

**MOUNTAINS TO SOUND
GREENWAY TRUST**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2020 AND 2019



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mountains to Sound Greenway Trust
Seattle, Washington

We have audited the accompanying financial statements of Mountains to Sound Greenway Trust (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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 auditor's 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 Mountains to Sound Greenway Trust as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Jones & Associates PLLC, CPAs

Jones & Associates PLLC, CPAs
February 10, 2021

MOUNTAINS TO SOUND GREENWAY TRUST
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 1,062,110	\$ 1,667,393
Accounts receivable	531,803	568,698
Prepaid expenses	84,236	74,935
Pledges receivable	514,110	499,446
Total current assets	2,192,259	2,810,472
Investments	1,382,308	716,928
Pledges receivable, net of current	212,734	382,649
Property and equipment, net	128,819	135,573
	\$ 3,916,120	\$ 4,045,622
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 65,722	\$ 235,951
Payroll liabilities	134,496	136,040
Deferred revenue	71,708	67,027
Forgiveable loan payable, current	133,395	-
Total current liabilities	405,321	439,018
Forgivable note payable	211,205	-
Total liabilities	616,526	439,018
 NET ASSETS		
Without donor restrictions		
Undesignated	451,128	1,931,182
Board designated	1,601,107	43,459
	2,052,235	1,974,641
With donor restrictions	1,247,359	1,631,963
	3,299,594	3,606,604
	\$ 3,916,120	\$ 4,045,622

MOUNTAINS TO SOUND GREENWAY TRUST
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions	\$ 1,179,328	\$ 112,248	\$ 1,291,576
Government grants	1,191,085	-	1,191,085
In-kind contributions	43,015	-	43,015
Investment return and other	58,044	-	58,044
	<u>2,471,472</u>	<u>112,248</u>	<u>2,583,720</u>
Net assets released from restriction			
Satisfaction of program restriction	486,852	(486,852)	-
Satisfaction of time restriction	10,000	(10,000)	-
	<u>496,852</u>	<u>(496,852)</u>	<u>-</u>
Total support and revenues	<u>2,968,324</u>	<u>(384,604)</u>	<u>2,583,720</u>
EXPENSES			
Program	2,455,584	-	2,455,584
Management and general	214,621	-	214,621
Fundraising	220,525	-	220,525
Total expenses	<u>2,890,730</u>	<u>-</u>	<u>2,890,730</u>
 CHANGE IN NET ASSETS	 77,594	 (384,604)	 (307,010)
NET ASSETS			
Beginning of the year	<u>1,974,641</u>	<u>1,631,963</u>	<u>3,606,604</u>
End of the year	<u>\$ 2,052,235</u>	<u>\$ 1,247,359</u>	<u>\$ 3,299,594</u>

MOUNTAINS TO SOUND GREENWAY TRUST
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions	\$ 1,882,654	\$ 354,595	\$ 2,237,249
Government grants	1,302,136	-	1,302,136
Special events, net	119,675	-	119,675
In-kind contributions	30,119	-	30,119
Investment return and other	82,182	-	82,182
	<u>3,416,766</u>	<u>354,595</u>	<u>3,771,361</u>
Net assets released from restriction			
Satisfaction of program restriction	544,141	(544,141)	-
Satisfaction of time restriction	30,175	(30,175)	-
	<u>574,316</u>	<u>(574,316)</u>	<u>-</u>
Total support and revenues	<u>3,991,082</u>	<u>(219,721)</u>	<u>3,771,361</u>
EXPENSES			
Program	2,680,204	-	2,680,204
Management and general	246,592	-	246,592
Fundraising	224,777	-	224,777
Total expenses	<u>3,151,573</u>	<u>-</u>	<u>3,151,573</u>
CHANGE IN NET ASSETS	839,509	(219,721)	619,788
NET ASSETS			
Beginning of the year	1,135,132	1,851,684	2,986,816
End of the year	<u>\$ 1,974,641</u>	<u>\$ 1,631,963</u>	<u>\$ 3,606,604</u>

