



**Desert Recreation Foundation**

**Annual Financial Report**

**For the Fiscal Years Ended June 30, 2024 and 2023**



**Desert Recreation Foundation**  
**Annual Financial Report**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**Table of Contents**

|   | <b><u>Page No.</u></b> |
|---|------------------------|
| Table of Contents                               | -i-                    |
| <b>Financial Section</b>                        |                        |
| Independent Auditor's Report                    | 1-2                    |
| <b>Basic Financial Statements</b>               |                        |
| Statements of Financial Position                | 3                      |
| Statement of Activities, June 30, 2024          | 4                      |
| Statement of Functional Expenses, June 30, 2024 | 5                      |
| Statement of Activities, June 30, 2023          | 6                      |
| Statement of Functional Expenses, June 30, 2023 | 7                      |
| Statements of Cash Flows                        | 8                      |
| Notes to the Financial Statements               | 9-13                   |





**C.J. Brown & Company CPAs**  
An Accountancy Corporation

Christopher J. Brown, CPA, CGMA  
Jonathan Abadesco, CPA  
Jeffrey Palmer

**Cypress Office:**  
10805 Holder Street, Suite 150  
Cypress, California 90630  
(657) 214-2307

**Riverside Office:**  
5051 Canyon Crest Drive, Suite 203  
Riverside, California 92507  
(657) 214-2307

**Independent Auditor's Report**

Board of Directors  
Desert Recreation Foundation  
Indio, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Desert Recreation Foundation (Foundation), which comprise the statements of financial position for the fiscal years ended June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the fiscal years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Desert Recreation Foundation as of June 30, 2024 and 2023, and the respective changes in net assets and its cash flows thereof for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management 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 controls 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 the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Independent Auditor's Report, continued

### *Auditor's Responsibilities for the Audit of the 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 auditor's 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 standards, 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 the Foundation's 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 the Foundation's 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 audits.

*C.J. Brown & Company, CPAs*

**C.J. Brown & Company, CPAs**  
Cypress, California  
December 2, 2024

# **Financial Section**





**Desert Recreation Foundation**  
**Statements of Financial Position**  
**June 30, 2024 and 2023**

| Assets                                  | 2024       | 2023    |
|---|------------|---------|
| <b>Current assets:</b>                  |            |         |
| Cash and cash equivalents (note 2)      | \$ 396,798 | 239,224 |
| Cash and cash equivalents - restricted  | 78,996     | 107,411 |
| Event and other receivables             | 15,815     | 49,710  |
| <b>Total current assets</b>             | 491,609    | 396,345 |
| <b>Non-current assets:</b>              |            |         |
| Property and equipment, net (note 3)    | -          | -       |
| <b>Total non-current assets</b>         | -          | -       |
| <b>Total assets</b>                     | \$ 491,609 | 396,345 |
| <b>Liabilities and Net Assets</b>       |            |         |
| <b>Liabilities:</b>                     |            |         |
| Accounts payable and accrued expenses   | \$ 185,664 | 101,830 |
| Unearned revenue                        | 1,000      | -       |
| <b>Total liabilities</b>                | 186,664    | 101,830 |
| <b>Net assets:</b>                      |            |         |
| Without donor restrictions              | 225,949    | 187,104 |
| With donor restrictions (note 5)        | 78,996     | 107,411 |
| <b>Total net assets</b>                 | 304,945    | 294,515 |
| <b>Total liabilities and net assets</b> | \$ 491,609 | 396,345 |

