

**Breckenridge Outdoor Education Center**

**Financial Statements**

**September 30, 2025 and 2024**



**HINKLE &  
COMPANY**  
*Strategic* <sup>PC</sup>  
*Business Advisors*

# Breckenridge Outdoor Education Center

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September 30, 2025 and 2024

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**HINKLE &  
COMPANY**  
Strategic PC  
Business Advisors

## Independent Auditor's Report

Board of Directors  
Breckenridge Outdoor Education Center  
Breckenridge, Colorado

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of Breckenridge Outdoor Education Center (a nonprofit corporation) as of and for the years ended September 30, 2025 and 2024, and the statement of activities and cash flows, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Breckenridge Outdoor Education Center (BOEC) as of September 30, 2025 and 2024, and the respective changes in financial position and 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BOEC 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 opinions.

#### **Responsibilities of Management for the Financial Statements**

BOEC's 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 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 BOEC's ability to continue as a going concern for one year after the date that the financial statements are issued.

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Denver, CO  
Frisco, CO  
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***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of BOEC'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 BOEC'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.

*Hick & Company, PC*

Englewood, Colorado  
January 21, 2026



**Breckenridge Outdoor Education Center**  
**Statements of Financial Position**  
**September 30, 2025 and 2024**

|  | 2025             | 2024             |
|--|------------------|------------------|
| <b>Assets</b>                          |                  |                  |
| <i>Current Assets</i>                  |                  |                  |
| Cash and Cash Equivalents              | \$ 148,956       | \$ 284,750       |
| Investments                            | 3,119,200        | 3,160,951        |
| Accounts Receivable                    | 48,487           | 44,968           |
| Grants and Pledges Receivable          | -                | -                |
| Inventory                              | 9,145            | 13,825           |
| Other Assets                           | -                | -                |
| Prepaid Expenses                       | 35,743           | 27,409           |
| Total Current Assets                   | 3,361,531        | 3,531,903        |
| <br><i>Property and Equipment</i>      |                  |                  |
| Construction-in-progress               | 32,159           | 30,872           |
| Building and Improvements              | 3,022,664        | 2,998,502        |
| Furniture and Fixtures                 | 76,342           | 72,054           |
| Program Equipment                      | 650,361          | 624,505          |
| Equipment                              | 115,619          | 113,534          |
| Vehicles                               | 732,418          | 606,538          |
|  | 4,629,563        | 4,446,005        |
| Accumulated Depreciation               | (2,713,855)      | (2,564,111)      |
| Total Property and Equipment           | 1,915,708        | 1,881,894        |
| <br>Total Assets                       | <br>\$ 5,277,239 | <br>\$ 5,413,797 |
| <br><b>Liabilities and Net Assets</b>  |                  |                  |
| <i>Current Liabilities</i>             |                  |                  |
| Accounts Payable                       | \$ 6,460         | \$ 10,194        |
| Accrued Liabilities                    | 69,111           | 54,097           |
| Security Deposits                      | 3,000            | 2,000            |
| Deferred Revenue                       | 14,110           | -                |
| Total Current Liabilities              | 92,681           | 66,291           |
| <br><i>Net Assets</i>                  |                  |                  |
| Net Assets Without Donor Restrictions: |                  |                  |
| Undesignated                           | 3,729,217        | 3,925,972        |
| Board Designated Assets                | 620,016          | 540,442          |
| With Donor Restrictions:               |                  |                  |
| Permanently Restricted                 | 438,988          | 438,988          |
| Temporarily Restricted                 | 396,337          | 442,104          |
| Total Net Assets                       | 5,184,558        | 5,347,506        |
| <br>Total Liabilities and Net Assets   | <br>\$ 5,277,239 | <br>\$ 5,413,797 |

**Breckenridge Outdoor Education Center**  
Statement of Activities  
For the Year Ended September 30, 2025

|  | Net Assets<br>Without Donor<br>Restrictions | Net Assets<br>With Donor<br>Restrictions | Total        |
|--|---|--|--------------|
| <b>Support and Revenue</b>                                 |   |  |              |
| Contributions and Grants                                   | \$ 1,072,671                                | \$ 607,325                               | \$ 1,679,996 |
| Tuition, <i>net scholarships and discounts of \$62,555</i> | 918,474                                     | -  | 918,474      |
| Special Events, <i>net of direct expenses of \$26,338</i>  | 209,984                                     | -  | 209,984      |
| Other Program Fees   | 11,574                                      | -  | 11,574       |
| Griffith Lodge Rental and Facility Fees                    | 25,324                                      | -  | 25,324       |
| Contributed Services and Property                          | 3,048,818                                   | -  | 3,048,818    |
| Staff Housing and Office Rental Income                     | 49,605                                      | -  | 49,605       |
| Miscellaneous Income                                       | 8,295                                       | -  | 8,295        |
| Investment Return  | 149,737                                     | 17,410                                   | 167,147      |
| Net Assets Released from Restrictions                      | 670,502                                     | (670,502)                                | -            |
| Total Public Support and Revenue                           | 6,164,984                                   | (45,767)                                 | 6,119,217    |
| <b>Operating Expenses</b>                                  |   |  |              |
| Program Services   | 5,266,241                                   | -  | 5,266,241    |
| Supporting Services:                                       |   |  |              |
| Management and General                                     | 474,764                                     | -  | 474,764      |
| Development and Fundraising                                | 541,160                                     | -  | 541,160      |
| Total Expenses   | 6,282,165                                   | -  | 6,282,165    |
| <b>Change in Net Assets</b>                                | (117,181)                                   | (45,767)                                 | (162,948)    |
| <b>Net Assets, Beginning of Year</b>                       | 4,466,414                                   | 881,092                                  | 5,347,506    |
| <b>Net Assets, End of Year</b>                             | \$ 4,349,233                                | \$ 835,325                               | \$ 5,184,558 |

