

ROCKY MOUNTAIN ELK FOUNDATION

2020 AUDITED FINANCIALS



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INDEPENDENT AUDITORS' REPORT

Audit Committee and Board of Directors
Rocky Mountain Elk Foundation, Inc.
Missoula, Montana

We have audited the accompanying financial statements of Rocky Mountain Elk Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 audit. We conducted our audit 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 auditors' 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.

Audit Committee and Board of Directors
Rocky Mountain Elk Foundation, Inc.

Opinion

In our opinion, the 2020 financial statements referred to above present fairly, in all material respects, the financial position of Rocky Mountain Elk Foundation, Inc. as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The 2019 financial statements of Rocky Mountain Elk Foundation, Inc. were audited by other auditors whose report dated February 21, 2020, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
March 5, 2021

STATEMENT OF FINANCIAL POSITION

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 13,684	\$ 20,219
Receivables, net	222	1,104
Net unconditional promises to give, current	272	386
Inventories	6,522	6,124
Prepaid expenses	367	1,063
Total current assets	21,067	28,896
Investments	80,238	59,882
Property and equipment, net	10,767	11,293
Long-term receivables, net	380	349
Net unconditional promises to give, net of current	210	313
Conservation land holdings	2,097	3,204
Artwork	314	314
Total assets	\$ 115,073	\$ 104,251
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	\$ 3,318	\$ 4,071
Note payable, current	2,423	-
Deposits, advances, and deferred revenue	1,512	1,912
Split interest agreement liabilities, current	202	200
Total current liabilities	7,455	6,183
Split interest agreement liabilities, net of current portion	1,244	1,287
Total liabilities	8,699	7,470
NET ASSETS		
Without donor restriction	50,831	48,345
With donor restriction	55,543	48,436
Total net assets	106,374	96,781
Total liabilities and net assets	\$ 115,073	\$ 104,251

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020			2019
	Without Donor Restriction	With Donor Restriction	Total	Total
Funds Spent on Mission Accomplishment by Program				
Land Protection	\$ 28,635	\$ -	\$ 28,635	\$ 19,587
Hunting Heritage	8,935	-	8,935	16,944
Habitat Stewardship	5,758	-	5,758	7,148
Wildlife Management	856	-	856	-
Elk Restoration	-	-	-	369
Total program services expense	44,184	-	44,184	44,048
Source of Funds for Mission Accomplishment				
Public support:				
Contributions	10,017	1,243	11,260	12,824
Conservation easements	2,984	-	2,984	4,327
Membership	10,374	308	10,682	11,790
Special events	19,848	-	19,848	33,131
less: direct donor benefits	(10,205)	-	(10,205)	(18,372)
Change/revalue split interest agreements	205	31	236	(78)
Total public support	33,223	1,582	34,805	43,622
Program service revenue:				
Conservation land sales	19,676	-	19,676	6,113
Contract revenue	1,029	-	1,029	744
Government grants	1,622	-	1,622	2,397
Total program services revenue	22,327	-	22,327	9,254
Other:				
Investment return/(loss)	1,621	9,587	11,208	9,365
Advertising, royalties & other sales	4,220	-	4,220	4,888
less: cost of sales	(1,085)	-	(1,085)	(1,620)
Other income	17	-	17	54
Gain/(loss) on assets sold/written off	(1)	-	(1)	(26)
Net assets released from restrictions	4,062	(4,062)	-	-
Total other	8,834	5,525	14,359	12,661
Support services expense:				
Fundraising	13,707	-	13,707	5,560
Administrative	4,007	-	4,007	3,793
Total support services expense	17,714	-	17,714	9,353
Funds available for mission accomplishment	46,670	7,107	53,777	56,184
Changes in net assets	2,486	7,107	9,593	12,136
Net assets, beginning of year	48,345	48,436	96,781	84,645
Net assets, end of year	\$ 50,831	\$ 55,543	\$ 106,374	\$ 96,781

