



Southern Humboldt Community Park

Financial History 2000 - 2008

Community members have requested a comprehensive accounting of the Park's income and outlays. This is a reasonable request, but one which we have not been in a position to undertake until now. Delays were not due to a lack documentation, but due to the time and expense required to gather and assemble existing records into a clear, comprehensible form -- a daunting task necessarily taken on in addition to the day-to-day maintenance, operations, grantwriting, working with the County Planning Department on rezoning, bookkeeping and other responsibilities of the SHCP's volunteer board.

Now that this task is at last done we are pleased to place it in the public record. This financial history provides a general accounting of the use of Southern Humboldt Community Park funds from inception through 2008. Our IRS 990 tax forms have been online for a number of years, but have not provided the accessibility and detail sought by community members. This accounting contains more detailed information than the park is required to provide--above and beyond the scope of what most non-profit organizations release to the general public. The figures released in this document are of course consistent with the figures in our 990's though the totals sometimes represent different aggregations of the same set of underlying transactions. It is our hope that this financial history makes it easier for our supporters to see clearly how SHCP funds have been used to support SHCP's non-profit purposes.

All park funds have been allocated towards the non-profit purposes for which the park was formed. The Park abides by Generally Accepted Accounting Principles (GAAP) in all bookkeeping and financial records. Key financial and transaction decisions were made by the board after exercising due diligence in protecting SHCP's interests and with the advice and consultation of professionals.

Understanding this somewhat complex history of transactions does require some level of financial or accounting expertise. Please recognize that the park board members are not accountants, and take steps to find assistance if you need help in understanding this document.

Reasonable people may disagree on fiscal priorities. With hindsight there is often a temptation to second-guess past decisions. We feel that our decisions and accomplishments speak for themselves. The Park holds title to a remarkable piece of property with tremendous potential for community-based recreation, social, civic, agricultural uses and protected open space. The Park will be a treasure for our community for many generation to come.

We continue to welcome community comments and input on how best to allocate current park resources towards achieving the most favorable outcomes to serve the needs of the entire community at the park.

Southern Humboldt Community Park Financial History 2000-2008

A financial narrative follows this document

												2000 to 2008
PROFIT & LOSS		2000	2001	2002	2003	2004	2005	2006	2007	2008	TOTAL	
INCOME												
	Donations:	473,174	87,730	26,031	20,647	31,415	19,446	32,752	9,041	33,795	734,030	
	Operations Income:											
	Rents & Use Fees			2,200	6,920	7,543	20,388	23,318	26,989	24,270	111,628	
	Gravel Royalties	477	6,888	20,798	30,094	34,103	21,697	36,240	51,019	27,709	229,025	
	Hay Sales			925	4,919	4,359	1,392	2,474	261	93	14,423	
	Other Income:											
	Interest	615	148				565		2		1,330	
	Fundraising				1,290		291		15,664	8,829	26,073	
	Misc. Other		1,016		701				10	15	1,742	
	Grants & Contracts			3,500	15,500	750	13,500	7,363	35,448	22,000	98,060	
	Land Sale (twenty acres)								880,000		880,000	
	Total Income:	474,266	95,782	53,454	80,070	78,170	77,278	102,147	1,018,432	116,711	2,096,311	
EXPENSES												
	Operations Expenses:											
	Salaries & Wages			7,551	10,260	12,828	7,290	6,365	25,136	46,333	115,763	
	Payroll Taxes			1,279	3,253	6,534	2,813	2,623	6,211	7,909	30,622	
	Legal Fees		1,840	275				520	4,676	2,124	9,434	
	Accounting			1,659	2,658	1,790	1,665	2,138	1,906	3,258	15,073	
	Other Prof. Services	3,000	6,280	5,404	18,228	19,083	39,139	37,068	40,399	33,723	202,324	
	Utilities, Power & Fuel		493	350	2,227	695	1,323	2,454	2,274	3,057	12,872	
	Telephone			488	571	672	665	953	1,193	777	5,319	
	Insurance	1,876	5,825	5,815	6,137	10,925	2,391	5,765	8,599	7,682	55,016	
	Equipment Rental		25	13	197	392	1,950	1,427	1,347	1,348	6,699	
	Other Rents			295	199	103	38	40	195	21	890	
	Repairs & Maintenance		3,450	10,280	1,559	4,810	6,264	5,036	3,831	5,111	40,340	
	Permits & Fees		1,614	1,827	119	4,392	200	472	6,423	(1,106)	13,940	