**Breckenridge Outdoor Education Center**  
Statement of Activities  
For the Year Ended September 30, 2024

|   | Net Assets<br>Without Donor<br>Restrictions | Net Assets<br>With Donor<br>Restrictions | Total                   |
|---|---|--|-------------------------|
| <b>Support and Revenue</b>                                  |   |  |                         |
| Contributions and Grants                                    | \$ 1,064,332                                | \$ 475,304                               | \$ 1,539,636            |
| Tuition, <i>net scholarships and discounts of \$153,618</i> | 779,703                                     | -  | 779,703                 |
| Special Events, <i>net of direct expenses of \$27,023</i>   | 222,150                                     | -  | 222,150                 |
| Other Program Fees  | 24,731                                      | -  | 24,731                  |
| Griffith Lodge Rental and Facility Fees                     | 53,895                                      | -  | 53,895                  |
| Contributed Services and Property                           | 2,636,127                                   | -  | 2,636,127               |
| Staff Housing and Office Rental Income                      | 43,270                                      | -  | 43,270                  |
| Miscellaneous Income  | 2,888                                       | -  | 2,888                   |
| Investment Return   | 303,747                                     | 48,337                                   | 352,084                 |
| Net Assets Released from Restrictions                       | <u>662,548</u>                              | <u>(662,548)</u>                         | <u>-</u>                |
| <br>Total Public Support and Revenue                        | <br><u>5,793,391</u>                        | <br><u>(138,907)</u>                     | <br><u>5,654,484</u>    |
| <br><b>Operating Expenses</b>                               |   |  |                         |
| Program Services  | 4,613,380                                   | -  | 4,613,380               |
| Supporting Services:  |   |  |                         |
| Management and General                                      | 466,732                                     | -  | 466,732                 |
| Development and Fundraising                                 | <u>436,647</u>                              | <u>-</u>                                 | <u>436,647</u>          |
| <br>Total Expenses  | <br><u>5,516,759</u>                        | <br><u>-</u>                             | <br><u>5,516,759</u>    |
| <br><b>Change in Net Assets</b>                             | <br>276,632                                 | <br>(138,907)                            | <br>137,725             |
| <br><b>Net Assets, Beginning of Year</b>                    | <br><u>4,189,782</u>                        | <br><u>1,019,999</u>                     | <br><u>5,209,781</u>    |
| <br><b>Net Assets, End of Year</b>                          | <br><u>\$ 4,466,414</u>                     | <br><u>\$ 881,092</u>                    | <br><u>\$ 5,347,506</u> |

**Breckenridge Outdoor Education Center**  
**Statement of Functional Expenses**  
**For the Year Ended September 30, 2025**

