

**OPEN SPACE COUNCIL**  
**FOR THE SAINT LOUIS REGION**

**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of  
Open Space Council for the St Louis Region

We have reviewed the accompanying financial statements of Open Space Council for the St Louis Region (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Brian D. Ahrens, CPA, PC  
Cottleville, Missouri  
July 20, 2020

**OPEN SPACE COUNCIL**  
**FOR THE SAINT LOUIS REGION**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2019**

**ASSETS**

**Current Assets**

Cash-Checking	\$ 22,501	
Prepaid Expense	700	
Total Current Assets		\$ 23,201

**Investments**

Savings - Grace Legacy Fund	110,158	
Savings - Grace Endowment Fund	398,140	
Savings - Donnley Land Trust Defense Fund	68,249	
Savings - Founder's Fund	222,222	
Total Investments		798,769

**Property & Equipment**

Furniture & Equipment	1,330	
Accumulated Depreciation	(931)	
Total Property & Equipment		399

**Other Assets**

Land Grant Held In Escrow	300,000	
Conservation Easement	330,000	630,000
Total Assets		\$ 1,452,369

**LIABILITIES**

**Current Liabilities**

Accounts Payable	\$ 1,755	
Accrued Salaries	2,679	
Deferred Grant Revenue	9,500	
Payroll Withholdings Payable	2,695	
Total Current Liabilities		\$ 16,629

**NET ASSETS**

Net Assets Without Donor Restrictions	783,028	
Net Assets With Donor Restrictions	652,712	
Total Net Assets		1,435,740
Total Liabilities and Net Assets		\$ 1,452,369

*See accompanying notes to the financial statements.*

**OPEN SPACE COUNCIL**  
**FOR THE SAINT LOUIS REGION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**

**REVENUES, GAINS, AND OTHER SUPPORT**

Grants and Sponsorships	\$ 69,869	
Member Dues and Contributions	13,678	
Investment Income	34,234	
Donations	17,642	
Appreciation in Fair Value of Investments	87,287	
Sales	383	
Event/Program Income	10,855	
Total Revenues, Gains, and Other Support		\$ 233,948
Without Donor Restrictions		

**NET ASSETS RELEASED FROM RESTRICTIONS**

Satisfaction of willow staking project restrictions		15,000
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**EXPENSES**

Program Services	116,350	
Management & General	12,298	
Fundraising	8,631	
Total Expenses		137,279

<b><u>INCREASE/(DECREASE) IN NET ASSETS</u></b>		111,669
<b><u>WITHOUT DONOR RESTRICTIONS</u></b>		

**CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS**

Net Assets Released From Restrictions	(15,000)	
<b><u>INCREASE/(DECREASE) IN NET ASSETS</u></b>		(15,000)
<b><u>WITH DONOR RESTRICTIONS</u></b>		

<b><u>INCREASE/(DECREASE) IN NET ASSETS</u></b>		\$ 96,669
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<b><u>NET ASSETS - Beginning of year</u></b>		1,339,071
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<b><u>NET ASSETS - End of year</u></b>		<u>\$ 1,435,740</u>
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*See accompanying notes to the financial statements.*

**OPEN SPACE COUNCIL**  
**FOR THE SAINT LOUIS REGION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<b><u>EXPENSES</u></b>	<b><u>Program</u></b> <b><u>Services</u></b>	<b><u>Management</u></b> <b><u>&amp; General</u></b>	<b><u>Fundraising</u></b>	<b><u>Totals</u></b>
Accounting & Payroll Services	\$ 2,977	\$ 232	\$ 99	\$ 3,308
Depreciation	239	19	8	266
Dues & Subscriptions	2,964	230	99	3,293
Employee Benefits	6,676	785	393	7,854
Events & Project Expense	10,229	-	-	10,229
Grants & Contributions	1,000	-	-	1,000
Insurance	3,708	1,238	50	4,996
Marketing Expense	229	-	-	229
Mileage & Travel	1,027	-	-	1,027
Miscellaneous	153	12	5	170
Office Expense	1,938	151	66	2,155
Payroll Taxes	5,622	661	331	6,614
Printing Expense	67	66	3,191	3,324
Professional Fees	2,880	224	96	3,200
Occupancy	8,444	657	281	9,382
Salaries & Wages	68,197	8,023	4,012	80,232
<b>Totals</b>	<b>\$ 116,350</b>	<b>\$ 12,298</b>	<b>\$ 8,631</b>	<b>\$ 137,279</b>