See accompanying notes to the basic financial statements

**Desert Recreation Foundation**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2024**

|   | <u>Without Donor<br/>Restriction</u> | <u>With Donor<br/>Restriction</u> | <u>Total</u>   |
|---|--------------------------------------|-----------------------------------|----------------|
| <b>Support and Revenue:</b>                   |                                      |                                   |                |
| Contributions and grants                      | \$ 144,848                           | -                                 | 144,848        |
| Sponsorships                                  | -                                    | 18,750                            | 18,750         |
| Sales of donated items                        | 31,852                               | -                                 | 31,852         |
| Special event and registration fees           | 1,240                                | -                                 | 1,240          |
| Investment return                             | 7,187                                | -                                 | 7,187          |
| Net assets released from restriction (note 5) | <u>166,030</u>                       | <u>(166,030)</u>                  | <u>-</u>       |
| <b>Total support and revenue</b>              | <u>351,157</u>                       | <u>(147,280)</u>                  | <u>203,877</u> |
| <b>Expenses:</b>                              |                                      |                                   |                |
| Program services                              | 169,748                              | -                                 | 169,748        |
| General and administrative expenses           | 21,082                               | -                                 | 21,082         |
| Fundraising                                   | <u>2,617</u>                         | <u>-</u>                          | <u>2,617</u>   |
| <b>Total expenses</b>                         | <u>193,447</u>                       | <u>-</u>                          | <u>193,447</u> |
| <b>Change in net assets</b>                   | 157,710                              | (147,280)                         | 10,430         |
| <b>Net assets at beginning of year</b>        | <u>261,518</u>                       | <u>32,997</u>                     | <u>294,515</u> |
| <b>Net assets at end of year</b>              | <u>\$ 419,228</u>                    | <u>(114,283)</u>                  | <u>304,945</u> |

See accompanying notes to the basic financial statements

**Desert Recreation Foundation**  
**Statement of Functional Expenses**  
**For the Fiscal Year Ended June 30, 2024**

|                        | <u>Program<br/>Services</u> | <u>General and<br/>Administrative</u> | <u>Fundraising</u>  | <u>2024</u>           |
|------------------------|-----------------------------|---------------------------------------|---------------------|-----------------------|
| <b>Expenses:</b>       |                             |                                       |                     |                       |
| Information technology | \$ -                        | 2,401                                 | -                   | 2,401                 |
| Office expense         | -                           | 78                                    | -                   | 78                    |
| Professional fees      | -                           | 15,446                                | -                   | 15,446                |
| Program expense        | 169,748                     | -                                     | -                   | 169,748               |
| Fundraising            | -                           | -                                     | 2,617               | 2,617                 |
| <b>Total expenses</b>  | <b>\$ <u>169,748</u></b>    | <b><u>21,082</u></b>                  | <b><u>2,617</u></b> | <b><u>193,447</u></b> |

See accompanying notes to the basic financial statements

**Desert Recreation Foundation**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2023**

|   | <u>Without Donor<br/>Restriction</u> | <u>With Donor<br/>Restriction</u> | <u>Total</u>   |
|---|--------------------------------------|-----------------------------------|----------------|
| <b>Support and Revenue:</b>                   |                                      |                                   |                |
| Contributions and grants                      | \$ 93,594                            | -                                 | 93,594         |
| Sponsorships                                  | -                                    | 12,500                            | 12,500         |
| Sales of donated items                        | 42,949                               | -                                 | 42,949         |
| Special event and registration fees           | 7,717                                | 1,020                             | 8,737          |
| Investment return                             | -                                    | -                                 | -              |
| Net assets released from restriction (note 5) | <u>125,043</u>                       | <u>(125,043)</u>                  | <u>-</u>       |
| <b>Total support and revenue</b>              | <u>269,303</u>                       | <u>(111,523)</u>                  | <u>157,780</u> |
| <b>Expenses:</b>                              |                                      |                                   |                |
| Program services                              | 123,035                              | -                                 | 123,035        |
| General and administrative expenses           | 6,584                                | -                                 | 6,584          |
| Fundraising                                   | <u>6,781</u>                         | <u>-</u>                          | <u>6,781</u>   |
| <b>Total expenses</b>                         | <u>136,400</u>                       | <u>-</u>                          | <u>136,400</u> |
| <b>Change in net assets</b>                   | 132,903                              | (111,523)                         | 21,380         |
| <b>Net assets at beginning of year</b>        | <u>128,615</u>                       | <u>144,520</u>                    | <u>273,135</u> |
| <b>Net assets at end of year</b>              | <u>\$ 261,518</u>                    | <u>32,997</u>                     | <u>294,515</u> |