|   | Program Services   |   |                   |                     | Management &<br>General | Development &<br>Fundraising | Total               |
|---|--|---|-------------------|---------------------|-------------------------|------------------------------|---------------------|
|   | Ski Course<br>Instruction &<br>Related<br>Administration | Wilderness Course<br>Instruction &<br>Related<br>Administration | Intern Program    | Total               |                         |                              |                     |
| <b>ACTUAL EXPENSES</b>                                |  |   |                   |                     |                         |                              |                     |
| Salaries & Benefits                                   | \$ 649,141   | \$ 721,028  | \$ 166,167        | \$ 1,536,336        | \$ 505,561              | \$ 343,947                   | \$ 2,385,844        |
| Program Supplies                                      | 4,583  | 68,609  | 30,289            | 103,481             | -                       | -                            | 103,481             |
| Contract Services                                     | 400  | 16,827  | 250               | 17,477              | 9,438                   | 43,751                       | 70,666              |
| Insurance   | 20,159   | 25,198  | 5,040             | 50,397              | 2,939                   | -                            | 53,336              |
| Transportation  |  |   |                   |                     |                         |                              |                     |
| Fuel  | 1,249  | 17,870  | 2,124             | 21,243              | -                       | -                            | 21,243              |
| Repairs & Other                                       | 7,243  | 25,353  | 3,624             | 36,220              | -                       | -                            | 36,220              |
| Insurance   | 4,141  | 14,496  | 2,071             | 20,708              | -                       | -                            | 20,708              |
| Fees, dues & permits                                  | 2,377  | 20,589  | 922               | 23,888              | 36,369                  | 10,208                       | 70,465              |
| Office Expenses                                       | 6,244  | 7,054   | 375               | 13,673              | 24,754                  | 19,962                       | 58,389              |
| Repairs and Maintenance                               | 2,608  | 46,697  | 2,721             | 52,026              | 27,970                  | -                            | 79,996              |
| Telephone   | 5,983  | 11,489  | 997               | 18,469              | 5,591                   | 2,992                        | 27,052              |
| Uniforms  | 824  | 1,155   | 6,781             | 8,760               | 343                     | -                            | 9,103               |
| Utilities   | -  | 10,050  | 3,368             | 13,418              | 15,440                  | -                            | 28,858              |
| Staff Travel and Meetings                             | 8,318  | 4,371   | 2,124             | 14,813              | 9,672                   | 516                          | 25,001              |
| Professional fees - audit                             | -  | -   | -                 | -                   | 16,800                  | -                            | 16,800              |
| Advertising and Marketing                             | 2,741  | 127   | 584               | 3,452               | 578                     | 3,775                        | 7,805               |
| Other   | (6,096)  | 21  | 3,156             | (2,919)             | 10,474                  | 375                          | 7,930               |
| Bad Debt Expense                                      | -  | -   | -                 | -                   | -                       | -                            | -                   |
| Allocation of Overhead                                | 136,211  | 159,696   | 58,712            | 354,619             | (470,253)               | 115,634                      | -                   |
| Subtotal Expenses                                     | <u>846,126</u>   | <u>1,150,630</u>  | <u>289,305</u>    | <u>2,286,061</u>    | <u>195,676</u>          | <u>541,160</u>               | <u>3,022,897</u>    |
| <b>CONTRIBUTED SERVICES, FACILITIES, AND SUPPLIES</b> |  |   |                   |                     |                         |                              |                     |
| Office and facilities space                           | 85,000   | 512,919   | -                 | 597,919             | 197,071                 | -                            | 794,990             |
| Lift tickets and resort parking                       | 1,230,525  | -   | -                 | 1,230,525           | -                       | -                            | 1,230,525           |
| Interns/volunteer instructors                         | 639,697  | 306,204   | -                 | 945,901             | -                       | -                            | 945,901             |
| Equipment & supplies                                  | 60,924   | -   | -                 | 60,924              | -                       | -                            | 60,924              |
| Professional services                                 | -  | -   | -                 | -                   | 16,478                  | -                            | 16,478              |
| Subtotal Contributed                                  | <u>2,016,146</u>   | <u>819,123</u>  | <u>-</u>          | <u>2,835,269</u>    | <u>213,549</u>          | <u>-</u>                     | <u>3,048,818</u>    |
| Total expenses before depreciation                    | 2,862,272  | 1,969,753   | 289,305           | 5,121,330           | 409,225                 | 541,160                      | 6,071,715           |
| Depreciation  | 144,911  | -   | -                 | 144,911             | 65,539                  | -                            | 210,450             |
| <b>Total Expenses</b>                                 | <u>\$ 3,007,183</u>                                      | <u>\$ 1,969,753</u>   | <u>\$ 289,305</u> | <u>\$ 5,266,241</u> | <u>\$ 474,764</u>       | <u>\$ 541,160</u>            | <u>\$ 6,282,165</u> |

See Notes to the Financial Statements.

**Breckenridge Outdoor Education Center**  
**Statement of Functional Expenses**  
**For the Year Ended September 30, 2024**

|   | Program Services   |   |                   | Total               | Management &<br>General | Development &<br>General | Total               |
|---|--|---|-------------------|---------------------|-------------------------|--------------------------|---------------------|
|   | Ski Course<br>Instruction &<br>Related<br>Administration | Wilderness Course<br>Instruction &<br>Related<br>Administration | Intern Program    |                     |                         |                          |                     |
| <b>ACTUAL EXPENSES:</b>                               |  |   |                   |                     |                         |                          |                     |
| Salaries & Benefits                                   | \$ 612,571   | \$ 634,439  | \$ 147,294        | \$ 1,394,304        | \$ 459,658              | \$ 270,631               | \$ 2,124,593        |
| Program Supplies                                      | 2,530  | 57,480  | 29,571            | 89,581              | 65                      | -                        | 89,646              |
| Contract Services                                     | -  | 3,326   | -                 | 3,326               | 6,525                   | 16,893                   | 26,744              |
| Insurance   | 18,272   | 23,322  | 4,568             | 46,162              | 2,965                   | -                        | 49,127              |
| Transportation  |  |   |                   |                     |                         |                          |                     |
| Fuel  | 4,255  | 14,876  | 2,126             | 21,257              | -                       | -                        | 21,257              |
| Repairs & Other                                       | 7,385  | 25,875  | 3,693             | 36,953              | -                       | -                        | 36,953              |
| Insurance   | 3,176  | 11,115  | 1,588             | 15,879              | -                       | -                        | 15,879              |
| Fees, dues & permits                                  | 12,382   | 22,188  | 2,863             | 37,433              | 15,552                  | 12,270                   | 65,255              |
| Office Expenses                                       | 3,744  | 2,806   | 356               | 6,906               | 26,965                  | 19,915                   | 53,786              |
| Repairs and Maintenance                               | 2,344  | 43,703  | 3,112             | 49,159              | 24,669                  | -                        | 73,828              |
| Telephone   | 6,743  | 12,636  | 1,051             | 20,430              | 5,253                   | 3,272                    | 28,955              |
| Uniforms  | 9,083  | 1,824   | 856               | 11,763              | 726                     | -                        | 12,489              |
| Utilities   | -  | 8,234   | 3,235             | 11,469              | 14,216                  | -                        | 25,685              |
| Staff Travel and Meetings                             | 9,577  | 5,469   | 2,053             | 17,099              | 7,583                   | 1,145                    | 25,827              |
| Professional fees - audit                             | -  | -   | -                 | -                   | 16,900                  | -                        | 16,900              |
| Advertising and Marketing                             | 50   | 348   | 545               | 943                 | 401                     | 5,530                    | 6,874               |
| Other   | -  | 22  | -                 | 22                  | 8,979                   | -                        | 9,001               |
| Bad Debt Expense                                      | -  | -   | -                 | -                   | -                       | -                        | -                   |
| Allocation of Overhead                                | 119,804  | 134,322   | 52,089            | 306,215             | (413,206)               | 106,991                  | -                   |
| Subtotal Expenses                                     | <u>811,916</u>   | <u>1,001,985</u>  | <u>255,000</u>    | <u>2,068,901</u>    | <u>177,251</u>          | <u>436,647</u>           | <u>2,682,799</u>    |
| <b>CONTRIBUTED SERVICES, FACILITIES, AND SUPPLIES</b> |  |   |                   |                     |                         |                          |                     |
| Office and facilities space                           | 94,878   | 507,692   | -                 | 602,570             | 172,710                 | -                        | 775,280             |
| Lift tickets and resort parking                       | 943,004  | -   | -                 | 943,004             | -                       | -                        | 943,004             |
| interns/volunteer instructors                         | 660,632  | 117,104   | -                 | 777,736             | -                       | -                        | 777,736             |
| Equipment & supplies                                  | 81,732   | -   | -                 | 81,732              | -                       | -                        | 81,732              |
| Professional services                                 | 3,000  | -   | -                 | 3,000               | 50,476                  | -                        | 53,476              |
| Subtotal Contributed                                  | <u>1,783,246</u>   | <u>624,796</u>  | <u>-</u>          | <u>2,408,042</u>    | <u>223,186</u>          | <u>-</u>                 | <u>2,631,228</u>    |
| Total expenses before depreciation                    | 2,595,162  | 1,626,781   | 255,000           | 4,476,943           | 400,437                 | 436,647                  | 5,314,027           |
| Depreciation  | 23,079   | 107,084   | 6,274             | 136,437             | 66,295                  | -                        | 202,732             |
| <b>Total Expenses</b>                                 | <u>\$ 2,618,241</u>                                      | <u>\$ 1,733,865</u>   | <u>\$ 261,274</u> | <u>\$ 4,613,380</u> | <u>\$ 466,732</u>       | <u>\$ 436,647</u>        | <u>\$ 5,516,759</u> |