STATEMENT OF FUNCTIONAL EXPENSES

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	SUPPORT SERVICES				Total Support Services	2020 Total	2019 Total
	Total Program Services	Administrative	Fundraising	Merchandise			
Advertising	\$ -	\$ 31	\$ 320	\$ 36	\$ 387	\$ 387	\$ 416
Bad debt (recoveries)	5	-	61	-	61	66	(30)
Depreciation	320	199	166	-	365	685	606
Education and awareness	642	-	-	-	-	642	1,032
Employee benefits	1,050	586	1,475	52	2,113	3,163	3,174
Employee salaries	3,477	1,808	4,730	172	6,710	10,187	10,256
Insurance	16	193	-	-	193	209	191
Membership benefits	3,801	-	-	-	-	3,801	2,868
Miscellaneous	433	49	676	32	757	1,190	1,337
Postage and shipping	938	15	2,327	111	2,453	3,391	3,810
Printing and publications	568	372	2,327	47	2,746	3,314	4,020
Professional fees	849	359	742	9	1,110	1,959	2,052
Rent and maintenance	87	191	153	8	352	439	599
Supplies	87	53	177	7	237	324	506
Telephone	59	24	114	1	139	198	212
Travel and meetings	232	42	425	4	471	703	1,898
Utilities	29	85	14	-	99	128	140
Conservation easements (CE)	5,439	-	-	-	-	5,439	4,896
Land protection, excluding CEs	20,569	-	-	-	-	20,569	9,627
Conservation projects	5,583	-	-	-	-	5,583	6,612
Cost of merchandise	-	-	-	606	606	606	799
Cost of events	-	-	10,205	-	10,205	10,205	18,372
Total	\$ 44,184	\$ 4,007	\$ 23,912	\$ 1,085	\$ 29,004	\$ 73,188	\$ 73,393
Less direct benefit to donors	-	-	(10,205)	-	(10,205)	(10,205)	(18,372)
Less cost of sales	-	-	-	(1,085)	(1,085)	(1,085)	(1,620)
Total, net	\$ 44,184	\$ 4,007	\$ 13,707	\$ -	\$ 17,714	\$ 61,898	\$ 53,401

STATEMENT OF CASH FLOWS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 9,593	\$ 12,136
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Donated conservation land	-	(1,900)
Cash contributions restricted for long-term purposes	(197)	(53)
Depreciation	685	606
Loss on assets sold/written-off	1	26
Change in valuation of split interest agreement liabilities	151	139
Realized and unrealized losses (gains) on investments	(10,093)	(7,697)
Changes in operating assets and liabilities:		
Receivables	1,068	(443)
Inventories	(398)	(926)
Prepaid expenses	696	(25)
Accounts payable and accrued liabilities	(753)	(35)
Deposits, advances, and deferred revenue	(400)	683
Cash provided by (used in) conservation land activities:		
Acquisition of conservation properties held for resale	(18,813)	(8,255)
Proceeds from sale of conservation properties	19,920	8,796
Net cash provided by operating activities	1,460	3,052
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment proceeds and income reinvested	84,306	17,121
Investments purchased	(94,569)	(17,346)
Proceeds from the sale of equipment	-	5
Additions to property and equipment	(160)	(606)
Net cash used in investing activities	(10,423)	(826)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash contributions restricted for long-term purposes	197	53
Proceeds from annuitants on split interest agreements	9	61
Proceeds from note payable	2,423	-
Payments to annuitants on split interest agreements	(201)	(199)
Net used in financing activities	2,428	(85)
Net Increase (Decrease) in cash and cash equivalents	(6,535)	2,141
Cash and cash equivalents, beginning of year	20,219	18,078
Cash and cash equivalents, end of year	\$ 13,684	\$ 20,219

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

1. ORGANIZATION AND NATURE OF ACTIVITIES

The Rocky Mountain Elk Foundation, Inc. (RMEF) is a national nonprofit, wildlife conservation organization, consisting of approximately 231,000 members. RMEF's mission is to ensure the future of elk, other wildlife, their habitat and our hunting heritage. RMEF accomplishes mission through its core mission programs: permanent land protection, habitat stewardship, hunting heritage and wildlife management.

RMEF's primary sources of revenue are contributions from the public (including gifts of land), memberships, fundraising events, investment income, and corporate sponsorships. These resources are used to fund prioritized programs for the mission of RMEF. RMEF has approximately 510 individual chapters nationwide that perform conservation projects and various fundraising activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenue and expenses. Actual results could differ from those estimates.

Classification of net assets

Contributions to RMEF qualify for the charitable contribution deduction under Section 170(b)(1)(A) of the Internal Revenue Service. RMEF has been classified as an organization other than a private foundation under Section 509(a)(2). Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e. the donor-stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification of net assets (continued)

RMEF's net assets have been grouped into the following two classes:

- Net Assets with Donor Restrictions – Consists of endowment gifts where donors have specified investment in perpetuity to generate income for specified restricted or general purposes, and contributions or other inflows of assets whose use by RMEF is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of RMEF, such as usage for specific programs.
- Net Assets without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board has designated net assets without donor restrictions for board designated endowment funds.

Cash and cash equivalents

For purposes of the statement of cash flows, RMEF considers all highly liquid investments with an original maturity of three months or less to be cash equivalents, including repurchase agreements.

Cash and temporary investments at December 31 consist of the following:

	2020	2019
Cash in savings, checking, and money market accounts	\$ 12,662	\$ 18,451
Cash and cash equivalents held by investment managers	1,022	1,768
Total cash and cash equivalents	\$ 13,684	\$ 20,219

Comparative totals

The financial information includes certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with RMEF's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. Such reclassifications have no effect on the change in net assets or net asset balances, by classification, as previously reported.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentration of credit risk

At December 31, 2020 and 2019, bank demand deposits included \$13,099 and \$19,546, respectively that were in excess of FDIC insurance coverage.

