Fund directly provided to, or paid on behalf of, the NPS approximately \$595,490. The assistance was principally given to the SMMNRA, or associated government operations deemed by the NPS to be beneficial to the SMMNRA.

**NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of the following restrictions as of December 31, 2020:

	Balance as of December 31,		Balance as of December 31,	
	0	Additions	Transfers	2020
Donor Restricted by Purpose or Time				
Education	\$ 624,593	\$ 249,643	\$ (342,058)	\$ 532,178
Trails and Restoration	364,207	239,358	(172,808)	430,757
Wildlife	164,191	56,302	(11,793)	208,700
Outreach and Other	60,277	5,315	(354)	65,238
	<u>1,213,268</u>	<u>550,618</u>	<u>(527,013)</u>	<u>1,236,873</u>
Donor Restricted in Perpetuity (see Note 10)				
Education	118,413	-	-	118,413
Wildlife	84,675	-	-	84,675
	<u>203,088</u>	<u>-</u>	<u>-</u>	<u>203,088</u>
Total Net Assets With Donor Restrictions	<u>\$ 1,416,356</u>	<u>\$ 550,618</u>	<u>\$ (527,013)</u>	<u>\$ 1,439,961</u>

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 10 - ENDOWMENT FUNDS AND BOARD DESIGNATED NET ASSETS**

The Fund's endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by U.S. 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.

The Board has interpreted the California-enacted version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gifts to the Endowment 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 Fund classifies (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment to the extent specified by the applicable donor gift instrument. The remaining portion of the donor-restricted endowment fund is included in net assets with donor restrictions until those amounts are appropriated for expenditure by the Board in a manner consistent with the standard of prudence prescribed by UPMIFA.

Transfers from the endowment are determined by the Board, which considers, among other factors, anticipated budget needs, available funds, recent endowment performance, and overall economic conditions. The practice of the Board has been to adopt a distribution rate of the endowment's assets equal to 5% of the endowment value as of the beginning of the year.

A summary of Fund's endowments are as follows:

The SMMNRA Operations Endowment, designated by the Board, is funded to help support park operations in the Santa Monica Mountains. The annual endowment funding is being provided from 15% of the collections from the donor boxes located on Federal park lands, as well as all contributions to the endowment not programmatically specified.

There are two endowments created by the Yelda Trust from restricted contributions to the Fund. The Education Transportation Endowment's objective is for annual earnings to fund the costs of providing buses for under-served schools participating in Outdoor Education Programs at SMMNRA. The Wildlife Endowment's objective is to support research and conservation of wildlife in and around the SMMNRA.

The endowment had investment income of \$28,604 allocated during the year, which is included in net assets with donor restrictions until donor-imposed restriction is met. The total accumulated net earnings available from the Donor-Restricted endowments since inception is \$71,846. In addition, the Board designated net assets had investment income of \$1,229 allocated during the year, which is included in net assets without donor restrictions. The total accumulated net earnings available from the Board designated endowment since inception is \$3,034.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 10 - ENDOWMENT FUNDS AND BOARD DESIGNATED NET ASSETS (Continued)**

During the year ended December 31, 2020, the activity in the endowment funds are as follows:

	Balance as of December 31, 1900		Additions	Transfers	Balance as of December 31, 2020	
Board Designated Net Assets:						
SMMNRA Operations	\$	8,728	\$	155	\$	-
Donor Restricted Endowment Funds:						
Yelda Trust - Education Transportation		118,413		-		-
Yelda Trust - Wildlife		84,675		-		-
Total Endowment Net Assets	\$	211,816	\$	155	\$	-
					\$	211,971

**NOTE 11 - COVID-19 FINANCIAL RELIEF**

In April 2020, the Fund received \$80,000 from the United States Small Business Administration’s (“SBA”) Paycheck Protection Program (“PPP”) under the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”). The PPP funding is legally structured as a forgivable loan by the SBA, which may be may be forgiven, fully or in part; forgiveness is determined by the lender and Fund’s compliance with the note. In order to achieve forgiveness, the Fund must utilize the proceeds for only eligible purposes, including payroll, benefits, rent, and utilities, and also must generally maintain its full-time equivalent level of staffing over a defined time period.