See Notes to the Financial Statements.

**Breckenridge Outdoor Education Center**  
**Statements of Cash Flows**  
For the Years Ended September 30, 2025 and 2024

|  | 2025         | 2024         |
|--|--------------|--------------|
| <b>Cash Flows from Operating Activities</b>  |              |              |
| Contributions and Grants   | \$ 4,739,558 | \$ 1,606,923 |
| Net Tuition  | 918,474      | 779,703      |
| Staff Housing Rental Income  | 49,605       | 43,270       |
| Other Cash Receipts  | 259,857      | 302,664      |
| Investment Income  | 208,898      | 17,642       |
| Cash Paid for Goods and Services   | (4,248,483)  | (1,023,890)  |
| Cash Paid to Employees   | (1,820,286)  | (1,646,146)  |
| Net Cash Provided by Operating Activities  | 107,623      | 80,166       |
| <br><b>Cash Flows from Investing Activities</b>  |              |              |
| Net (investment in)/sales of marketable securities   | -            | (16,205)     |
| Proceeds from Sale of Equipment  | -            | 1,000        |
| Purchase of Fixed Assets   | (243,417)    | (174,755)    |
| Net Cash Used In Investing Activities  | (243,417)    | (189,960)    |
| <br><b>Net Decrease in Cash</b>  | (135,794)    | (109,794)    |
| <br><b>Cash and Cash Equivalents, <i>Beginning of Year</i></b>                                     | 284,750      | 394,544      |
| <br><b>Cash and Cash Equivalents, <i>End of Year</i></b>   | \$ 148,956   | \$ 284,750   |
| <br><b>Reconciliation of Change in Net Assets<br/>to Net Cash Provided by Operating Activities</b> |              |              |
| Increase in Net Assets   | \$ (162,948) | \$ 137,725   |
| Adjustments to Reconcile Increase in Net Assets to<br>Cash Provided by Operating Activities        |              |              |
| Depreciation Expense   | 210,450      | 202,732      |
| Net realized and unrealized (gain) loss on investments   | 41,751       | (334,442)    |
| Gain on Disposal of fixed assets   | -            | (1,000)      |
| Contributed fixed assets   | (847)        | (4,899)      |
| Changes in Operating Assets and Liabilities:   |              |              |
| Accounts Receivable  | (3,519)      | (19,982)     |
| Contributions Receivable   | -            | 94,793       |
| Inventory  | 4,680        | (9,369)      |
| Prepaid Expenses   | (8,334)      | 9,200        |
| Other Assets   | -            | 991          |
| Accounts Payable   | (3,734)      | 4,133        |
| Accrued Liabilities  | 15,014       | 3,159        |
| Security Deposits  | 1,000        | (250)        |
| Deferred Revenue   | 14,110       | (2,625)      |
| <br>Net Cash Provided by Operating Activities  | \$ 107,623   | \$ 80,166    |