RMEF invests its excess cash and cash equivalents in repurchase agreements and money market accounts which are collateralized through pooled U.S. Treasury securities pledged by the financial institution and not held in RMEF's name.

Conservation easements

A conservation easement is an encumbrance, either donated or sold, which usually includes a transfer of usage rights and creates a legally enforceable land conservation agreement between a landowner and another entity. RMEF's policy for conservation easements presumes that the benefits of conservation easements flow through to the general public and are correspondingly recorded as a program expense when an easement is acquired. Conservation easements are recorded at cost, if purchased, or fair value at the date of the acquisition, if all or part of the easement was received as a donation. When donated, conservation easements are recorded as revenue at the date of acquisition. Fair value is generally determined by appraisal at the time of acquisition.

At December 31, 2020 and 2019 RMEF held 228 and 218 conservation easements on approximately 415,509 and 404,000 acres of habitat respectively.

Contributions

Unconditional donor promises to give are reported at fair value at the date that there is sufficient verifiable evidence documenting that a promise was made by the donor and received by RMEF.

The gifts are reported as either net assets without donor restrictions or net assets with donor restrictions if they are received with donor stipulations that sufficiently limit the use of the donated assets.

When a donor restriction expires, through the passage of time or when the purpose is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported on the statement of activities as net assets released from restrictions.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contracts and grants

RMEF receives grants and contracts from federal, state, and local agencies, as well as from private organizations, to be used for specific programs or land purchases. Unconditional grant awards are recorded as contribution revenue in the period which they are awarded. Grant awards having the existence of a condition, but lacking in both the existence of a barrier and right of return to the resource provider, are classified as restricted contribution revenue until conditions of the award are met. Conditional grant awards, having both the existence of a barrier and right of return to the resource provider, are classified as refundable advances when received as a cash advance and are recognized as revenue when the awards are expended for the purpose of the grant or other conditions are satisfied.

At December 31, 2020 and 2019, deposits, advances and deferred revenue included refundable advances totaling \$50 and \$471, respectively. At December 31, 2020 and 2019, conditional grants awarded, but not yet received, totaled \$6,985 and \$7,482, respectively.

Donated services

A substantial number of volunteers have donated significant amounts of time for program services and supporting activities. The value of these contributions is not included in the accompanying financial statements as they typically do not meet the criteria for recognition in accordance with U.S. GAAP.

Services requiring specialized skills, or which create or enhance non-financial assets (primarily property or other assets) and would typically need to be purchased if not provided by donation are recorded. Contributed services recorded for the years ended December 31, 2020 and 2019 were \$0.

Functional allocation of expenses

The costs of providing the various programs and activities are summarized on a functional basis. Accordingly, certain costs have been allocated among programs and services benefited. Therefore, expenses require allocation on a reasonable basis that is consistently applied. These expenses that are allocated include depreciation which is allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, creative, distribution, and information technology, which are allocated on the basis of time and effort estimates.

- Land Protection represents conservation and protection activities through land and easement acquisitions.
- Habitat Stewardship represents habitat enhancement projects to improve on the ground conditions for elk and other wildlife.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional allocation of expenses (continued)

- Wildlife Management represents engagement through advocacy, collaboration, research and management with a focus on key management challenges such as wildlife disease, population dynamics, migration corridors, elk ecology and predator management.
- Hunting Heritage represents costs to engage people in hunting and other outdoor pursuits through skills instruction, mentoring, conservation outreach and hunting related products.
- Elk Restoration represents projects to reintroduce wild free-ranging elk into historic ranges through feasibility studies, elk releases and education programs. During 2020, the Wildlife Management program was established, which incorporates elements of the Elk Restoration program.

Fundraising and advertising costs

RMEF expenses the costs of fundraising and advertising as incurred. Total advertising costs were \$387 and \$416 for the years ended December 31, 2020 and 2019, respectively.

Income taxes

RMEF is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, net income from certain activities (advertising, certain inventory sales and certain other items) not directly related to RMEF's tax-exempt purpose is subject to taxation as unrelated business income. Taxes related to these activities were not significant for the years ended December 31, 2020 and 2019.

Investments

Investments are reported at fair value based on quoted market prices. Interest, dividends, realized and unrealized gains and losses, and investment fees are included in investment return.

Inventories

Inventories consists of banquet event product, membership premiums and retail product, primarily consisting of firearms, knives, clothing and other outdoor related items. Inventories are valued at the lower of cost or net realizable value.

