

# ABSF 2018-2019 ANNUAL REPORT



Inspiring  
an Active  
Lifestyle

**250,000+**  
Birkie Skiers since 1973

**100,000+**  
Annual Birkie Trail Users

**49 States + 24 Countries**

**3 to 84**  
Ages of Birkie Athletes

The ABSF provides a year-round calendar of outdoor events and represents an active lifestyle for all ages and abilities. The ABSF also provides the spaces and places for outdoor enthusiasts to embrace the Birkie lifestyle.



**25%** ABSF Paper Reduction

**10x** Reduction  
in Plastic Gear Bags

**9800** Reusable Birkie  
Gear Bags in Use

**7650** Event Cup Reduction  
2019/20



**Operating While  
Thinking Green...**

Passive Solar Heating,  
Paperless Finances,  
EV Car Charger,  
Solar Lighting,  
Recycling



**Aid Stations,  
Trail Improvements,  
Equipment,  
SCJF Outdoor Center,  
Snowmaking**



**Investing in the Trail**

**\$391,000** Grooming  
& Trail Maintenance  
Includes:  
Parking Lots, Signs,  
Lot Lighting, Plowing,  
Trail Lighting, Tools

**1600** Hours  
Grooming Birkie Trail



**Investing in  
the Future**

**3740** Youth  
In Birkie Programs & Events

**20** Nordic Clubs  
ABSF Grant Recipients

**\$551,000** in Grants  
Awarded to Youth Sport  
Development to Date



## FINANCIAL SUMMARY

To the Members of the American Birkebeiner Ski Foundation (ABSF),

On behalf of the ABSF, a 501(c)(3) non-profit organization, I am pleased to submit to you the review of 2018-2019 financial statements conforming to general accepted accounting principles (GAAP). The current unaudited financial statements delivered strong annual financial results for the period ending June 30th. The organization printed a Net Income surplus of \$474k or 125.9% year-over-year (YoY). This increase came from strong positive income growth mixed with moderate expense savings. Total Income was \$3.5M and Total Expense was \$3.0M. In the end, the team was pleased with this balanced growth and you should be too.



The ABSF team built 2019-2020's budget (\$3.2M Income, \$3.1M Expense, Net Income surplus \$0.097M) with enhanced budgetary controls. The objective of these controls is to ensure the highest quality and most complete budget submission.

As demonstrated by the summary and statements included in the financial section of this report, the ABSF continues to meet its responsibility of sound financial management.

In my short term as the Treasurer, I have been humbled by the hard work and commitment to the ABSF's mission to promote and conduct the world's finest cross country ski competition and active lifestyle events, to serve as good stewards of the American Birkebeiner ski trail, and to promote a healthy and active lifestyle for people of all ages. I am proud to be part of this team.

Thank you for your participation and support of the ABSF.

Sincerely,

Mike Brown, Treasurer, ABSF

ABSF Board of Directors, Finance Committee Chair

## Financial Statements

### Statement of Financial Position (Balance Sheet)

Fiscal Year Ending June 30

ASSETS	2019	2018	YoY Growth
Current Assets	\$762,042	\$1,363,503	-44.1%
Fixed Assets	\$3,720,478	\$2,958,765	25.7%
Other Assets	\$7,360	\$7,509	-2.0%
<b>TOTAL ASSETS</b>	<b>\$4,489,879</b>	<b>\$4,329,778</b>	<b>3.7%</b>
<b>LIABILITIES AND EQUITY</b>			
Current Liabilities	\$1,045,353	\$1,345,696	22.3%
Long-Term Liabilities	\$290,265	\$303,916	4.5%
Total Liabilities	\$1,335,618	\$1,649,612	19.0%
Equity			
Net Assets	\$2,680,166	\$2,470,340	8.5%
Net Income	\$474,095	\$209,826	125.9%
Total Equity	\$3,154,261	\$2,680,166	17.7%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$4,489,879</b>	<b>\$4,329,778</b>	<b>3.7%</b>