# Breckenridge Outdoor Education Center

Notes to Financial Statements

September 30, 2025 and 2024

## **Note 1: Nature of Operations and Summary of Significant Accounting Policies**

The Breckenridge Outdoor Education Center (BOEC) is a Colorado non-profit corporation formed under the laws of the State of Colorado on April 23, 1976. The mission of the BOEC is to expand the potential of people with disabilities and special needs through meaningful, educational and inspiring outdoor experiences. The BOEC provides year-round outdoor experiences for individuals including people with and without disabilities and disadvantaged youth. Program offerings include adaptive skiing and snowboarding, year-round wilderness programs, outdoor activity instruction and adventure-based team and leadership development programs. BOEC also offers a summer and winter intern program which trains young professionals interested in outdoor/experiential education, therapeutic recreation, and recreation management. The BOEC intern program is a separately designated program but is also integral in providing support to BOEC's adaptive ski and ride program and wilderness programs. Although the BOEC receives fees from agencies and participants, it depends primarily on grants and contributions from the public. The BOEC programs serve participants primarily from the Rocky Mountain Region, with groups and individuals from throughout the United States and abroad.

### **Basis of Accounting**

The accrual basis of accounting is used for financial statement presentation. Under the accrual method of accounting, revenues and the related assets are recognized when earned rather than when received and expenses and the related liabilities are recognized when incurred rather than when paid.

### **Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its FASB ASC 958-210, *Financial Statements of Not-for-Profit Organizations*. Under this guidance, Breckenridge Outdoor Education Center is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restrictions.

*Net Assets Without Donor Restrictions* - consists of assets, public support, and program revenues, which are available and used for general operations and programs. Contributions are considered available for general use unless specifically restricted by the donor.

*Net Assets With Donor Restrictions* - includes funds with donor-imposed restrictions, which permit the organization to expend the assets as specified and is satisfied either by the passage of time or by the actions of the organization. Resources of this nature originate from gifts, grants, bequests, contracts, and investment income earned on restricted funds.

### **Cash and Cash Equivalents**

Cash and cash equivalents consist of funds deposited in checking and savings accounts, certificates of deposit, and temporary investments having a maturity of three months or less.

# Breckenridge Outdoor Education Center

Notes to Financial Statements

September 30, 2025 and 2024

## **Note 1: Nature of Operations and Summary of Significant Accounting Policies** (Continued)

### **Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Fair value is determined by reference to quoted market prices and other relevant information generated by market transactions. Unrealized gains and losses are included in the change in net assets.

### **Accounts Receivable and Contributions Receivable**

Accounts receivable are stated at the amount due from services provided, net of allowances for uncollectible amounts. Management reviews accounts receivable and promises to give regularly to determine if any receivable will potentially be uncollectible. Based on management's evaluation, all accounts receivable and promises to give are considered to be collectible and, therefore, no allowance for doubtful accounts is provided at year-end. The allowance for doubtful accounts was \$0 at September 30, 2025 and 2024.

### **Property and Equipment**

The BOEC capitalizes property and equipment over \$500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the BOEC reports expirations of donor restrictions when the donated or acquired assets are placed in service. The BOEC reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five years for furniture and vehicles to thirty and fifty years for buildings.

### **Contributed Services**

The BOEC receives a significant amount of contributed services from interns and volunteer instructors. Such services totaled \$855,920 and \$777,736 for the year ended September 30, 2025 and 2024, respectively, and are recognized as support and expense in the accompanying financial statements.

During the fiscal year ended September 30, 2025 and 2024, BOEC received pro-bono legal services valued at \$14,738 and \$37,750, respectively, recognized as support and expense in the accompanying financial statements.

The BOEC also receives contributed services from unpaid volunteers who assist in fund-raising and special projects. No amounts have been recognized in the statement of activities because the criteria for recognition as contributed services have not been met.

# Breckenridge Outdoor Education Center

Notes to Financial Statements

September 30, 2025 and 2024

## **Note 1: Nature of Operations and Summary of Significant Accounting Policies** (Continued)

### **Revenue**

Gifts, grants and contributions, including promises to give, without donor conditions are recognized as revenue at their estimated fair value at the date of donation and classified as either with or without donor restrictions depending on the donor's stipulations or lack thereof. Unconditional, multi-year commitments are recognized in the year during which the initial commitment is made. Contributions to be received after one year are discounted at an appropriate discount rate. Amounts receivable from donors are evaluated yearly for collectability and an allowance for uncollectible pledges is recorded as necessary.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions until the restrictions are met, at which time the net assets are reclassified to net assets without donor restrictions.

Conditional donations are those that have a measurable performance or other barriers and include a right of return of the assets or right of release of the donor from further obligation if the conditions are not met. Conditional donations are not recognized until the associated barriers are met.

### **Functional Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's assumptions.

### **Use of Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **Income Tax Status**

BOEC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private organization. BOEC follows FASB ASC 740 *Income Taxes*, which requires entities to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing organization. BOEC has evaluated tax positions taken related to its tax-exempt status, and none are considered to be uncertain; therefore, no amounts have been recognized as of September 30, 2025.

### **Subsequent Events**

Subsequent events have been evaluated through January 21 2026, the date the financial statements were available to be issued.

## Breckenridge Outdoor Education Center

Notes to Financial Statements

September 30, 2025 and 2024

### Note 2: Cash and Cash Equivalents

BOEC maintains several bank accounts. The table below is designed to disclose the level of custody credit risk assumed by BOEC based upon how its deposits were insured at September 30, 2025 and 2024. FDIC regulations state that time and savings accounts are insured up to \$250,000 per depositor, per insured bank.