Membership benefits

RMEF provides a variety of hunting related product to its members in conjunction with its hunting heritage program. Items vary with classes of membership. These direct and associated costs are reported separately in the statement of of functional expenses.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Properties held for conservation resale

Parcels which are held for resale to a conservation buyer, who will maintain and protect the property as habitat for elk and other wildlife, are recorded at fair value as of the date of donation, or original cost if purchased. The proceeds upon sale or transfer of these properties are recorded as revenue and the related cost is accounted for as land protection expense. Acquisition costs are expensed as incurred.

RMEF engages in certain transactions whereby conservation properties are exchanged for more desirable parcels. These noncash transactions are recorded as revenue and program expense in the year of the exchange based on the carrying value of the exchanged property. The acquired parcel is carried at the same value as the exchanged parcel.

Property and equipment

Property and equipment are recorded at cost, when purchased, or fair value, if donated, and greater than \$5. Depreciation is provided for property and equipment using the straight-line method over a period of 3 - 15 years. Buildings and related improvements are depreciated using the straight-line method over 10 - 40 years. Maintenance and repairs are charged to expense as incurred.

Artwork

Artwork consists of various bronze statues of continuing value and interest, and are utilized for purposes of public display. These items are recorded at fair value as of the date of donation, or original cost if purchased, and are not depreciated.

Postage and shipping

RMEF incurs postage and shipping costs related to membership and fundraising appeals, shipping hunting related product and Bugle magazine to members, and shipping merchandise and support materials to chapters for fundraising events. Total postage and shipping costs were \$3,391 and \$3,810 for the years ended December 31, 2020 and 2019, respectively.

Revenue recognition

RMEF earns revenues from the sale of memberships, which provides the member access to special benefits during the annual membership period. Memberships, which are nonrefundable, are comprised of an exchange element based on the values of benefits provided, and a contribution element for the difference between the total dues paid and the exchange element. RMEF recognizes the exchange portion when the item being exchanged is delivered to the member, and the contribution portion immediately. Deferred revenue associated with the exchange portion of the memberships was \$1,142 and \$1,425 as of December 31, 2020 and 2019, respectively.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Registration and other receipts related to fundraising events are not recognized as revenue until the event occurs.

Donations of merchandise for special events are recorded as revenue at the time of the event.

RMEF raises funds to support its conservation mission through fundraising events in communities throughout the United States. Annually, RMEF volunteers host grassroots fundraising events, such as member and sponsor banquets, shooting and fishing tournaments, and golf outings. Chapters are chartered by RMEF and generally operate as unincorporated associations to support RMEF in the local community. Local chapters remit proceeds of these events (net of direct expenses incurred by the chapter in sponsoring and conducting the event) to RMEF, and provide reports of receipts and direct expenses.

Split interest agreements

RMEF is the beneficiary of charitable trust agreements under varying terms and conditions. The basis for recognition of the assets recorded by RMEF is its share of the fair value of the underlying assets. Some of the agreements require specified payments to third parties for varying periods. Accordingly, RMEF applies present value techniques to accrue amounts recognized.

RMEF maintains sufficient investments to fund the estimated future liability of its split interest agreements. Charitable gift annuity reserves must meet the requirements of various states, including Washington, which requires an actuarially determined reserve level, plus a 10% surplus amount. This requirement is detailed by Washington in RCW 48.38.020. At December 31, 2020 and 2019, RMEF maintained approximately \$2,351 and \$2,148, respectively, of investments related to split interest agreements. The invested balance exceeded the reserve requirement for both years.

Accounts receivable

Accounts receivable are stated at face amount. RMEF estimates an allowance for doubtful accounts generally based on historical losses. Accounts receivable are uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date. Customer account balances with invoices dated over 30 days old are considered delinquent.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Funds that support the Permanent Land Protection Program

- The Conservation Easement Protection Fund is a Board designated fund established to support RMEF's conservation easement program. When RMEF accepts a conservation easement, it takes on the obligation to monitor and defend that easement in perpetuity.
- The Strategic Land Protection Fund was established to provide active capital for completing permanent land protection projects. Gains on land transactions as well as interest and gains/losses on investments are classified as net assets without restrictions.

Reclassifications

Reclassifications to the prior year financial statements have been made to conform to the current year presentation. These changes included reclassification of functional expense programs, reclassification of advertising expense to public education and awareness expenses, and a reclassification of prior year accounts receivables to cash. These reclassifications did not result in a change to the prior year change in net assets or ending net asset balances.

Subsequent events

RMEF has evaluated subsequent events through March 5, 2021, the date on which the financial statements were available to be issued.