*See accompanying notes to the financial statements.*

**OPEN SPACE COUNCIL**  
**FOR THE SAINT LOUIS REGION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**CASH FLOW FROM OPERATING ACTIVITIES**

Increase/(Decrease) in net assets		\$ 96,669
Adjustments to reconcile net revenue to net cash:		
Depreciation expense		266
Net unrealized (gain)/loss on investment securities		(87,287)
(Increase)/Decrease in accounts receivable-support		3,815
(Increase)/Decrease in prepaid expenses		(700)
Increase/(Decrease) in accounts payable		933
Increase/(Decrease) in payroll withholdings payable		(2,313)
Increase/(Decrease) in deferred grant revenue		9,500
Increase/(Decrease) in accrued salaries		<u>(844)</u>
 NET CASH USED BY OPERATING ACTIVITIES		 <u>20,039</u>

**CASH FLOW FROM INVESTING ACTIVITIES**

Amount released from restrictions		15,000
Reinvestment of earnings to purchase investments		<u>(24,235)</u>
 NET CASH PROVIDED BY INVESTING ACTIVITIES		 <u>(9,235)</u>

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

\$ 10,804

**CASH AND CASH EQUIVALENTS - Beginning of year**

11,697

**CASH AND CASH EQUIVALENTS - End of year**

\$ 22,501

*See accompanying notes to the financial statements.*

**OPEN SPACE COUNCIL**  
**FOR THE ST. LOUIS REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**Note 1: Summary of Significant Accounting Policies**

Organization and Nature of Activities – In 1965, the Open Space Council was established to preserve open space resources for the people of the St. Louis metropolitan region. The Open Space Council for the St. Louis Region (the Organization) is a Missouri private, nonprofit organization dedicated to conserving public and private open space lands and the clean up of streams and park space. The Organization’s support comes primarily through corporate and individual donor contributions.

Financial Statement Presentation – The accompanying financial statements of Open Space Council are prepared in conformity with accounting principles generally accepted in the United States (GAAP) in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958. Under FASB ASC 958, the Organization is required to report net assets, revenues, expenses, gains, and losses into two categories, according to externally (donor) imposed restrictions. A description of the net asset categories follows:

*Net Assets with Donor Restrictions:* net assets subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

*Net Assets without Donor Restrictions:* net assets not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

**Donor-Imposed Restrictions:**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. If a restriction is fulfilled in the same time period in which a restricted contribution is received, the Organization classifies the support as unrestricted.

Support and Revenue – The Organization receives support and revenue primarily from corporate grants/donations, individual donations, membership dues, events, and investment income.

Promises to Give – Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.



**OPEN SPACE COUNCIL**  
**FOR THE ST. LOUIS REGION**  
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Cash and Cash Equivalents – Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months and available for current use.

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. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short term investments consist of debt securities with original maturities of twelve months or less. Long term investments consist of debt securities with original maturities greater than twelve months.

Property and Equipment – It is the Organization’s policy to capitalize property and equipment over \$1,000. 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 unrestricted contributions 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 restricted contributions. At the time that any donor stipulations regarding how long those donated assets must be maintained expire, the Organization reclassifies temporarily restricted net assets to unrestricted net assets. Property and equipment is depreciated using the straight line method. Depreciation expense amounted to \$266 for year ended December 31, 2019.

Contributions/Support Receivable – Contributions receivable, if any, are stated at the amount management expects to collect from outstanding balances.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes – The Organization is a not-for-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization’s Forms 990, *Return of Organization Exempt From Income Tax*, for the years ending 2016, 2017, 2018, and 2019 are subject to examination by the IRS, generally for three years after they were filed.

**OPEN SPACE COUNCIL**  
**FOR THE ST. LOUIS REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**Note 2: Support** – The Organization receives most of its support from the following sources:

- Corporate grants, donations, and sponsorships
- Individual donations and membership fees
- Investment income
- Fundraisers and events
- Consulting

**Note 3: Investments** – Investments are stated at fair value as of December 31, 2019, are summarized as follows:

	<b>Fair Value</b>
Founder's Fund	\$ 222,222
Grace Legacy Fund	110,158
Grace Endowment Fund	398,140
Donnley Land Trust Fund	68,249
	\$ 798,769

The fair value of short term investments at December 31, 2019 totaled \$767,824. The fair value of long term investments at December 31, 2019 totaled \$30,945.