See accompanying notes to the basic financial statements

**Desert Recreation Foundation**  
**Statement of Functional Expenses**  
**For the Fiscal Year Ended June 30, 2023**

|                        | <u>Program<br/>Services</u> | <u>General and<br/>Administrative</u> | <u>Fundraising</u> | <u>2023</u>    |
|------------------------|-----------------------------|---------------------------------------|--------------------|----------------|
| <b>Expenses:</b>       |                             |                                       |                    |                |
| Information technology | \$ -                        | 2,000                                 | -                  | 2,000          |
| Office expense         | -                           | 32                                    | -                  | 32             |
| Professional fees      | -                           | 4,552                                 | -                  | 4,552          |
| Program expense        | 123,035                     | -                                     | -                  | 123,035        |
| Fundraising            | -                           | -                                     | 6,781              | 6,781          |
| <b>Total expenses</b>  | <b>\$ 123,035</b>           | <b>6,584</b>                          | <b>6,781</b>       | <b>136,400</b> |

See accompanying notes to the basic financial statements

**Desert Recreation Foundation**  
**Statements of Cash Flows**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

|   | <b>2024</b>       | <b>2023</b>    |
|---|-------------------|----------------|
| <b>Cash flows from operating activities:</b>  |                   |                |
| Change in net assets  | \$ 10,430         | 21,380         |
| <b>Changes in assets and liabilities:</b>   |                   |                |
| Increase in assets:   |                   |                |
| Event and other receivables   | 33,895            | (2,745)        |
| Decrease in liabilities:  |                   |                |
| Accounts payable and accrued expenses   | 83,834            | 94,739         |
| Unearned revenue  | 1,000             | -              |
| <b>Total adjustments</b>  | <b>118,729</b>    | <b>91,994</b>  |
| <b>Net cash provided by operating activities</b>                                      | <b>129,159</b>    | <b>113,374</b> |
| <b>Net increase in cash and cash equivalents</b>                                      | 129,159           | 113,374        |
| <b>Cash and cash equivalents, beginning of year</b>                                   | 346,635           | 233,261        |
| <b>Cash and cash equivalents, end of year</b>   | \$ 475,794        | 346,635        |
| <br><b>Reconciliation of cash and cash equivalents to statements of net position:</b> |                   |                |
| Cash and cash equivalents   | \$ 396,798        | 239,224        |
| Cash and cash equivalents - restricted  | 78,996            | 107,411        |
| <b>Total cash and cash equivalents</b>  | <b>\$ 475,794</b> | <b>346,635</b> |

For the years ended June 30, 2024 and 2023, the Foundation paid no interest or taxes.

See accompanying notes to the basic financial statements

**Desert Recreation Foundation**  
**Notes to the Financial Statements**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies**

**A. Foundation and Operations of the Reporting Entity**

On April 23, 2001, the Coachella Valley Recreation and Park Foundation was incorporated as a California nonprofit public benefit corporation. On November 9, 2011, the Board of Directors changed the name of the Foundation to the Desert Recreation Foundation (Foundation) following the name change of the Coachella Valley Recreation and Park District to the Desert Recreation District (District) in 2011.

In 2021, the Foundation transferred the operations and net assets associated with The First Tee of Coachella Valley to the Coachella Valley Youth Golf Foundation (CVYGF). As a result, the Foundation transferred \$560,974 to CVYGF.

The specific and primary purpose of the Foundation is to initiate, sponsor, promote, and carry-out plans, programs, policies, and activities that tend to further park and recreational projects within the jurisdictional limits of the District.

**B. Jointly Governed Foundation**

The Foundation is governed by a nine-member board of directors. One of the nine board members is also an elected official on the District's Board of Directors. Management and operations of the Foundation is carried out by management and staff of the District.

**C. Basis of Accounting, Financial Reporting, and Presentation**

The Foundation presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (FASB ASC) 958 Not-for-Profit Entities.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the contribution is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, 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.

Under FASB ASC 958-205, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets:

- Net assets without donor restrictions – Net assets without donor restrictions represent resources over which the Board of Directors has discretionary control and are used to carry on the operations of the Foundation in accordance with its bylaws.
- Net assets with donor restrictions – Net assets with donor restrictions are subject to donor stipulations that limit the use of their contributions. Donor restrictions may result in temporarily restricted net assets, where the use of contributions is limited by donor-imposed stipulations that either expire by the passage of time or when used for specified purposes. Donor restrictions may also result in permanently restricted net assets, where the donor stipulations neither expire by the passage of time nor can be fulfilled or otherwise removed by the Foundation's actions.