3. UNCONDITIONAL PROMISES TO GIVE

RMEF recognizes unconditional promises to give (pledges) at net realizable value. Pledges are discounted using the Wall Street Journal Prime Rate in the year the pledge is received. An allowance is made for uncollectible pledges based upon management's judgment, analysis of the creditworthiness of the donors, past collection experience, and other relevant factors.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

3. UNCONDITIONAL PROMISES TO GIVE (CONTINUED)

As of December 31, unconditional promises to give were as follows:

	2020	2019
Receivable in less than one year	\$ 272	\$ 386
Receivable in one to five years	310	452
Total	582	838
Less:		
Unamortized discount (3.25% and 4.75%)	(69)	(102)
Allowance for uncollectible pledges	(31)	(37)
Net unconditional promises to give	482	699
Less long-term portion, net of unamortized discount and allowance for uncollectible pledges	(210)	(313)
Net unconditional promises to give, current	\$ 272	\$ 386

4. RECEIVABLES - OTHER THAN PROMISES TO GIVE

- Trade, advertising, and royalties - An allowance is made for uncollectible receivables based upon management's judgment, analysis of the creditworthiness of the company or individual, past collection experience, and other relevant factors.
- Membership dues - An allowance is made for uncollectible dues based upon management's judgment, past collection experience, and other relevant factors.
- Grants - Grant awards consist of grants awarded for various projects. In accordance with U.S. GAAP, RMEF does not record conditional promises to give until the conditions are satisfied. No allowance is considered necessary for uncollectible grants based on prior collection experience.
- Charitable remainder trusts - RMEF has an interest in a charitable remainder unitrust which is reported at the estimated present value.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

4. RECEIVABLES - OTHER THAN PROMISES TO GIVE (CONTINUED)

As of December 31, receivables, other than promises to give, were as follows:

Accounts receivable:	2020	2019
Trade, advertising, and royalties	\$ 219	\$ 435
Membership	50	200
Grants	10	535
Related parties:		
Employee	1	3
Interest in charitable remainder trusts	380	349
Gross accounts receivable	660	1,522
Less allowance for doubtful accounts	(58)	(69)
Total accounts receivable, net	602	1,453
Less long-term portion	(380)	(349)
Current portion	\$ 222	\$ 1,104

5. INVESTMENTS

Investments are carried at fair value and are summarized as follows:

	2020	2019
Equities	\$ 45,775	\$ 33,821
Fixed Income	34,436	25,277
Other	27	784
Total	\$ 80,238	\$ 59,882

Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without prepayment penalties.

NOTES TO FINANCIAL STATEMENTS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

5. INVESTMENTS (CONTINUED)

Earnings on cash and investment securities consist of the following for the years ended December 31:

	2020	2019
Net realized and unrealized gains (losses)	\$ 10,093	\$ 7,697
Interest and dividends on investments	1,150	1,557
Investment fees	(120)	(209)
Total return on investments	11,123	9,045
Interest on cash accounts	85	320
Investment income on cash and investments	\$ 11,208	\$ 9,365

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2020	2019
Land	\$ 2,380	\$ 2,380
Buildings and improvements	12,359	12,359
Furniture and equipment	3,588	3,315
	18,327	18,054
Less allowances for depreciation	(7,604)	(6,970)
	10,723	11,084
Assets in progress	44	209
	\$ 10,767	\$ 11,293

Depreciation expense totaled \$685 and \$606 in 2020 and 2019, respectively.

Assets in progress consisted of various building improvement projects of \$44 at December 31, 2020. Assets in progress consisted of website redesign and exposition display design of \$209 at December 31, 2019.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

7. CONSERVATION LAND HOLDINGS

Conservation land holdings consists of properties held, and awaiting conveyance into public land ownership or resale to other conservation buyer, and totaled \$2,097 and \$3,204 at December 31, 2020 and 2019, respectively. Management believes the carrying value of properties held for resale does not exceed the amount expected upon sale.

8. SPLIT INTEREST AGREEMENTS

The present value of the estimated future payments on split interest agreements was calculated using discount rates at the date of gift and applicable mortality tables. The following summarizes the change in split interest agreements for the years ended December 31:

	2020	2019
Estimated present value of liability at January 1	\$ 1,487	\$ 1,486
Increase in estimated present value of liability from contribution	9	61
Decrease in estimated present value due to beneficiary payments	(201)	(199)
Change in estimated present value from revaluation	151	139
Estimated present value of liability at December 31	1,446	1,487
Less estimated current portion	(202)	(200)
Total long-term portion	\$ 1,244	\$ 1,287

NOTES TO FINANCIAL STATEMENTS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

9. NET ASSETS

At December 31 net assets consist of the following:

	2020	2019
Net assets with donor restrictions		
Restricted for purpose	\$ 167	\$ 827
Subject to the passage of time	864	1,194
Gift annuities with perpetual restrictions	586	546
Donor-restricted endowment funds		
Original donor restricted corpus	31,829	31,466
Accumulated investment gains	22,097	14,403
	53,926	45,869
Total net assets with donor restrictions	\$ 55,543	\$ 48,436
Net assets without donor restriction	\$ 36,969	\$ 35,697
Board-designated endowment funds		
Conservation Easement Protection Fund	4,180	3,537
Strategic Land Protection Fund	9,682	9,111
	13,862	12,648
Total Net Assets without Donor Restrictions	\$ 50,831	\$ 48,345