Category 1 - Insured by FDIC or collateralized with securities held by BOEC or by its agent in its name.

Category 2 - Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in BOEC's name.

Category 3 - Uninsured and uncollateralized.

|                           | Total Bank<br>Balance | Custody<br>(Category 1) | Credit Risk<br>(Category 2) | Uninsured<br>(Category 3) |
|---------------------------|-----------------------|-------------------------|-----------------------------|---------------------------|
| <u>September 30, 2025</u> |                       |                         |                             |                           |
| Demand Deposits           | \$ <u>172,699</u>     | \$ <u>172,699</u>       | \$ <u>-</u>                 | \$ <u>-</u>               |
| <u>September 30, 2024</u> |                       |                         |                             |                           |
| Demand Deposits           | \$ <u>288,044</u>     | \$ <u>250,000</u>       | \$ <u>-</u>                 | \$ <u>38,044</u>          |

### Note 3: Investments

Investments as of September 30, 2025 and 2024 consist of investments in exchange traded funds, mutual funds and investment-related cash deposit funds. The FASB has issued guidance for measurement and disclosure of fair value and establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that are readily accessible.

Level 2 - Quoted prices for similar instruments in active and inactive markets; and model driven valuation with significant inputs and drivers derived from observable active markets.

Level 3 - Inputs to the valuation methodology are unobservable for the instrument and significant to the fair value measurement.

## Breckenridge Outdoor Education Center

### Notes to Financial Statements

September 30, 2025 and 2024

#### Note 3: Investments (Continued)

The following table sets forth by level, within the fair value hierarchy, BOEC's assets at fair value as of September 30, 2025:

|                                | Level 1      | Level 2 | Level 3 | Total        |
|--------------------------------|--------------|---------|---------|--------------|
| Cash                           | \$ 26,351    | \$ -    | \$ -    | \$ 26,351    |
| Available for Sale securities: |              |         |         |              |
| Equities                       | 1,034,467    | -       | -       | 1,034,467    |
| Fixed Income                   | 791,234      | -       | -       | 791,234      |
| Variable rate annuity          | -            | -       | -       | -            |
| Money market funds             | 1,267,148    | -       | -       | 1,267,148    |
| Total                          | \$ 3,119,200 | \$ -    | \$ -    | \$ 3,119,200 |

The following table sets forth by level, within the fair value hierarchy, BOEC's assets at fair value as of September 30, 2024:

|                                | Level 1      | Level 2 | Level 3 | Total        |
|--------------------------------|--------------|---------|---------|--------------|
| Cash                           | \$ 29,640    | \$ -    | \$ -    | \$ 29,640    |
| Available for Sale securities: |              |         |         |              |
| Equities                       | 957,388      | -       | -       | 957,388      |
| Fixed Income                   | 768,203      | -       | -       | 768,203      |
| Variable rate annuity          | 123,354      | -       | -       | 123,354      |
| Money market funds             | 1,282,366    | -       | -       | 1,282,366    |
| Total                          | \$ 3,160,951 | \$ -    | \$ -    | \$ 3,160,951 |

During the year ended September 30, 2025 investment income consisted of the following:

|                         | 2025                          |                            | Total      |
|-------------------------|-------------------------------|----------------------------|------------|
|                         | Without Donor<br>Restrictions | With Donor<br>Restrictions |            |
| Interest and Dividends  | \$ 110,486                    | \$ 9,651                   | \$ 120,137 |
| Realized Gain (Loss)    | 8,640                         | 4,691                      | 13,331     |
| Unrealized Gains (Loss) | 37,236                        | 8,150                      | 45,386     |
| Investment Fees         | (9,605)                       | (2,102)                    | (11,707)   |
| Total                   | \$ 146,757                    | \$ 20,390                  | \$ 167,147 |

## Breckenridge Outdoor Education Center

Notes to Financial Statements

September 30, 2025 and 2024

### Note 3: Investments (Continued)

During the year ended September 30, 2024 investment income consisted of the following:

|                         | 2024                          |                            | Total             |
|-------------------------|-------------------------------|----------------------------|-------------------|
|                         | Without Donor<br>Restrictions | With Donor<br>Restrictions |                   |
| Interest and Dividends  | \$ 125,681                    | \$ 8,774                   | \$ 134,455        |
| Realized Gain (Loss)    | 21,431                        | 4,691                      | 26,122            |
| Unrealized Gains (Loss) | 168,470                       | 37,462                     | 205,932           |
| Investment Fees         | <u>(11,835)</u>               | <u>(2,590)</u>             | <u>(14,425)</u>   |
| Total                   | <u>\$ 303,747</u>             | <u>\$ 48,337</u>           | <u>\$ 352,084</u> |

The investments are held in a brokerage account. The investment balances are secured by the Securities Investors Protection Corporation (SIPC) up to \$500,000. Cash and money balances held in the brokerage account are secured by FDIC up to \$250,000. The brokerage firm provides supplemental account protection for securities accounts up to \$1,900,000.

### Note 4: Grants and Pledges Receivable

There were no outstanding promises to give as of September 30, 2025.