**Note 4: Net Assets Without Donor Restrictions** –Net assets without donor restrictions are available for the following purposes or periods as designated by management:

Periods after December 31, 2019:	
Unreserved - Operations	\$ 117,129
Designated - Land Acquisition/Conservation	\$ 222,222
Designated - General Purposes of OSC	\$ 398,140
Designated - Legal Defense of Easements	\$ 45,537
	\$ 783,028

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**OPEN SPACE COUNCIL**  
**FOR THE ST. LOUIS REGION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 5: Net Assets with Donor Restrictions** – On July 18, 2018, the Organization received an amount of \$315,000 from a donor and it is to be used as follows: The amount of \$15,000 was to be used for a willow staking project which was completed in March of 2019. The remaining \$300,000 is earmarked for a specific land acquisition project which should be completed in the coming months. The willow staking project was completed in 2019, and therefore was released from restrictions. Regarding the land acquisition project, the land was identified and the \$300,000 was paid to the title company to complete closing. An issue regarding an indenture was discovered which delayed closing. The \$300,000 Land Grant amount was still held in escrow at year end. These issues were resolved and closing was subsequently completed in March of 2020. This amount was still considered restricted as of December 31, 2019.

On December 17, 2008, a conservation easement was granted to the Organization with a fair value of \$330,000. It also received an amount of \$22,712 that was placed in a Land Trust Stewardship Fund that is to be used to maintaining, enforcing, and defending the development rights of this easement. The Organization decided to move this amount to permanently restricted net assets while the easement is in their possession. The purpose of this perpetual easement is to assure that the property will be permanently protected from the spread of urban development, retained forever in its natural, scenic, forested, and agricultural condition with intermittent streams and to prevent any use of the property which will impair or interfere with its conservation values.

The following net assets with donor restrictions are restricted for following purposes:

Land Acquisition Project	300,000
Easement Stewardship Fund	22,712
Conservation Easement	<u>330,000</u>
	<u>\$ 652,712</u>

**OPEN SPACE COUNCIL**  
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**Note 6: Fair Value Measurements** – The Organization holds investments that are comprised of short term and long term investments that are reported at fair value. The fair value measurements and levels within the fair value hierarchy of these measurements for the assets reported at fair value on a recurring basis are as follows:

	<b>Fair Value</b>	<b>Significant Observable Inputs (Level 1)</b>
Short Term Investments		
Cash	\$ 38,933	\$ 38,933
Mutual Funds	\$ 728,891	\$ 728,891
	<u>\$ 767,824</u>	<u>\$ 767,824</u>
Long Term Investments		
Bonds	\$ 30,945	\$ 30,945
	<u>\$ 30,945</u>	<u>\$ 30,945</u>
Total	<u>\$ 798,769</u>	<u>\$ 798,769</u>

All of the Organization’s investments are considered to have a Level 1 input fair value measurement as all of the investments have a readily determinable fair value.

**Note 7: Functional Allocation of Expenses** – The costs of providing programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program and supporting services.

**Note 8: Donated Services and Materials** – The Organization receives donated services from a variety of unpaid volunteers assisting with the Organization’s programs and goals. These voluntary services and materials donated by individuals and businesses have not been reflected in the financial statements. The impact of those services upon the financial statements is unknown as there is no objective basis available to measure the value of such services.

**Note 9: Evaluation of Subsequent Events** – There are two types of subsequent events. The first provides evidence about conditions that existed on or before the balance sheet date and are recognized in the financial statements. The second type provides evidence about conditions that did not exist on or before the balance sheet date and these are disclosed but are not recognized in the financial statements. The impact that the outbreak of coronavirus (COVID-19) will cause is unprecedented and unknown. It has interrupted the movement of people and goods worldwide and many levels of government are instituting restrictions on individuals, business, non-profits, and local governments. The resulting impact on financial reporting could be significant, but based on the timing of these events, for calendar year entities, the effects of the coronavirus represent a subsequent event that is not expected to impact amounts recognized in the year-end financial statements. The Organization has evaluated subsequent events through July 20, 2020, the date which the financial statements were available to be issued.