MOUNTAINS TO SOUND GREENWAY TRUST
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020

	Program Services					Support Services			
	General	Communication	Stewardship	Volunteer	Education	Total	Management and General	Fundraising	Total
Salary, taxes and benefits	\$ 433,130	\$ 124,919	\$ 703,045	\$ 18,708	\$ 93,994	\$ 1,373,796	\$ 129,797	\$ 174,415	\$ 1,678,008
Outside services	89,349	9,491	440,305	-	10,374	549,519	67,039	1,193	617,751
Office	46,490	23,063	55,830	1,948	8,834	136,165	11,550	19,299	167,014
Field project materials	-	-	153,362	471	2,467	156,300	-	-	156,300
Meals and meetings	59,418	1,089	6,929	179	915	68,530	502	2,731	71,763
Transportation	10,436	2,711	39,396	438	6,826	59,807	472	1,344	61,623
Depreciation	7,001	3,066	25,705	358	1,584	37,714	2,121	3,143	42,978
Insurance	9,880	4,327	11,683	505	2,236	28,631	2,992	4,435	36,058
Printing	918	21,769	1,044	60	5,217	29,008	148	5,208	34,364
Fees	2,369	1,386	5,762	-	-	9,517	-	8,757	18,274
Conferences and training	378	1,126	3,423	270	1,400	6,597	-	-	6,597
Total expenses	<u>\$659,369</u>	<u>\$ 192,947</u>	<u>\$1,446,484</u>	<u>\$ 22,937</u>	<u>\$ 133,847</u>	<u>\$2,455,584</u>	<u>\$ 214,621</u>	<u>\$ 220,525</u>	<u>\$2,890,730</u>

MOUNTAINS TO SOUND GREENWAY TRUST
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2019

	Program Services						Support Services		
	General	Communication	Stewardship	Volunteer	Education	Total	Management and General	Fundraising	Total
Salary, taxes and benefits	\$ 394,153	\$ 92,712	\$ 685,582	\$ 26,819	\$ 100,329	\$ 1,299,595	\$ 159,871	\$ 168,811	\$ 1,628,277
Outside services	29,410	23,588	747,656	17,363	17,483	835,500	69,864	4,500	909,864
Office	44,836	13,500	66,057	2,091	10,428	136,912	10,659	19,968	167,539
Field project materials	637	1,221	159,527	276	2,284	163,945	-	-	163,945
Meals and meetings	57,953	3,708	8,848	629	884	72,022	829	1,626	74,477
Transportation	18,445	2,703	26,512	401	16,499	64,560	523	2,036	67,119
Depreciation	6,899	1,533	21,456	332	1,763	31,983	1,993	2,913	36,889
Insurance	8,945	1,988	13,755	431	2,286	27,405	2,584	3,777	33,766
Printing	1,982	14,510	1,911	1,419	9,737	29,559	110	11,209	40,878
Fees	338	78	7,378	362	185	8,341	101	9,771	18,213
Conferences and training	1,538	145	6,107	75	2,517	10,382	58	166	10,606
Total expenses	565,136	155,686	1,744,789	50,198	164,395	2,680,204	246,592	224,777	3,151,573
Plus expenses included with revenues on the statement of activities									
Special event direct donor benefit	-	-	-	-	-	-	-	40,204	40,204
Total functional expenses	\$565,136	\$ 155,686	\$1,744,789	\$ 50,198	\$ 164,395	\$2,680,204	\$ 246,592	\$ 264,981	\$3,191,777

See accompanying notes to financial statements.

