

CLAUDIUS CROZET PARK, INC.

FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2024

CLAUDIUS CROZET PARK, INC.
FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2024

TABLE OF CONTENTS

| | PAGE |
|--|-------------|
| Independent Auditors Report | 1-2 |
| FINANCIAL STATEMENTS | |
| Statements of Financial Position..... | 3 |
| Statement of Activities | 4 |
| Statement of Functional Expenses | 5 |
| Statements of Cash Flows..... | 6 |
| Notes to Financial Statements..... | 7-11 |



MONFALCONE
& GARRIS
ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITORS - REPORT

**TO THE BOARD OF DIRECTORS
CLAUDIUS CROZET PARK, INC.**

Opinion

We have audited the accompanying financial statements of Claudius Crozet Park, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Claudius Crozet Park, Inc. as of December 31, 2024, and the changes in its net assets and its 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Claudius Crozet Park, Inc. 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Claudius Crozet Park, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing, 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 Claudius Crozet Park, Inc. 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 Claudius Crozet Park, Inc. 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.

Charlottesville, Virginia
Approval Date, 2025

FINANCIAL STATEMENTS

CLAUDIUS CROZET PARK, INC.
Statement of Financial Position
December 31, 2024

ASSETS

Current Assets:

| | |
|---------------------------------------|------------|
| Cash and cash equivalents | \$ 139,511 |
| Cash and cash equivalents, restricted | 108,222 |
| Accounts receivable | 13,222 |
| Investments | 472,126 |
| | <hr/> |
| Total current assets | \$ 733,081 |

Noncurrent Assets:

Property and Equipment:

| | |
|------------------------------------|-------------|
| Land | \$ 163,308 |
| Construction in progress | 40,735 |
| Building and improvements | 2,734,896 |
| Furniture, fixtures, and equipment | 424,665 |
| Less: Accumulated depreciation | (2,334,346) |
| | <hr/> |

Net property and equipment \$ 1,029,258

Total noncurrent assets \$ 1,029,258

Total assets \$ 1,762,339

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable \$ 4,960

Net Assets:

Net assets without donor restrictions \$ 1,649,157

Net assets with donor restrictions 108,222

Total net assets \$ 1,757,379

Total liabilities and net assets \$ 1,762,339

CLAUDIUS CROZET PARK, INC.
Statement of Activities
Year Ended December 31, 2024

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|-------------------------------|----------------------------|---------------------|
| Revenues, gains, and other support: | | | |
| Contributions | \$ 2,209 | \$ 38,450 | \$ 40,659 |
| Event income | 254,399 | 23,479 | 277,878 |
| Lease revenue | 1,575 | - | 1,575 |
| Rental income | 79,625 | - | 79,625 |
| Program fees | - | 56,684 | 56,684 |
| Investment income, net | 23,021 | - | 23,021 |
| Net assets released from restrictions | 90,380 | (90,380) | - |
| Total revenues, gains, and other support | <u>\$ 451,209</u> | <u>\$ 28,233</u> | <u>\$ 479,442</u> |
| Expenses: | | | |
| Program services: | | | |
| Arts and Culture | \$ 172,069 | \$ - | \$ 172,069 |
| Recreation | 231,715 | - | 231,715 |
| Supporting services: | | | |
| Management and general | 64,471 | - | 64,471 |
| Total expenses | <u>\$ 468,255</u> | <u>\$ -</u> | <u>\$ 468,255</u> |
| Change in net assets | \$ (17,046) | \$ 28,233 | \$ 11,187 |
| Net assets at beginning of year | <u>1,666,203</u> | <u>79,989</u> | <u>1,746,192</u> |
| Net assets at end of year | <u>\$ 1,649,157</u> | <u>\$ 108,222</u> | <u>\$ 1,757,379</u> |

The accompanying notes are an integral part of these financial statements.

CLAUDIUS CROZET PARK, INC.
Statement of Activities
Year Ended December 31, 2024

| | Program Services | | Supporting Services | Total |
|-----------------------------|-------------------------|-------------------|-----------------------------------|-------------------|
| | Arts and Culture | Recreation | Management and General | |
| Advertising and promotion | \$ - | \$ - | \$ 100 | \$ 100 |
| Professional services | - | - | 15,002 | 15,002 |
| Office expenses | - | - | 3,585 | 3,585 |
| Occupancy | - | - | 179 | 179 |
| Repairs and maintenance | - | 17,390 | 13,102 | 30,492 |
| Information technology | - | - | 1,714 | 1,714 |
| Depreciation | - | 139,047 | - | 139,047 |
| Festival expenses | 172,069 | - | - | 172,069 |
| Swim team expenses | - | 55,709 | - | 55,709 |
| Crozet trails crew expenses | - | 18,395 | - | 18,395 |
| Miscellaneous | - | 1,174 | 30,789 | 31,963 |
| Totals | <u>\$ 172,069</u> | <u>\$ 231,715</u> | <u>\$ 64,471</u> | <u>\$ 468,255</u> |

The accompanying notes are an integral part of these financial statements.