The note matures in two years after the initial covered period of up to 24 weeks. Interest will accrue on the unpaid principal balance at the rate of 1.0% per annum and no payments will be due during the covered period and first 10 months of the loan. Principal and interest will become due on the 11th month in 14 equal monthly payments on the unpaid principal balance and accrued interest that has not been forgiven as described in the loan forgiveness provision. The Fund has elected to recognized revenue on the extinguishment of debt upon the realization of the release in accordance with ASC 405-20. As of December 31, 2020, the full note balance of \$80,000 was outstanding as a liability. Subsequent to year end, in June 2021, the Fund, received forgiveness in the full amount received (see Note 13).

**NOTE 12 - RISKS AND UNCERTAINTIES**

In December 2019, an outbreak of a novel strain of coronavirus, COVID-19, was first reported in Wuhan, China and has since spread globally. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic and recommend containment and mitigation measures worldwide. In addition, several states in the U.S., including California, where the Fund is headquartered, have declared a state of emergency.

**SANTA MONICA MOUNTAINS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 12 - RISKS AND UNCERTAINTIES** (Continued)

COVID-19 has significantly impacted the Fund's donors, employees, and business operations. In addition, the Fund's response to COVID-19 required precautionary measures and supply resources which impacted the Fund's operating results. COVID-19 could continue to adversely affect the economy and financial markets, resulting in an economic downturn that could continue affect the Fund's operating results. Although management is continuing to monitor and assess the effects of the COVID-19 pandemic on the Fund, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.

The Fund's operations are primarily concentrated in the Santa Monica Mountains region, which have recently been prone to natural wildfire disasters, such as the Woolsey fire in November 2018. As such possible future natural disasters may significantly impact the program operations of the Fund.

**NOTE 13 - SUBSEQUENT EVENTS**

In accordance with FASB ASC 855-10-50-1, Subsequent Events, the Fund has evaluated events subsequent to December 31, 2020, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 2, 2021, the date the financial statements were available to be issued.

Subsequent to year end, in June 2021, the Fund received forgiveness in the full amount received on their PPP forgivable loan (see Note 11).

Subsequent to year end, in February 2021, the Fund received approximately \$79,000 from a second rounding of funding through PPP under the CARES Act. The structure and terms are similar to the first round of funding (see Note 11). In September 2021, the Fund received forgiveness in the full amount received on the second round of funding.