MOUNTAINS TO SOUND GREENWAY TRUST
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from contributions and grants	\$ 2,679,488	\$ 3,744,336
Cash received from investment return and other	39,709	93,454
Cash paid to employees and suppliers	(2,985,811)	(2,914,550)
	(266,614)	923,240
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	172,691	-
Purchase of investments	(819,736)	(45,980)
Purchase of property and equipment	(36,224)	(39,112)
	(683,269)	(85,092)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of forgiveable loan payable	344,600	-
	344,600	-
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 (605,283)	 838,148
 CASH AND CASH EQUIVALENTS		
Beginning of the year	1,667,393	829,245
End of the year	\$ 1,062,110	\$ 1,667,393

MOUNTAINS TO SOUND GREENWAY TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities – The Mountains to Sound Greenway Trust (the Organization) leads and inspires action to conserve and enhance the landscape from Seattle across the Cascade Mountains to Central Washington, ensuring a long-term balance between people and nature. The Organization works to conserve and restore natural lands, open spaces, and historic sites; build and maintain recreational trails; engage with students through our environmental education program; advocate for public lands and recreational access; lead a robust volunteer program; and so much more.

The Organization is also the coordinating entity for the Mountains to Sound Greenway National Heritage Area. National Heritage Areas are places designated by Congress where historic, cultural, and natural resources combine to form cohesive, nationally important landscapes. The Organization received designation in March 2019 and are currently in the midst of a three-year cooperative management planning process.

The work the Organization does would not be possible without the partners that they collaborate with every day. The Greenway Coalition is a catalyst for action, convening multiple interest groups. The Organization works together to tackle challenges and plan for the future of this incredible landscape and the people who live, work, and play here.

Basis of Accounting and Presentation – The financial statements of the Organization have been prepared on the accrual basis of accounting and report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for various funds.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. There were no perpetually restricted net assets at June 30, 2020 and 2019.

Cash and Cash Equivalents – For purposes of the statements of cash flows, the Organization considers all checking and money market accounts and unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. The Organization maintains its cash and cash equivalents in bank accounts that may exceed federally insured limits at times during the year. The Organization has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

MOUNTAINS TO SOUND GREENWAY TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Investments – The Organization carries investments with readily determinable fair values at their fair values in the statements of financial position. Investments are held for long-term purposes. Investment return is included in the change in net assets in the statements of activities.

Fair Value Measurements – Fair value is defined as the price received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Accounting standards establish a hierarchy for measuring fair value that gives the highest priority to unadjusted quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

- Level 1 Unadjusted quoted prices for identical assets or liabilities in active markets.

- Level 2 Quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, or other inputs that can be corroborated by observable market data.

- Level 3 Inputs that are not observable that reflect management’s assumptions and estimates.

Fair value measurements apply to the Organization’s money market funds, bond mutual funds and exchange traded funds, which are classified within level 1 of the fair value hierarchy.

Accounts Receivable – Accounts receivable consist primarily of grants from government agencies. Accounts receivable are stated at the amount management expects to collect from the outstanding balances and are due within one year. No allowance for uncollectible balances has been established by management based on the Organization’s historical experience in the collection of balances due.

Pledges Receivable – Pledges receivable from donors are recognized as revenues or gains in the period to which they are committed and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional pledges receivable are recognized only when the conditions on which they depend are substantially met and the pledge becomes unconditional. Pledges receivable that are expected to be collected in more than one year are recorded at the present value of estimated cash flows. No allowance for uncollectible balances has been established by management based on the Organization’s historical experience in the collection of balances due.

Property and Equipment – Purchased property and equipment is stated at cost. Donated property and equipment is recognized as revenue and capitalized at its estimated fair value at the date of receipt. The Organization capitalizes assets that have a useful life greater than one year and a value greater than \$1,000. Depreciation is computed using the straight-line method over the estimated useful life of the asset, generally between three to eight years.

Revenue Recognition – Revenue is recognized when earned. Contributions are recognized when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. For conditional contributions and grants with donor restrictions, it is the Organization’s policy to recognize restricted conditional contributions in the net asset without restrictions class if the restrictions have been met in the same year.

MOUNTAINS TO SOUND GREENWAY TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued) – Revenue from government grants and contracts are recognized based on billings submitted for reimbursement and are subject to audit and retroactive adjustments made by the funding agencies. There were no adjustments resulting from government audits during the years ended June 30, 2020 and 2019. Amounts received in advance are deferred to the applicable period in which the related expenditures incurred.

In-kind Contributions – Donations of facilities, goods and services are recorded as revenue at the estimated fair value at the date of donation if they meet the criteria for recognition. The Organization recognizes donated services if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated.

Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Certain expenses are attributed to more than one program or supporting function. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. The expenses that are allocated include occupancy, depreciation, salaries and wages, benefits, payroll taxes, professional services, office related expenses, and insurance, which are allocated on a basis of estimates of time and effort.

Estimates – Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Income Tax Status – The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under Section 509(a)(1).

New Accounting Pronouncements – The Financial Accounting Standards Board (FASB) issued two Accounting Standard Updates (ASUs) that will affect the Organization’s revenue recognition.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09, and all subsequently-issued clarifying ASUs, replaced most existing revenue recognition guidance in accounting principles generally accepted in the United States of America (U.S. GAAP). ASU 2014-09 also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Organization adopted ASU 2014-09 effective July 1, 2019, using the modified retrospective approach. There was no cumulative effect from the initial application recognized as an adjustment to opening net assets as a result of the adoption, and the adoption did not have a significant impact on the financial statements for the year ended June 30, 2020.

MOUNTAINS TO SOUND GREENWAY TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements (Continued) – In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, which provides guidance in evaluating whether transactions should be accounted for as nonexchange or exchange transactions. In addition, ASU 2018-08 provides guidance for the identification and recognition of conditional nonexchange transactions. The Organization adopted ASU 2018-08 effective July 1, 2019, using the modified prospective approach. The adoption did not have a significant impact on the financial statements for the year ended June 30, 2020.

Subsequent Events – Subsequent events were evaluated through February 10, 2021, which is the date the financial statements were available to be issued.

Note 2 – Liquidity and Availability

Financial assets available for general expenditure within one year of the statement of financial position date are as follows at June 30:

	2020	2019
Financial Assets		
Cash and cash equivalents	\$ 1,062,110	\$ 1,667,293
Investments	1,382,308	716,928
Accounts and pledges receivable	1,258,647	1,450,793
	3,703,065	3,835,014
Less those unavailable for general expenditures within one year:		
Receivables collectible beyond one year	(212,734)	(382,649)
Restricted by donors for purpose	(1,217,359)	(1,621,963)
Board designated funds (require Board approval to use)	(1,601,107)	(43,459)
	(3,031,200)	(2,048,071)
Financial assets available within one year	\$ 671,865	\$ 1,786,943

The Organization's financial assets have seasonal variations during the year attributed to the timing of receipt of grants, donations and payments for services provided. The Organization has an operating reserve that the governing board has dedicated with the objective of setting funds aside to be drawn upon in the event of financial distress or an immediate liquidity need. Distress or a liquidity need could result from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities.

MOUNTAINS TO SOUND GREENWAY TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 3 – Investments

Investments consist of the following at June 30:

	2020	2019
Cash held for investments	\$ 259,983	\$ 8,621
Exchange traded funds	710,903	708,307
Bond mutual funds	411,422	-
	<u>\$ 1,382,308</u>	<u>\$ 716,928</u>

Note 4 – Pledges Receivable

Pledges receivable consist of the following at June 30:

	2020	2019
Receivable in less than one year	\$ 514,110	\$ 499,446
Receivable in one to five years	225,700	402,050
	739,810	901,496
Less discount on pledges	(12,966)	(19,401)
	<u>\$ 726,844</u>	<u>\$ 882,095</u>

The Organization used a rate of 2% to calculate the present value of receivables due in more than one year.

Note 5 – Property and Equipment

Property and equipment consist of the following at June 30:

	2020	2019
Vehicles	\$ 251,959	\$ 215,735
Computers	97,710	97,710
Field equipment	12,033	12,033
Furniture and equipment	19,454	19,454
	381,156	344,932
Less accumulated depreciation	(252,337)	(209,359)
	<u>\$ 128,819</u>	<u>\$ 135,573</u>

MOUNTAINS TO SOUND GREENWAY TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 6 – Forgivable Loan Payable

The Organization received a \$344,600 Paycheck Protection Program loan through the Small Business Administration as part of the CARES Act. This loan allows for the forgiveness of the obligation if certain conditions are met within the specified time period. The Organization fully intends to comply with the terms of the note related to use of the funds for qualified activities and expects to have all or most of the loan amount forgiven, pending final rules and guidance from Congress. The note bears interest at 1% and if conditions are not met, matures in May 2022.