CLAUDIUS CROZET PARK, INC.
Statement of Activities
Year Ended December 31, 2024

| | |
|--|--------------------------|
| Cash flows from operating activities: | |
| Change in net assets | \$ 11,187 |
| Adjustments to reconcile the change in net assets to net cash flows from operating activities: | |
| Net realized/unrealized (gain) loss on securities | (10,150) |
| Interest and dividends on investments | (12,871) |
| Depreciation expense | 139,047 |
| Decrease (increase) in accounts receivable | (13,222) |
| Increase (decrease) in accounts payable | 4,960 |
| Net cash flows provided by (used for) operating activities | <u>\$ 118,951</u> |
| Cash flows from investing activities: | |
| Purchase of property and equipment | (30,843) |
| Purchase of investments | (76,208) |
| Net cash flows provided by (used for) investing activities | <u>\$ (107,051)</u> |
| Net change in cash and cash equivalents | 11,900 |
| Cash, cash equivalents, and restricted cash, beginning of year | <u>235,833</u> |
| Cash, cash equivalents, and restricted cash, end of year | <u><u>\$ 247,733</u></u> |

The accompanying notes are an integral part of these financial statements.

CLAUDIUS CROZET PARK, INC.

**Notes to Financial Statements
For the Year Ended December 31, 2024**

NOTE 1 - NATURE OF ORGANIZATION:

Claudius Crozet Park, Inc. (“the Organization”) was incorporated in 1947 as a Virginia non-profit corporation and is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. The Organization promotes the health and well-being and enhances the general social, physical and cultural welfare of residents of the Community of Crozet and the surrounding area of Albemarle County, Virginia.

Funding for these activities comes primarily from cash donations received from individuals, businesses, and other organizations within the community. The Organization also holds festivals throughout the year.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Financial Statement Presentation

The Organization is required to 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. The two classes are differentiated based on the existence or absence of donor-imposed restrictions as described below:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations, or the net assets that were donated with donor-imposed stipulations and released from restriction within the same fiscal year. Net assets without donor restrictions for the year ended December 31, 2024, amounted to \$1,649,157.

Net assets with donor restrictions - Net assets with donor restrictions are resources whose use by the Organization is limited by donor-imposed restrictions. This category includes both donor restrictions that are temporary in nature, and those that neither expire by being used in accordance with a donor’s restriction nor by the passage of time. Net assets with donor restrictions for the year ended December 31, 2024 amounted to \$108,222.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand, cash deposited with financial institutions and all highly liquid investments with an original maturity of three months or less. Restricted cash as of December 31, 2024, is made up of the following:

| | |
|-----------------------|-------------------|
| Dog park | \$ 2,665 |
| Swim team | 26,370 |
| Crozet trail crews | <u>79,187</u> |
| Total restricted cash | <u>\$ 108,222</u> |

Property and Equipment

The Organization capitalizes all property and equipment acquisitions over \$2,500. Purchases of property and equipment are capitalized at cost. Property and equipment are depreciated using the straight-line method over the following estimated useful lives.

| | |
|------------------------------------|-------------|
| Building and improvements | 10-39 years |
| Furniture, fixtures, and equipment | 5-7 years |

CLAUDIUS CROZET PARK, INC.

Notes to Financial Statements For the Year Ended December 31, 2024 (continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

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.

Contributions

Contributions received are recorded as support without donor restrictions or support with donor restrictions, depending on the existence and/or nature of any restrictions. The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit their use. When a donor's restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenue Recognition

Revenue from Exchange Transactions: The Organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Organization records the following exchange transactions revenue in its statement of activities for the years ended December 31, 2024.

Event Income: The Organization conducts various festivals and races in which a portion of the gross proceeds paid by the participants/attendees represents payment for the direct costs of the benefits received by the participants/attendees at the event, the exchange component, and a portion which represents a contribution to the Organization. The contribution component is the excess of gross proceeds over the fair value of the direct donor benefit. The direct costs of the events, which ultimately benefit the donor rather than the Organization, are recorded as costs of direct donor benefits in the statement of activities. The performance obligation is delivery of the event, which is usually accompanied by a presentation. The event fee is set by the Organization. FASB ASU 2014-09 requires allocation of the transaction price to the performance obligation(s). Accordingly, the Organization separately presents in its notes to the financial statements the exchange and contribution components of the gross proceeds from special events. Special event fees collected by the Organization in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as event income after delivery of the event.

Program fees - The organization collects registration fees for the swim team. This revenue is recognized in the period the services are provided, or fees earned.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets.

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 functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on usage. Direct allocation is applied to all expenses.

CLAUDIUS CROZET PARK, INC.

**Notes to Financial Statements
For the Year Ended December 31, 2024 (continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Income taxes

The Organization is classified as a Section 501 (c)(3) organization, as described in Section 501 (a) of the Internal Revenue Code, and is exempt from federal and state income taxes, except for taxes on unrelated business income, if any. Contributions to the Organization are tax deductible. The Organization's Forms 990, Return of Organization Exempt from income Tax, are subject to examination by the IRS, generally for three years after they were filed.