For the year ended December 31 net assets with donor restriction were released as follows:

	2020	2019
Expiration of time restrictions	\$ 817	\$ 521
Fulfillment of purpose restrictions	3,245	2,421
Total	\$ 4,062	\$ 2,942

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

10. RETIREMENT PLANS

Employees can elect to make voluntary contributions to a tax sheltered annuity plan under IRC Section 403(b). Employees may also elect to make voluntary contributions to a 403(b) Roth plan. At management's discretion, RMEF may contribute up to 5% of eligible compensation. In 2020 and 2019, RMEF contributed 5% of eligible compensation. Vesting is immediate for employee voluntary contributions and RMEF's contributions. RMEF also has a 457(b) and 457(f) non-qualified tax-deferred compensation plan. Participation is limited to high level employees, making it exempt from most ERISA requirements. Eligible employees can elect to make voluntary contributions to the 457(b) plan, however, RMEF does not make any contributions to the plan. Vesting is immediate for employee voluntary contributions. Assets in the plan are held by RMEF on a non-trust basis and are subject to the claim of its creditors.

RMEF's total contributions under the plans for the years ending December 31, 2020 and 2019 were \$548 and \$505, respectively.

11. COMMITMENTS

Project commitments - RMEF has entered into various commitments with federal and state agencies and other conservation organizations to fund permanent land protection, hunting heritage, habitat stewardship and wildlife management projects. These commitments totaled \$3,527 and \$3,365 at December 31, 2020 and 2019, respectively.

Software contracts - RMEF has entered into various commitments with vendors for service fees associated with software contracts. These commitments totaled \$532 and \$971 at December 31, 2020 and 2019, respectively.

Operating line of credit - RMEF maintained a \$3,000 line of credit, with a financial institution, at prime rate (3.25%) at December 31, 2020 and prime rate (4.75%) at December 31, 2019. The line expires December 30, 2021, and is secured by accounts receivable, equipment, and inventory. There were no amounts outstanding at December 31, 2020 and 2019.

During the year ended December 31, 2020, RMEF obtained and maintained an additional \$12,000 line of credit, with a financial institution, at a one month LIBOR rate (0.15%) at December 31, 2020, plus a margin of 1.5%. The line has no stated expiration date and is secured by marketable securities. There were no amounts outstanding at December 31, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

11. COMMITMENTS (CONTINUED)

Self-insurance - RMEF has established a plan to act as a self-insurer, up to a set deductible amount, for its employee health insurance program. The annual aggregate attachment point of RMEF under this self-insurance program was approximately \$1,834 and \$1,746 for the years ended December 31, 2020 and 2019, respectively, with a stop loss of \$65 per insured individual. This estimate would be RMEF's actual liability only if all participants claimed the full amount of available benefits for health costs in a one-year period. Losses and claims are expensed when they are funded to a claims payment account based on estimated claims incurred and covered by the plan. In 2020 and 2019, the amount of premiums and claims paid were \$1,659 and \$1,675, respectively. At December 31, 2020 and 2019, the cash balance of the reserve account was \$363 and \$329, respectively. In 2020 and 2019, RMEF's estimate of net claims incurred but not paid was \$363 and \$329, respectively.

Lease commitments - RMEF is obligated under various cancelable operating lease agreements for equipment. Future minimum lease payments are not material to the financial statements.

12. ENDOWMENT FUNDS

RMEF's endowment consists of five individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law

The Board of Directors has interpreted the Montana Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, when reviewing its donor-restricted endowment funds, RMEF considers the value of a fund to be deficient if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. RMEF has interpreted UPMIFA to permit spending from deficient funds in accordance with the prudent measures required under the law.

NOTES TO FINANCIAL STATEMENTS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

12. ENDOWMENT FUNDS (CONTINUED)

In accordance with UPMIFA, RMEF considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of RMEF and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of RMEF
- The investment policies of RMEF

Endowment Net Asset Composition by Type of Fund as of December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total	2019
Board-designated endowment funds				
Conservation Easement Protection Fund	\$ 4,180	\$ -	\$ 4,180	\$ 3,537
Strategic Land Protection Fund	9,682	-	9,682	9,111
	13,862	-	13,862	12,648
Donor-restricted endowment funds:				
Original donor-restricted corpus				
General	-	3,646	3,646	3,284
Midway USA Youth Experience	-	400	400	400
Torstenson Family	-	27,783	27,783	27,782
	-	31,829	31,829	31,466
Accumulated investment gains				
General	-	4,354	4,354	2,986
Midway USA Youth Experience	-	259	259	144
Torstenson Family	-	17,484	17,484	11,273
	-	22,097	22,097	14,403
Total endowment funds	\$ 13,862	\$ 53,926	\$ 67,788	\$ 58,517