The following is a schedule of future minimum payments under the note payable, if conditions are not met, for the years ending June 30:

2021	\$	133,395
2022		211,205
		211,205
	\$	344,600

Note 7 – Board Designated Net Assets

The Board of Directors has designated certain net assets without donor restrictions to function as funds for the following purposes at June 30:

	2020	2019
Fellowship	\$ 728,791	\$ -
General reserve	715,517	-
Thompson fund	135,000	-
Technology upgrade	21,799	43,459
	\$ 1,601,107	\$ 43,459

Note 8 – Net Assets with Donor Restrictions

Net assets with donor restrictions are composed of the following restrictions at June 30:

	2020	2019
Middle Fork Snoqualmie Initiative	\$ 1,126,610	\$ 1,542,312
Education	56,098	45,000
Policy and coalition	34,651	34,651
Time restricted	30,000	10,000
	\$ 1,247,359	\$ 1,631,963

MOUNTAINS TO SOUND GREENWAY TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 9 – Retirement Plan and Profit Sharing

The Organization has adopted a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers all full-time employees of the Organization. Employees may make contributions to the plan up to the maximum allowed by the Internal Revenue Code. Employer contributions are discretionary. The Organization contributed \$52,014 and \$48,765 to the plan during the years ended June 30, 2020 and 2019, respectively.

Note 10 – In-Kind Contributions

In-kind contributions are composed of the following for the years ended June 30:

	2020	2019
Services - program	\$ 29,436	\$ 28,014
Rent	10,330	-
Goods	3,249	2,105
	<u>\$ 43,015</u>	<u>\$ 30,119</u>

Note 11 – Operating Leases

The Organization has an operating lease for its office space, ending in July 2021, and a lease for its field base office, ending in March 2020. Rent expense under these leases was \$92,514 and \$92,427 for the years ended June 30, 2020 and 2019, respectively. Future minimum lease payments are as follows for the years ending June 30:

2021	\$ 77,076
2022	6,423
	<u>\$ 83,499</u>

The Organization subleases office space, expiring July 31, 2020. Future minimum lease receipts are \$1,364 for the year ending June 30, 2021.

Note 12 – Concentration

At June 30, 2020, 45% of accounts receivable is due from two grantors. At June 30, 2019, 43% of accounts receivable is due from one grantor. At June 30, 2020 and 2019, 79% and 72% of pledges receivable are due from one contributor.

MOUNTAINS TO SOUND GREENWAY TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 13 – Conditional Contributions

In 2016 through 2019, the Organization received conditional government grant awards totaling \$3,559,988. The grants are contingent on billings submitted for reimbursement. The Organization recognized \$1,017,422 in revenues through the year ending June 30, 2019 related to these awards. The Organization recognized \$1,191,085 of the government grants for the year ending June 30, 2020. There is \$1,271,889 in funds available which represents a conditional promise to give; this portion of the award will not be recognized as revenue until the grantor conditions are met. Payments are expected through fiscal year ending June 30, 2025.

Note 14 – Risks and Uncertainties

In December 2019, a novel strain of coronavirus (COVID-19) was reported in Wuhan, China. On March 11, 2020, the World Health Organization declared the outbreak to be a global pandemic. The extent of the impact of COVID-19 on the Organization's operations will depend on certain developments, including the duration and spread of the outbreak and the impact to donors and employees, all of which are uncertain and cannot be determined.

As a result of the COVID-19 pandemic, the Organization has adjusted all in-person special events scheduled through the date the financial statements were available to be issued to be virtual. To help cover the shortfall, the Organization received a \$344,600 Payroll Protection Program loan through the Small Business Administration as part of the CARES Act. The Organization expects to meet qualifications to have the full loan amount forgiven. The Organization will use its reserve accounts if needed.