## Financial Statements/Continued

### Capital Expenditures

Fiscal Year Ending June 30

Phase II Capital Expenditures	\$917,827
Snowmaking	\$36,498
Equipment	\$21,061
Trail Structures	\$12,946
<b>Total Expenditures</b>	<b>\$988,333</b>

### Statement of Financial Activities (P&L/Income Statement)

Fiscal Year Ending June 30

<b>Income</b>	<b>2019</b>	<b>2018</b>	<b>YoY Growth</b>
Event Operations Income	\$1,711,397	\$1,568,402	9.1%
Donation/Grant/Sponsorship Income	\$968,470	\$713,089	35.8%
Restricted Donation/Grant Income	\$568,354	\$637,815	-10.9%
Other Income	\$241,981	\$134,931	79.3%
<b>Total Income</b>	<b>\$3,490,202</b>	<b>\$3,054,237</b>	<b>14.3%</b>
<b>Expense</b>			
Event Operations Expense	\$1,232,785	\$1,394,533	11.6%
Trail Expense	\$227,228	\$266,358	14.7%
Administrative Expense	\$172,624	\$229,739	24.9%
Facilities Expense	\$152,993	\$53,113	-188.1%
Promotion/Development Expense	\$144,644	\$300,349	51.8%
Sport & Skier Development Expense	\$88,750	\$102,315	13.3%
Payroll Expense	\$997,082	\$480,540	-107.5%
Other Expense	-	\$17,463	100.0%
<b>Total Expense</b>	<b>\$3,016,107</b>	<b>\$2,844,411</b>	<b>-6.0%</b>
<b>Net Income surplus</b>	<b>\$474,095</b>	<b>\$209,826</b>	<b>125.9%</b>

### Statement of Cash Flows

Period ended June 30

	<b>2019</b>
<b>Net Income</b>	<b>\$474,095</b>
Net Cash Provided by Operating Activities	\$366,072
Net Cash Provided by Investing Activities	(\$761,563)
Net Cash Provided by Financing Activities	(\$13,651)
<b>Net Cash Increase for Period</b>	<b>(\$409,142)</b>
<b>Cash at Beginning of Period</b>	<b>\$948,256</b>
<b>Cash at End of Period</b>	<b>\$539,114</b>



## Notes to Financial Statements

### Our Mission

The American Birkebeiner Ski Foundation ("ABSF") was established The American Birkebeiner Ski Foundation is a 501(c)(3) non-profit organization dedicated, as reflected in the Birkie Mission Statement, to hosting one of the world's best cross country ski events, the American Birkebeiner, maintaining one of the nation's premier recreation trails, and promoting healthy lifestyles for people of all ages.

### Accounting Method

The ABSF presents its financial statements on an accrual basis in accordance with accounting principles generally accepted in the United States of America (US GAAP). Certain items are maintained on a cash basis, which is not materially different from the accrual basis of accounting. The ABSF fiscal year spans July 1 through June 30.

### Basis of Presentation

The financial statements include certain prior-year summarized comparative financial information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the ABSF's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

### Depreciation for Buildings, Furniture and Equipment

Land, building, furniture and equipment owned by the ABSF are stated at cost at date of acquisition. Useful lives range from 39 years for buildings, 7 years for furniture, 5-7 years for heavy equipment and 5 years for technological equipment. Depreciation is calculated on the straight-line basis over the assets' estimated useful lives, except for land. The ABSF reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment charge is recognized when the fair value of the asset or group of assets is less than the carrying value. There was no impairment recognized for the years ended June 30, 2019 and 2018.

## Independent Certified Public Accountant's Report

We have audited the accompanying financial statements of the American Birkebeiner Ski Foundation (the "ABSF") which comprise the Statement of Financial Position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for 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.

### Auditor's Responsibility for Financial Statements

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.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The American Birkebeiner Ski Foundation as of June 30, 2018, 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.

### Report of 2018 Summarized Comparative Information

We have previously audited the ABSF's 2018 financial statements (not presented herein), and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 17, 2019. In our opinion, the accompanying summarized comparative information as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Anderson, Hager, and Moe | Hayward, Wisconsin | (715) 634-2653 | May 17, 2019