### Note 5: Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at September 30, 2025 and 2024 consist:

|  | 2025              | 2024              |
|--|-------------------|-------------------|
| Scholarships                                 | \$ 51,829         | \$ 67,309         |
| Equipment                                    | 33,539            | 43,222            |
| Time restricted                              | -                 | 50,000            |
| Staff training                               | 30,911            | 51,590            |
| Uniforms                                     | -                 | -                 |
| Specific programs                            | 47,658            | 14,993            |
| Donor-restricted endowment corpus            | 438,988           | 438,988           |
| Investment income restricted to scholarships | <u>232,400</u>    | <u>214,990</u>    |
| Totals                                       | <u>\$ 835,325</u> | <u>\$ 881,092</u> |

# Breckenridge Outdoor Education Center

Notes to Financial Statements

September 30, 2025 and 2024

## Note 5: Net Assets With Donor Restrictions (Continued)

### Endowment Funds

BOEC's general endowment fund was established in 1993 to support program scholarship assistance to needy participants. Contributions to the general endowment fund are subject to donor restrictions that stipulate the original principal of the gift is to be held and invested by the BOEC indefinitely, and income from the fund is to be expended for program scholarships or as needed, subject to the Board of Directors' approval.

BOEC's Brownell Bailey endowment fund was established in 2006 to also support program scholarship assistance to needy participants. Contributions to the Brownell Bailey endowment fund are subject to donor restrictions that stipulate the original principal of the gift is to be held and invested by the BOEC indefinitely, and income from the fund is restricted to be expended for program scholarships. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Endowment fund is at September 30, 2025 and September 2024 is composed of:

| <u>Endowment funds:</u>  | <u>2025</u>         | <u>2024</u>         |
|--|---------------------|---------------------|
| General endowment, amount required to be invested in perpetuity  | \$ 319,813          | \$ 319,813          |
| Brownell Bailey, amount required to be invested in perpetuity  | 119,175             | 119,175             |
| General endowment earnings, amount available for appropriation for scholarships and emergency needs as approved by the Board | 620,016             | 540,442             |
| Brownell Bailey earnings, amount available for appropriation for scholarships  | 232,405             | 214,990             |
| Total endowment funds  | <u>\$ 1,291,409</u> | <u>\$ 1,194,420</u> |

The BOEC is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, therefore, classifies amounts in its donor-restricted endowment fund as net assets with donor restrictions until the Board appropriates amounts for expenditure and any purpose restrictions have been met. The Board of Directors of the BOEC has interpreted SPMIFA as requiring the maintenance of only the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, the BOEC would consider the fund to be underwater if the fair value of the fund is less than the sum of (1) the original value of initial and subsequent gifts donated to the fund and (2) any accumulations to the fund that are required to be maintained in perpetuity in accordance with applicable donor gift instrument. The BOEC has interpreted SPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law. The fund is not currently underwater.

## Breckenridge Outdoor Education Center

### Notes to Financial Statements

September 30, 2025 and 2024

#### Note 5: Net Assets With Donor Restrictions (Continued)

In accordance with SPMIFA, the BOEC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purpose of the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the BOEC, and (7) the investment policies of the BOEC.

BOEC has adopted investment and spending policies for endowment assets that attempt to subject the fund to low investment risk and provide operational sources of funds in the event that program and development revenue are unable to fully support program expenses. BOEC's investment goal is for long term growth. No amounts may be spent from the endowment funds without approval by the Board's finance committee.

The composition of endowment net assets and the changes in the endowment net assets as of September 30, 2025, are as follows:

|   | Without Donor<br>Restrictions:<br>Board<br>Designated<br>General<br>Endowment<br>Earnings | With Donor<br>Restrictions:<br>Brownell<br>Bailey<br>Earnings | With Donor<br>Restrictions:<br>General<br>Endowment<br>and Brownell<br>Bailey<br>Corpus | Total               |
|---|---|---|---|---------------------|
| Endowment net assets as of October 1, 2024    | \$ 540,442  | \$ 214,990  | \$ 438,988  | \$ 1,194,420        |
| Contributions                                 | -   | -   | -   | -                   |
| Dividends and interest                        | 44,299  | 9,695   | -   | 53,994              |
| Net Realized/unrealized gains                 | 48,174  | 10,543  | -   | 58,717              |
| Less: Investment management fees              | <u>(12,899)</u>   | <u>(2,823)</u>  | -   | <u>(15,722)</u>     |
| Endowment net assets as of September 30, 2025 | <u>\$ 620,016</u>   | <u>\$ 232,405</u>   | <u>\$ 438,988</u>   | <u>\$ 1,291,409</u> |

The composition of endowment net assets and the changes in the endowment net assets as of September 30, 2024, are as follows:

|   | Without Donor<br>Restrictions:<br>Board<br>Designated<br>General<br>Endowment<br>Earnings | With Donor<br>Restrictions:<br>Brownell<br>Bailey<br>Earnings | With Donor<br>Restrictions:<br>General<br>Endowment<br>and Brownell<br>Bailey<br>Corpus | Total               |
|---|---|---|---|---------------------|
| Endowment net assets as of October 1, 2023    | \$ 416,004  | \$ 166,653  | \$ 438,988  | \$ 1,021,645        |
| Contributions                                 | -   | -   | -   | -                   |
| Dividends and interest                        | 22,588  | 8,774   | -   | 31,362              |
| Net Realized/unrealized gains                 | 107,268   | 41,668  | -   | 148,936             |
| Less: Investment management fees              | <u>(5,418)</u>  | <u>(2,105)</u>  | -   | <u>(7,523)</u>      |
| Endowment net assets as of September 30, 2024 | <u>\$ 540,442</u>   | <u>\$ 214,990</u>   | <u>\$ 438,988</u>   | <u>\$ 1,194,420</u> |