***Functional Allocation of Expenses***

The Foundation allocates its expenses on a functional basis among its programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification. Other expenses common to several functions are allocated using appropriate methods.

The Foundation does not have any permanently restricted net assets at June 30, 2024.

**Desert Recreation Foundation**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Assets, Liabilities, and Net Assets**

**1. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported change in the Foundation's net assets during the reporting period. Actual results could differ from those estimates.

**2. Cash and Cash Equivalents**

For the purpose of reporting cash flows, the Foundation considers all highly liquid debt instruments, including money market funds, purchased with original maturities of three months or less to be cash equivalents. The carrying amount of cash and cash equivalents approximates fair value due to the short-term nature of these financial instruments.

**3. Property and Equipment**

Property and equipment are recorded at cost if purchased or at fair market value at the date of donation. Depreciation is provided using the straight-line method of depreciation over the estimated useful lives of the assets, ranging from three to ten years. Property and equipment is capitalized if the cost or donated fair market value of an asset is greater than or equal to \$5,000.

**4. Unearned Revenues**

Unearned revenues are recognized as liability that represents the amount of grants received, but not yet earned.

**5. Revenue Recognition**

Contributions are typically recognized when received and are considered to be without donor restrictions unless specifically restricted by the donor. Grants are recognized in the period in which the related goods or service was delivered, depending on the terms of specific grant awards. Special event and registration fees are recognized upon receipt.

**6. Income Taxes**

As a publicly supported not-for-profit Foundation, the Foundation is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and the corresponding provisions of Section 23701d of the California Revenue and Taxation Code. The Foundation is not subject to income tax except for taxes on the receipt of income, if any, which is unrelated to the Foundation's tax-exempt purpose. The Foundation is not a private-foundation and qualifies for the charitable deduction under 170(b)(1)(A)(vi) of the Internal Revenue Code.

The Foundation has applied the provisions of ASC Subtopic 740-10, *Income Taxes—Overall*, which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on recognition, classification, interest, penalties, disclosure, and transition. The Foundation's management believes that no such uncertain tax positions exist as of June 30, 2024. The Foundation is subject to routine audits by the taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Foundation believes it is no longer subject to income tax examinations for the fiscal years prior to 2020.



**Desert Recreation Foundation**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(2) Cash and Cash Equivalents**

Cash and cash equivalents as of June 30, are classified in the accompanying financial statements as follows:

|  | <u>2024</u>       | <u>2023</u>    |
|--|-------------------|----------------|
| Cash and cash equivalents              | \$ 396,798        | 239,224        |
| Cash and cash equivalents - restricted | <u>78,996</u>     | <u>107,411</u> |
| Total                                  | <u>\$ 475,794</u> | <u>346,635</u> |

Cash and cash equivalents as of June 30, consist of the following:

|   | <u>2024</u>       | <u>2023</u>    |
|---|-------------------|----------------|
| Deposits held with financial institutions | \$ <u>475,794</u> | <u>346,635</u> |
| Total                                     | <u>\$ 475,794</u> | <u>346,635</u> |

**(3) Property and Equipment**

The summary of property and equipment at year end are as follows:

|  | <u>2024</u>     | <u>2023</u>     |
|--|-----------------|-----------------|
| <b>Depreciable assets:</b>               |                 |                 |
| Equipment                                | \$ 12,613       | 12,613          |
| Vehicles                                 | <u>25,935</u>   | <u>25,935</u>   |
| <b>Total depreciable assets</b>          | 38,548          | 38,548          |
| Accumulated depreciation                 | <u>(38,548)</u> | <u>(38,548)</u> |
| <b>Total property and equipment, net</b> | <u>\$ -</u>     | <u>-</u>        |

**(4) Liquidity and Availability**

As of June 30, 2024 and 2023, the Foundation's liquidity resources and financial assets available within one year for general expenditure, such as operating expenses, were as follows:

|  | <u>2024</u>       | <u>2023</u>    |
|--|-------------------|----------------|
| Financial assets at year-end:  |                   |                |
| Cash and cash equivalents  | \$ 396,798        | 239,224        |
| Cash and cash equivalents - restricted   | <u>78,996</u>     | <u>107,411</u> |
| Total financial assets   | 475,794           | 346,635        |
| Less: amounts not available to be used within one year,<br>due to contractual, board, or donor-imposed restrictions: |                   |                |
| Restricted by donors with time or purpose restrictions   | <u>78,996</u>     | <u>107,411</u> |
| Total amounts not available to be used within one year   | <u>78,996</u>     | <u>107,411</u> |
| <b>Financial assets available to meet general<br/>expenditures over the next 12 months</b>                           | <u>\$ 396,798</u> | <u>239,224</u> |