**SANTA MONICA MOUNTAINS FUND**

**SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2020**

**SANTA MONICA MOUNTAINS FUND  
SCHEDULE OF CONTRACT REVENUES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

Contract Number	Contract Title	Contract Period	Contract Amount			Contract Revenues Recognized									
			Prior Year Contracts	Current Year Additions & Modifications	Total Contract Amount	Prior Year(s) Revenues Recognized	Current Year Payments Received	Prior Year Contracts Receivable	Contracts Receivable	Deferred Revenues as of 01/01/20	Recognized Deferred Revenue	Current Year Revenues Recognized	Total Contract Revenues Recognized	Contract Amounts Available as of 12/31/20	
<b>Education</b>															
J8542080019	Biodiversity Teachers' Manual	04/08-03/12	\$ 24,300	\$ -	\$ 24,300	\$ 2,310	\$ -	\$ -	\$ -	\$ (21,990)	\$ 6,871	\$ 6,871	\$ 9,181	\$ 15,119	
J8548100014	Student Internships/Resource Management	08/10-09/14	165,648	-	165,648	155,683	-	-	-	(9,965)	9,606	9,606	165,289	359	
J8110110022	Research and Educational Projects & Programs	12/10-12/15	25,000	-	25,000	20,776	-	-	-	(4,224)	2,524	2,524	23,300	1,700	
P14AC01248	Revise & Update Wildland Fire Ecology Classroom Materials	08/14-07/19	21,357	(1,096)	20,261	20,261	-	-	-	-	-	-	20,261	-	
P15AC01213	Healthy Parks, Healthy People	08/15-08/20	57,100	(22,021)	35,079	34,477	602	-	-	-	602	35,079	-	-	
P16AC01442	Artists In Residence Program II	09/16-12/19	50,500	-	50,500	50,500	1,293	1,293	-	-	-	50,500	-	-	
P17AC01552	SAMO College Youth Program	09/17-09/22	98,000	-	98,000	52,321	57,313	17,883	6,249	-	-	45,679	98,000	-	
P17AC01675	Student Internships	09/17-09/22	60,000	-	60,000	47,499	12,501	-	-	-	-	12,501	60,000	-	
P18AC00881	SAMO Youth Leadership Program	07/18-07/23	382,100	-	382,100	140,458	73,200	29,336	43,518	-	-	87,382	227,840	154,260	
P18AC01057	Guest Host Program	07/18-12/21	18,000	10,000	28,000	10,670	3,509	-	1,870	-	-	5,379	16,049	11,951	
P18AC01372	Student Internships	09/18-09/23	98,987	-	98,987	-	40,797	-	10,835	-	-	51,632	51,632	47,355	
	<b>Sub Total</b>		<b>1,000,992</b>	<b>(13,117)</b>	<b>987,875</b>	<b>534,955</b>	<b>189,215</b>	<b>48,512</b>	<b>62,472</b>	<b>(36,179)</b>	<b>19,001</b>	<b>222,176</b>	<b>757,131</b>	<b>230,744</b>	
<b>Wildlife</b>															
P18AC01398	Avian Fire / Red-Legged Frogs	09/18-12/20	26,000	-	26,000	-	15,816	-	5,694	-	-	21,510	21,510	4,490	
P20AC00688	Endangered Species and Sensitive Habitat Conservation	06/20-09/23	-	17,600	17,600	-	-	-	1,796	-	-	1,796	1,796	15,804	
P20AC00700	Youth Volunteers Restore Native Habitat and Control Invasive Species	06/20-12/22	-	55,995	55,995	-	-	-	-	-	-	-	-	55,995	
	<b>Sub Total</b>		<b>26,000</b>	<b>73,595</b>	<b>99,595</b>	<b>-</b>	<b>15,816</b>	<b>-</b>	<b>7,490</b>	<b>-</b>	<b>-</b>	<b>23,306</b>	<b>23,306</b>	<b>76,289</b>	
<b>Trails and Restoration</b>															
J8542080037	National Park Signs	07/08-12/12	270,442	-	270,442	232,389	-	-	-	(38,053)	38,053	38,053	270,442	-	
J8542090052	Interpretive Media - Cheeseboro Canyon	08/09-12/13	70,000	-	70,000	-	-	-	-	(70,000)	68,148	68,148	68,148	1,852	
P17AC01362	Trail Network Support	08/17-08/22	374,075	191,341	565,416	185,189	135,174	-	67,666	-	-	202,840	388,029	177,387	
P19AC01048	Increase Native Plant Nursery Capacity as a result of Woolsey Fire	09/19-12/21	20,335	20,335	40,670	-	-	-	5,512	-	-	5,512	5,512	35,158	
	<b>Sub Total</b>		<b>734,852</b>	<b>211,676</b>	<b>946,528</b>	<b>417,578</b>	<b>135,174</b>	<b>-</b>	<b>73,178</b>	<b>(108,053)</b>	<b>106,201</b>	<b>314,553</b>	<b>732,131</b>	<b>214,397</b>	
<b>Outreach and Other</b>															
P16AC00972	Building Stewardship through Public Communications	06/16-06/21	239,767	-	239,767	193,051	-	-	13,855	-	-	13,855	206,906	32,861	
P17AC01155	Nature Neighbor Program: Urban Interface Conservationist	08/17-08/22	130,395	-	130,395	125,681	2,741	2,741	-	-	-	-	125,681	4,714	
P17AC01711	Horse Operations, Boundary Integrity, and General Support	09/17-09/20	32,000	(2,243)	29,757	29,757	-	-	-	-	-	-	29,757	-	
P17AC00142	Front Desk Services	02/17-02/22	60,575	19,242	79,817	40,677	14,980	14,980	14,694	-	-	14,694	55,371	24,446	
P20AC00161	Cultural Resource Program Assistance for Archeology, History and Museum Collections	01/20-01/25	-	114,876	114,876	-	51,023	-	12,811	-	-	63,834	63,834	51,042	
	<b>Sub Total</b>		<b>462,737</b>	<b>131,875</b>	<b>594,612</b>	<b>389,166</b>	<b>68,744</b>	<b>17,721</b>	<b>41,360</b>	<b>-</b>	<b>-</b>	<b>92,383</b>	<b>481,549</b>	<b>113,063</b>	
<b>Totals</b>			<b>\$ 2,224,581</b>	<b>\$ 404,029</b>	<b>\$ 2,628,610</b>	<b>\$ 1,341,699</b>	<b>\$ 408,949</b>	<b>\$ 66,233</b>	<b>\$ 184,500</b>	<b>\$ (144,232)</b>	<b>\$ 125,202</b>	<b>\$ 652,418</b>	<b>\$ 1,994,117</b>	<b>\$ 634,493</b>	

See independent auditors' report.