NOTE 3 - LIQUIDITY AND AVAILABILITY:

The following table reflects the Organization's financial assets as of December 31, 2024, reduced by amounts that are not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

| | | |
|--|----|------------------|
| Financial assets at year-end: | | |
| Cash and cash equivalents | \$ | 159,511 |
| Cash and cash equivalents, restricted | | 108,223 |
| Accounts receivable | | 13,222 |
| Investments | | <u>472,126</u> |
| Total financial assets available for use at year-end | \$ | 753,082 |
| Less those unavailable for general expenditures within one year, due to: | | |
| Accounts payable: | | (4,960) |
| Restricted by donor with time or purpose restrictions: | | |
| Subject to appropriation and satisfaction of donor Restrictions | | <u>(108,222)</u> |
| Financial assets available to meet cash needs for general expenses within one year | \$ | <u>639,900</u> |

The Organization is greatly supported by contributions and event income. Because these restrictions require resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors and Board. Thus, financial assets may not be available for general expenditure within one year.

In addition, the Organization's financial assets are available within one year of the date of the statement of financial position for general expenditures are as follows:

| | | |
|---------------------------|----|----------------|
| Cash and cash equivalents | \$ | 167,774 |
| Investments | | <u>472,126</u> |
| Total | \$ | <u>639,900</u> |

CLAUDIUS CROZET PARK, INC.

Notes to Financial Statements For the Year Ended December 31, 2024 (continued)

NOTE 4 - FAIR VALUE:

The Organization applies generally accepted accounting principles for fair value measurements of financial assets recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. A three-level fair value hierarchy is used that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The following information summarizes the Organization's fair value measurements:

| | Fair Value at 12/31/24 | Quoted Prices in Active Markets for Identical Assets (Level 1) |
|-----------------------|---------------------------|---|
| Money market funds | \$ 115,805 | \$ 115,805 |
| Fixed income | 266,408 | 266,408 |
| Exchange traded funds | <u>89,913</u> | <u>89,913</u> |
| Total | <u>\$ 472,126</u> | <u>\$ 472,126</u> |

NOTE 5 - INVESTMENTS:

Investments are stated at fair value and are summarized as follows as of December 31, 2024:

| | Fair Value |
|-----------------------|-------------------|
| Money market funds | \$ 115,805 |
| Fixed income | 266,408 |
| Exchange traded funds | <u>89,913</u> |
| Total | <u>\$ 472,126</u> |

NOTE 6 - CONCENTRATIONS OF CREDIT RISK:

Financial instruments which potentially subject the Organization concentrations of credit risk consist principally of cash and cash equivalents. The Organization places its cash and cash equivalents in two financial institutions. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2024, the Organization had no uninsured deposits.

CLAUDIUS CROZET PARK, INC.

**Notes to Financial Statements
For the Year Ended December 31, 2024 (continued)**

NOTE 7 - EVENT INCOME:

Gross receipts from events recorded by the Organization consist of exchange transaction revenue and contribution revenue.

| | | |
|----------------------|----|-----------------------|
| Contributions | \$ | 124,774 |
| Direct donor benefit | | <u>153,104</u> |
| Total event income | \$ | <u><u>277,878</u></u> |

NOTE 8 - LEASE REVENUE

The Organization leases the Crozet Park Aquatics and Fitness Center to Atlantic Coast Athletic Clubs of Virginia, Inc. through an operating lease. The initial lease term expired on March 31, 2023. The lease was renewed for an additional three-year lease term, ending on March 31, 2026. Lease revenue from this lease is recognized on a straight-line basis. Future minimum leases payments are as follows.

| <u>Year Ending December 31,</u> | | |
|---------------------------------|----|-----------------------|
| 2025 | \$ | 105,000 |
| 2026 | | 18,375 |
| Total | \$ | <u><u>123,375</u></u> |

NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are restricted for the following purposes:

| | | |
|--|----|-----------------------|
| Dog park | \$ | 2,665 |
| Swim team | | 26,370 |
| Crozet trail crews | | <u>79,187</u> |
| Total net assets with donor restrictions | \$ | <u><u>108,222</u></u> |

Net assets released from restrictions by incurring expense satisfying the purpose or time restrictions specified by donors are as follows:

| | | |
|---------------------------------------|----|----------------------|
| Swim team | \$ | 55,709 |
| Crozet trail crews | | 18,395 |
| Capital Campaign | | <u>6,276</u> |
| Net assets released from restrictions | \$ | <u><u>90,380</u></u> |

NOTE 10 - DATE OF MANAGEMENT REVIEW:

In preparing these financial statements, management has evaluated events and transactions that occurred after the statement of financial position date for potential recognition and disclosure through **APPROVAL, 2025**, the date on which the financial statements were available to be issued.