NOTES TO FINANCIAL STATEMENTS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

12. ENDOWMENT FUNDS (CONTINUED)

Changes in Endowment Net Assets for the year ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total	2019
Endowment net assets, beginning of year	\$ 12,648	\$ 45,869	\$ 58,517	\$ 50,373
Investment return, net	1,027	9,586	10,613	8,603
Contributions	-	197	197	53
Other changes:				
Release from Restriction	-	(1,892)	(1,892)	(904)
Distributions	-	-	-	-
Transfers of cash	187	166	353	392
Endowment net assets, end of year	\$ 13,862	\$ 53,926	\$ 67,788	\$ 58,517

Donor Restricted Funds:

Return objectives and risk parameters

RMEF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that RMEF must hold in perpetuity or for a donor-specified period (s). Given the relationship between risk and return, a fundamental step in determining the investment policy for the Endowment Funds is the determination of an appropriate risk tolerance. After taking into consideration such factors as corporate financial stability, uncertainty of cash flows in and out of the Endowment Funds over the long term, and capital market volatility, the Board believes a moderate risk strategy is prudent. Under this policy, as approved by the Board of Directors, the goal is to have stable returns over the long term, with a reduced potential of negative returns in any given year.

Strategies employed for achieving objectives

To satisfy its long-term rate of return objectives, RMEF relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). RMEF targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives with prudent risk constraints.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

12. ENDOWMENT FUNDS (CONTINUED)

Spending policy and how the investment objectives relate to spending policy

RMEF has a policy of distributing up to 5% of its endowment average fair value over the prior 12 quarters through the calendar year-end preceding the calendar year in which the distribution is planned. In establishing this policy, RMEF considered the long-term expected return of its endowment. Accordingly, over the long term, RMEF expects the current spending policy to allow its endowment to grow 2% annually. This is consistent with RMEF's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Board Designated Funds- Without Donor Restrictions:

Return objectives and risk parameters

RMEF has adopted investment and spending policies for board designated endowment assets which attempt to meet the specific needs of the programs supported by its endowments. Endowment assets include those assets which are board-designated funds. Given the relationship between risk and return, a fundamental step in determining the investment policy for the Board Designated Endowment Funds is the determination of an appropriate risk tolerance. After taking into consideration such factors as corporate financial stability, uncertainty of cash flows in and out of the Endowment Funds over the long term, and capital market volatility, the Board believes a moderate risk strategy is prudent for the Conservation Easement Protection Fund (CEPF) and low risk strategy is prudent for the Strategic Land Protection Fund (SLPF). Under the CEPF policy, as approved by the Board of Directors, the goal is to have stable returns over the long term, with a reduced potential of negative returns in any given year. Under the SLPF policy, as approved by the Board of Directors, the goal is to have stable returns over the shorter and longer terms, with a reduced potential of negative returns in any given year.

Strategies employed for achieving objectives

Conservation Easement Protection Fund: To satisfy its long-term return objectives, RMEF relies on a return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). RMEF targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives with prudent risk constraints.

Strategic Land Protection Fund: To satisfy its long-term rate of return objectives, RMEF relies on a return strategy in which investment returns are achieved through current yield (interest and dividends) from fixed income assets.

NOTES TO FINANCIAL STATEMENTS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

12. ENDOWMENT FUNDS (CONTINUED)

Spending policy and how the investment objectives relate to spending policy

Conservation Easement Protection Fund: RMEF has a policy of distributing up to five percent (5%) of its average fair value over the prior 12 quarters through the calendar year-end preceding the calendar year in which the distribution is planned. Additional distributions are allowed for the legal defense of challenges to conservation easements held by RMEF.

Strategic Land Protection Fund: There are no stated restrictions on the amount that can be distributed from this fund.

13. FAIR VALUES MEASURED ON A RECURRING BASIS

Valuation Techniques: Financial assets and liabilities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using Level 3 inputs are primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied.

Fair values of assets measured on a recurring basis at December 31, 2020 were as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Unobservable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	2019
Equities	\$ 45,775	\$ -	\$ -	\$ 45,775	\$ 33,821
Fixed Income	24,913	9,523	-	34,436	25,277
Other	27	-	-	27	784
Total	\$ 70,715	\$ 9,523	\$ -	\$ 80,238	\$ 59,882

The following is a description of the valuation methodologies used for assets measured at fair value:

Equities, Fixed Income, and Other - Valued at the closing price reported on the active market on which the securities are traded.