**Southern Humboldt Community Park
Financial History 2000-2008 (continued)**

													2000 to 2008
				2000	2001	2002	2003	2004	2005	2006	2007	2008	TOTAL
Other Expenses:													
	Supplies			1,850	1,470	702	1,862	1,105	383	149	274	756	8,550
	Printing & Copying				411	407	14	1,377	135	414	52	2,023	4,833
	Postage				238	485	170	287	84	95	129	695	2,182
	Small Tools				672	504	538	939	464	183	219	534	4,053
	Educational Materials					247		25					272
	Fundraising			519					215	150	2,190	2,567	5,640
	Advertising			1,552	618				431	2,428			5,029
	Miscellaneous						92	2		128	52		274
	Memb. Dues & Subscriptions											75	75
	Bank Charges				108	48	131	-45	48	3	4		297
	Finance Charges				22	558	727	-196	402	56	1	230	1,799
	Depreciation				19,375	20,061	21,146	24,518	26,196	26,501	27,513	30,509	195,819
	Community Relations							370				262	632
	Conference & Meetings				339	255			60				654
	Travel				118	100	65	193	85		773		1,335
	Meals					114	129	643			183		1,068
	Photography & Video					83	111	10	200				404
Property Purchase:													
	Mortgage & Loans Interest			18,281	52,903	20,960	16,006	18,080	14,123	23,225	319,567	13,728	496,873
	Property Taxes					1,030	969	298	978	1,408	754	383	5,820
	Escrow Fees			3,115									3,115
Total Expenses:				30,193	95,801	80,790	87,367	109,828	107,542	119,599	453,901	161,998	1,247,019
	Net Gain/<Loss>			444,073	(19)	(27,336)	(7,297)	(31,658)	(30,265)	(17,452)	564,532	(45,287)	849,292

BALANCE SHEET		2000	2001	2002	2003	2004	2005	2006	2007	2008
ASSETS										
Bank Funds - 12/31		47,461	7,480	5,402	11,758	3,062	6,778	19,256	9,667	17,348
Accounts Receivable										4,459
Insur. Premium on Deposit					775	689	954	751	650	681
Prepaid Expenses							805			
Fixed Assets:										
Land		598,000	718,000	718,000	718,000	718,000	718,000	718,000	598,000	598,000
Buildings		527,000	527,000	527,000	527,000	527,000	529,000	533,811	533,811	533,811
Property Development			861	3,183	7,900	54,850	58,033	58,931	83,323	91,735
Equipment			2,907	2,907	6,182	6,682	12,156	14,510	13,645	14,012
Fixtures					4,987	7,858	7,858	9,574	9,574	9,574
<Accumulated Depreciation>			-19,375	-39,436	-60,582	-85,101	-111,297	-137,798	-165,310	-195,819
	Total Assets:	1,172,461	1,236,873	1,217,056	1,216,021	1,233,040	1,222,286	1,217,035	1,083,359	1,073,801
LIABILITIES										
Current Liabilities:										
Accounts Payable				6,380	2,556	41,575	47,962	47,803	28,320	38,194
Payroll Taxes				312	421	799	0	135	2,133	1,448
Rental Deposit				200	200	200	2,000	2,000	2,000	2,000
Total Current Liabilities:		0	0	6,892	3,177	42,574	49,962	49,938	32,452	41,641
Mortgage Payable:										
Principal Payments		633,000	536,388	483,369	483,369	483,369	483,369	483,369	483,369	0
Net Due @ 12/31		96,612	53,019	0	0	0	0	0	483,369	0
		536,388	483,369	483,369	483,369	483,369	483,369	483,369	0	0
Loans & Notes Payable:										
Additional Loans		192,000	192,000	309,450	310,076	320,082	329,362	341,485	353,710	156,356
Accrued Loan Interest			120,000	122,700	0	3,600	0	0	0	30,812
Principal Payments			6,128	13,089	10,019	11,080	12,123	12,225	14,333	0
Net Due @ 12/31		0	8,678	135,163	13	5,400	0	0	211,687	4,272
		192,000	309,450	310,076	320,082	329,362	341,485	353,710	156,356	182,895
	Total Liabilities:	728,388	792,819	800,337	806,628	855,305	874,816	887,017	188,809	224,537
EQUITY										
Net Assets		444,073	444,054	416,719	409,393	377,735	347,471	315,113	893,237	847,582
Grants, Playground & Proj. Funds								14,905	1,314	1,682
Total Liabilities & Equity Funds:		1,172,461	1,236,873	1,217,056	1,216,021	1,233,040	1,222,286	1,217,035	1,083,359	1,073,801