**Desert Recreation Foundation**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(5) Net Assets – With Donor Restrictions**

As of June 30, 2024, net assets with donor restrictions are available for the following purposes:

|   | <u>Balance<br/>2023</u>  | <u>Additions</u>      | <u>Deletions</u>        | <u>Balance<br/>2024</u> |
|---|--------------------------|-----------------------|-------------------------|-------------------------|
| <b>Net assets – with donor restrictions</b>       |                          |                       |                         |                         |
| Adaptive Sports                                   | \$ 22,580                | -                     | (17,500)                | 5,080                   |
| Trips for Kids                                    | 4,716                    | 50,865                | (50,865)                | 4,716                   |
| Chase the Ace                                     | 28,214                   | -                     | -                       | 28,214                  |
| Youth program                                     | <u>51,901</u>            | <u>86,750</u>         | <u>(97,665)</u>         | <u>40,986</u>           |
| <b>Total net assets – with donor restrictions</b> | <b>\$ <u>107,411</u></b> | <b><u>137,615</u></b> | <b><u>(166,030)</u></b> | <b><u>78,996</u></b>    |

As of June 30, 2023, net assets with donor restrictions are available for the following purposes:

|   | <u>Balance<br/>2022</u>  | <u>Additions</u>     | <u>Deletions</u>        | <u>Balance<br/>2023</u> |
|---|--------------------------|----------------------|-------------------------|-------------------------|
| <b>Net assets – with donor restrictions</b>       |                          |                      |                         |                         |
| Adaptive Sports                                   | \$ 12,810                | 11,620               | (1,850)                 | 22,580                  |
| Trips for Kids                                    | 4,716                    | 38,935               | (38,935)                | 4,716                   |
| Chase the Ace                                     | 24,798                   | 6,120                | (2,704)                 | 28,214                  |
| Youth program                                     | <u>102,196</u>           | <u>31,259</u>        | <u>(81,554)</u>         | <u>51,901</u>           |
| <b>Total net assets – with donor restrictions</b> | <b>\$ <u>144,520</u></b> | <b><u>87,934</u></b> | <b><u>(125,043)</u></b> | <b><u>107,411</u></b>   |

**Adaptive sports** – funds held for adaptive sports programs.

**Trips for Kids** – a program that supports at-risk youth who gets the opportunity to experience healthy activity, while broadening their perspectives and exploring new areas on their bicycles.

**Chase the Ace** – funds held for motorcycle run fundraiser held by the Foundation in Coachella Valley for the adaptive sports program.

**Youth program** – funds held for Desert Recreation District programs.

Net assets were released from donor restrictions by satisfying the purpose and/or time specifications of the donor’s or grantor’s requests.

**(6) Related Party Transactions**

The Foundation provided grants and other assistance to the District in the amounts of \$168,529 and \$122,339 for the fiscal years ended June 30, 2024 and 2023, respectively. Also, the Foundation reimburses the District for certain expenses incurred on behalf of the Foundation.

The Foundation receives contributed management, administrative, and operational support from the District to administer its programs. No amounts have been reflected in the financial statements for the contributed services since no objective basis is available to measure the value of such services.

**(7) Public Support**

Volunteers from the community have donated significant amounts of their time in support of the Foundation’s programs. No amounts have been reflected in the financial statements for the contributed services since no objective basis is available to measure the value of such services.

**Desert Recreation Foundation**  
**Notes to the Financial Statements, continued**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

**(8) Contingencies**

*Litigation*

In the ordinary course of operations, the Foundation is subject to claims and litigation from outside parties. After consultation with legal counsel, the Foundation believes the ultimate outcome of such matter, if any, will not materially affect its financial condition.

**(9) Subsequent Events**

Events occurring after June 30, 2024, have been evaluated for possible adjustment to the financial statement or disclosure as of December 2, 2024, which is the date the financial statements were available to be issued.