There have been no changes in the methodologies used at December 31, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

14. STATEMENT OF CASH FLOWS - SUPPLEMENTAL DISCLOSURES

Supplemental disclosures for the statement of cash flows for the years ended December 31 were as follows:

	2020	2019
Schedule of Noncash Transactions		
Donated conservation easements	\$ 2,984	\$ 4,327
Donated conservation land	\$ -	\$ 1,900
Donated securities	\$ 68	\$ 271

15. NEW ACCOUNTING PRONOUNCEMENTS

In September 2020, the Financial Accounting Standards Board issued Accounting Standard Update No. 2020-07 – Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (ASU 2020-07). The amendments in this update address the measurement of contributed nonfinancial assets recognized by not-for-profit entities as well as the amount of those contributed contributions used in a not-for-profit entity's programs and other activities. A key change required by ASU 2020-07 includes providing new presentation and disclosure requirements about contributed nonfinancial assets for not-for-profit entities, including additional disclosure requirements for recognized contributed services. The amendments in this update are effective for annual periods beginning after June 15, 2021. RMEF will be evaluating the impact this standard will have on the financial statements.

16. NOTE PAYABLE

On April 12, 2020, RMEF received a loan from First Interstate Bank in the amount of \$2,423 to fund payroll, rent and utilities through the Paycheck Protection Program (the "PPP Loan"). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over twenty-four months deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan bears interest at a fixed rate of 1.0% per annum, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration (SBA). Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if RMEF fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval on the timing and use of these funds in accordance with the program.

NOTES TO FINANCIAL STATEMENTS

(IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

16. NOTE PAYABLE (CONTINUED)

During 2020, RMEF expended all funds available under the covered period of the loan and submitted an application for forgiveness on October 9, 2020 and are awaiting forgiveness approval from the SBA.

17. AVAILABILITY OF FINANCIAL ASSETS

As part of RMEF's liquidity management plan, cash in excess of monthly requirements is invested in short-term investments and money market funds. RMEF also maintains two lines of credit, totaling \$15,000, with financial institutions which can be drawn upon as needed during the year to manage cash flow.

The following reflects RMEF's financial assets as of the date of the statement of financial position, reduced by amounts not available for general use within one year of the date because of contractual or donor-imposed restrictions or internal designations. Amounts not available include amounts set aside for long-term investing in the operating and capital reserves that could be drawn upon if the governing board approves that action.

	2020	2019
Cash	\$ 13,684	\$ 20,219
Accounts receivable, net, collected in less than one year	222	1,104
Unconditional promises to give, net, collected in less than one year	272	386
Investments	80,238	59,882
Total financial assets, excluding noncurrent receivables	94,416	81,591
Less:		
Board-designated and donor-restricted endowment funds	(67,788)	(58,517)
add back: amounts available for general expenditure	120	147
Donor restricted for specific programs	(167)	(827)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 26,581	\$ 22,394

RMEF's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from endowments is restricted for specific purposes, with exception of amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

NOTES TO FINANCIAL STATEMENTS (IN THOUSANDS)

FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

18. FUNCTIONAL EXPENSES

The following schedule provides the functional expense detail of program service accomplishments as of December 31, 2020:

	Land Protection	Hunting Heritage	Habitat Stewardship	Wildlife Management	2020 Total	2019 Total
Bad debts	\$ -	\$ 2	\$ 3	\$ -	\$ 5	\$ 11
Depreciation	58	233	26	3	320	368
Education and awareness	156	158	300	28	642	1,032
Employee benefits	530	204	294	22	1,050	2,029
Employee salaries	1,756	679	974	68	3,477	6,679
Insurance	3	13	-	-	16	24
Membership benefits	-	3,801	-	-	3,801	2,868
Miscellaneous	164	95	165	8	433	1,021
Postage and shipping	4	878	56	-	938	2,480
Printing and publications	2	558	8	-	568	2,916
Professional fees	527	151	147	24	849	1,357
Rent and maintenance	33	32	21	1	87	225
Supplies	23	35	29	1	87	302
Telephone	27	7	25	-	59	147
Travel and meetings	69	66	95	2	232	1,419
Utilities	3	23	3	-	29	35
Land protection, excluding CEs	19,822	697	50	-	20,569	9,627
Conservation easements (CE)	5,439	-	-	-	5,439	4,896
Conservation projects	19	1,304	3,561	699	5,583	6,612
Total	\$ 28,635	\$ 8,936	\$ 5,757	\$ 856	\$ 44,184	\$ 44,048

19. RISKS AND UNCERTAINTIES

Due to the COVID-19 pandemic and in consideration of the guidance issued by the Centers for Disease Control and Prevention, RMEF suspended or altered substantially all fundraising events, to the general public, in March 2020. Social distancing guidelines have made it difficult to hold in-person events. Management believes RMEF is taking appropriate actions to address the potential negative financial impact of the pandemic. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated since these events are still developing.