**Southern Humboldt Community Park
Financial History 2000-2008 (continued)**

**Acquisition Campaign 2001-2002
Park Purchase**

Downpayment	
Donations to downpayment	300,000
Loans	192,000
Property mortgage	<u>633,000</u>
Purchase price	1,125,000

Land Related Expenses 2000-2001

\$ 149,631	Mortgage Principle Payments
\$ 8,678	Loan Principle Payments
\$ 3,115	Escrow Fees
\$ 71,184	Interest Mortgage and Loan
<u>\$ 232,608</u>	* total land related expenses

Use of Donations 2000-2001

\$ 232,608	*Donations used to pay land related expenses 2 yrs
<u>\$ 300,000</u>	Donations used for downpayment
\$ 532,608	Total donations spent for acquisition end of 2001
\$ 532,608	Total donations spent for acquisition
<u>\$ 24,000</u>	Donations made & spent for purposes other than acquisition
\$ 556,608	Total donations spent at the close of 2001
\$ 556,608	Total donations spent at the close of 2001
<u>\$ 7,480</u>	Bank balance on close of 2001 (includes donations and other funds)
\$ 564,088	
\$ 560,904	Total donations in 2000-2001

Southern Humboldt Community Park

Financial Narrative 2000-2008

Purpose of the Narrative: This narrative accompanies the Southern Humboldt Community Park Financial History to answer, in advance, questions that arise naturally from the series of figures within the document. This narrative will describe general income and expense categories and how those cash flows impact park assets and liabilities. It covers the years 2000 to 2008.

This narrative explains what the numbers represent, in order to make them easier for the average person to understand. It provides more specific details about figures that vary from a normal range (within this accounting) or where more information may be helpful to see the bigger financial picture. There are no notes made when the numbers within the categories are self-explanatory or explained in more detail exists elsewhere within this Financial History.

Profit and Loss

INCOME

- **Donations:** Over the years, the majority of Park donations have been targeted for acquisition. In addition, many donors had priorities for purposes other than acquisition such as: park infrastructure development, trail construction, repairs, park maintenance, rezoning, basic operations, an assortment of special projects, etc. As you can see below, donations have been a very significant part of Park income over this eight year period. Sixty-five percent of Park income has been earned income and from the sale of twenty acres.

Income earned: \$1,362,281 65%

Donation income: \$734,030 35%

There is a complete accounting for donations spent during the initial park acquisition campaign.