# Breckenridge Outdoor Education Center

## Notes to Financial Statements

September 30, 2025 and 2024

### Note 6: 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, comprise the following:

|  | <u>2025</u>         | <u>2024</u>         |
|--|---------------------|---------------------|
| Cash and Cash Equivalents  | \$ 148,956          | \$ 284,750          |
| Contributions Receivable   | -                   | -                   |
| Investments  | <u>3,119,200</u>    | <u>3,160,951</u>    |
| Available Assets at September 30,  | 3,268,156           | 3,445,701           |
| Less: Those Unavailable for General Expenditures Within<br>One Year, Due To: |                     |                     |
| Donor-imposed time or purpose restrictions                                   | <u>(396,337)</u>    | <u>(442,104)</u>    |
| Totals   | <u>\$ 2,871,819</u> | <u>\$ 3,003,597</u> |

BOEC is substantially supported by contributions and program revenue. Financial assets are managed to be available as its general expenditures, liabilities, and other obligations come due. Cash in excess of monthly requirements is invested in short-term and long-term investments.

### Note 7: Operating Lease Commitments

The BOEC has multiple special use permits with the U.S. Department of Agriculture Forest Service and Department of Interior for using forestland in Colorado and adjoining states. The permits provide for payment based on participant usage. The majority of the permits are renewed on an annual basis as of December 31.

The BOEC leases 38 acres for its program facilities, located on open space land adjacent to the White River National Forest. The lease is with the Town of Breckenridge (TOB) and provides for a 75-year term commencing November 15, 2023 and terminating November 14, 2098. The lease provides for a one-time payment of \$10. The TOB estimated the annual fair market value of this lease, which is reported as support and expense in the accompanying financial statements for the year ended September 30, 2025, to be approximately \$512,919. The estimated annual fair market value for the year ended September 30, 2024 was approximately \$507,692.

Effective October 15, 2023 the BOEC entered into a purchase option lease agreement with the TOB for office space and warehouse/garage space situated on approximately one acre. The lease term is 75 years, terminating on November 14, 2098. The total rent for the term is \$10. Throughout the term of the lease, the BOEC and TOB will meet and confer at least annually for the purpose of determining whether changed circumstances require the amendment to the lease. The agreement also grants the BOEC the right of First Refusal to purchase the leased premise should an offer to purchase is received by landlord.

## **Breckenridge Outdoor Education Center**

Notes to Financial Statements

September 30, 2025 and 2024

### **Note 7: Operating Lease Commitments (Continued)**

The TOB has valued the use of the facility to be approximately \$174,491 for the year ended September 30, 2025. This value is reported as support and expense in the accompanying financial statements. The value for the use of the facility was approximately \$172,710 for the year ended September 30, 2024.

Effective May 1, 2012, the BOEC entered into a lease agreement (Agreement) with The Village at Breckenridge Acquisition Corp., Inc. for donated commercial space for the ski office, located in Breckenridge. The initial term of the lease ended on April 30, 2017. The Agreement provides for four five-year renewal options. The donated space is valued at \$70,868 for the year ended September 30, 2025.

### **Note 8: Employee Benefit Plan**

The BOEC has a defined contribution salary deferral plan covering all employees. Under the plan, the BOEC may contribute to the plan at its discretion. No plan expenses were incurred by the BOEC during the year ended September 30, 2025.

### **Note 9: Rental Income**

#### **Staff Housing**

The Administrative office building leasehold improvements completed in 2019 included adding dedicated staff housing that is leased to seasonal staff at a below market rate. These lease terms are for one year or less. BOEC received related rental income of \$39,250 and \$39,250 for the years ending September 30, 2025 and 2024 respectively. Security deposits held for the years ending September 30, 2025 and 2024 were \$1,250.

#### **Office Space**

Summit Huts Association leases office space from the BOEC on a month-to-month basis. Rent income from this lease was \$4,020 for both years ending September 30, 2025 and 2024. The balance of the security deposit was \$750 for both years ending September 30, 2025 and 2024.

### **Note 10: Concentrations**

The BOEC received 17% and 15% of its revenues from Vail Resorts, including the Breckenridge and Keystone ski areas for the for the years ending September 30, 2025 and 2024 respectively. Vail Resorts, along with Breckenridge and Keystone ski areas contributed lift tickets and season passes valued at \$873,002 and \$732,440 and building spaces for the ski program valued at \$94,878 and \$92,814 for the years ending September 30, 2025 and 2024 respectively.

# **Breckenridge Outdoor Education Center**

Notes to Financial Statements

September 30, 2025 and 2024

## **Note 10: Concentrations** (Continued)

The BOEC received 12% and 13% of its revenues from the TOB in the form of donated facility leases and cash contributions for the years ending September 30, 2025 and 2024 respectively. See Note 7 for the value and description of the leases.

## **Note 11: Related Party Transactions**

BOEC received contributions directly from members of the BOEC Board of Directors. Such amounts received from the Board of Directors, are not material to these financial statements.