- **Gravel Royalties:** The fluctuation upwards in 06-07 reflects the royalties from the shale operation which then shows the reduced income in 2008 when the property sold.
- **Misc. (income):** In 2001, the figure represents a refund of escrow fees.
- **Land sale (20 acres):** In 2007, the park sold a separate 20 acre parcel of land for \$1,000,000. The Park purchased the property for \$120,000. The \$880,000 figure represents the net gain from this property sale. *

EXPENSES

- **Salaries and Wages:** The expenses in this category are related to the park staff. In 2007 and 2008 caretakers salaries were increased to meet workload. In 2008, a \$10,000 grant supported a part-time Executive Director position.
- **Legal Fees:** The fees in 2007 and 2008 were costs related to the lot-line adjustment and rezoning.
- **Other Professional Services:** This category includes many of the reports that have been commissioned to study the existing conditions on Park property. Many of these reports will be a part of the required Environmental Impact Report as required by Humboldt County Planning Department. Studies include the *Anthropological and Historical Report, Biologists Reports, Cultural Resources Management Plan, Hazardous Substances Report, Geological Report, Hydrogeological Report, Septic Report, Floodplain Studies, Well Production Study*, ect. Other professional services contracted included planning consultants, conservation consultations, outside fundraising

consultants, grantwriters, land appraisers, surveyors, park restoration, and other professional services.

- **Utilities, Power, and Fuel:** This is fairly self-explanatory and includes all park utilities and onsite fuel costs to run machinery, mowers, ect. Extra fuel costs in 2003 are related to expenses to construct trail, clear brush and mow pathways.
- **Insurance:** The park has two insurance policies; one is due annually and one has been on a biennial payment. The large number in 2004 is due to the billing cycles and that both policies were due in 2004 and the timing of when those payments were made.
- **Permits and Fees:** The expenses in 2004 and 2007 were related to the lot-line adjustment. The negative figure in 2008 represents a refund on a fee deposit.
- **Depreciation** is an expense that accounts for the reduction of the value of an asset over time. It is a standard accounting cost.*
- **Property Purchase:** This section refers to payments made on the mortgage, loans and interest. In 2008, two notes and the mortgage were paid in full. One note remains. There is an attached sheet that shows the financing of the property purchase and use of donations.

Balance sheet:

ASSETS:

- **Bank Funds:** In 2002, when all assets transferred from Southern Humboldt Working Together to the Community Park, a total of \$5,402 was owed to the Park, but only \$5,373 was actually transferred for a difference of \$29.
- **Fixed Assets:** These are items of value which the organization has purchased and will use for an extended period of time.
 - It is pertinent to note that the value of a fixed asset is based on its purchase price.
 - The shift upwards in value in 2001 marks the purchase of the 20 acre parcel across the river.
 - The decrease in value in 2007 is the result of the sale of that same parcel.

LIABILITIES:

- **Mortgage Payable:** The first number represents the amount owed at the beginning of the year. Principle payments are the payments made in that year and the net due figure is the remaining balance at the year's end.
 - The 2008 -\$0 balance refers to the retirement of the mortgage to Buck Mountain Ranch.
- **Loans and Notes:** The first figure refers to the total of notes payable in the beginning of each year. The net due figure represents the remaining balance at the year's end.
 - More detail can be found on individual loans in the Loans and Notes section that follows the balance sheet.
 - All loans from board members are listed by the name of the board member. Other community lenders are listed by Note #'s.
 - For example: the original \$192,000 loan in 2000 represents the sum of Note #1 for \$100,000 and the Metz #1 loan for \$92,000.

- In 2001, the \$120,000 (Note #2) was used for the purchase of the 20 acre parcel. In 2002, a new \$119,700* loan (Note #3) and a loan of \$2,700* from Dazey was used to pay off Note #2.

EQUITY:

- **Net assets (assets minus liabilities)**
 - The increase in net assets and decrease in liabilities in 2007 are the result of the pay off of the mortgage and two notes after the sale of 20 acre parcel.
- **Grant and Projects funds:** This reflects monies currently on account and unspent for designated purposes.
- **Total Liabilities and Equity Funds** is the combined* value of equity funds plus liabilities-- equity, minus liabilities, plus retained or loss value.

* *Corrected*