



2017 ANNUAL REPORT



**Roosevelt Campobello
International Park**

CAMOBELLO ISLAND

New Brunswick, Canada

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Roosevelt Campobello International Park

Campobello Island, Welshpool, NB E5E 1A4

www.fdr.net

Message from the Chairman and Vice Chairman

The “community” of the Roosevelt Campobello International Park reflects the unique international nature of the Park and the mutual respect and cooperation of its two sovereign nation founders, Canada and the United States. Everything about the Park is “bi-national,” ranging from our governance (a Commission with equal representation from both countries), our funding (again derived equally from both countries), our employees and management staff and, most importantly, our visitors from both countries. Remarkably, it all works well.

With great thanks to the hard work of Maine’s two Senators, Susan Collins and Angus King, the U.S. funding “freeze” that impacted the Park for too many years was finally “thawed.” As a result, we have been able to begin to tackle some long overdue, backlogged critical maintenance and upgrading projects in our Park buildings and equipment. Many thanks as well to Canada for its significant leadership role in breaking this log jam by taking the lead in initiating the approval of the Park’s funding request for the year. Our visitors have told us that this has improved our visitors’ experience at the Park and helped to increase our visitation to record levels.

Our Superintendent, management staff and all year ‘round and seasonal employees have continued their dedicated and accomplished performance, helping to make the Park a very friendly and welcoming place for our visitors, while maintaining the historic core, the beautiful gardens and the natural area to very high standards recognized by all.

We thank all those involved at Campobello as well as our Commissioners from Canada and the United States for all the effort and commitment put into this remarkable international park.

Christopher du P. Roosevelt,
Chairman (United States)
Honourable Greg Thompson,
Vice Chairman (Canada)

Message from the Superintendent

As we continue to operate in these interesting and challenging times, especially in regard to the evolving relationship between Canada and the USA, it is heartening to work for the Roosevelt Campobello International Park, which continues to be an example of international cooperation and goodwill between our two countries. This unique partnership led to the creation of this one of a kind “International Park”. Thanks to the dedicated staff and Commission the Park experienced another successful year achieving record attendance.

Many changes and new initiatives were successfully put into place over the past year including the hiring of two new Managers, the introduction of an Asset Management Program, initiating major infrastructure and capital improvements, the development of a new Natural Area Plan and other programs that will help see the Park through the next decade and beyond.

In 2017 the Park’s operating structure was reorganized, food services were consolidated, the conference program was expanded, a new accounting system became fully operational, procurement and tendering for services was professionally organized, new tours and interpretation have been introduced and trails have been improved. The Adventure Centre has seen increased usage and activities and the Park continued to support local activities and programs such as the International Marathon.

While the past year was overwhelmingly positive, the Park did face challenges in areas such as the Fireside restaurant. Changes are planned to address these challenges in 2018 while continuing to provide restaurant services for our guests. I look forward to the challenges and opportunities ahead knowing that I have the support of a dedicated and knowledgeable staff, a welcoming community on both sides of the border and a Park that offers a very positive and rewarding international experience at a time when these types of experiences and education are critical.

James P. Carr
Superintendent

Mission

The Roosevelt Campobello International Park Commission has a mission to offer the people of both countries an understanding of what President Roosevelt’s “beloved island” meant to him and to give them a sense of the feeling he gained from the ambiance of Campobello Island.

The Commission will maintain the atmosphere of the Roosevelt Cottage as it was during President and Mrs. Roosevelt’s lives, and will preserve and interpret the Park’s natural areas that meant so much to the Roosevelt Family.

The Commission will provide a forum for the discussion and exploration of domestic and international problems, issues and concepts of significance in the United States and Canada.

2017 An Overview



With the first year behind him Superintendent James P. Carr implemented the new management structure, hired two new managers and saw the Park set new attendance records with explosive growth in the Park's Natural Area. The Park tested, then offered a new experience, the F.U.N. tour for visitors as a complement to the Tea With Eleanor experience. The Park also began to address many of its deferred maintenance issues and initiated work on a new management plan for the Park's Natural Area. 2017 highlights were as follows:



HIGHLIGHTS

- Hiring of two new senior managers
- Record attendance (180,000 +8%)
- Record participation in the Conference Program
- Consolidation of Food Services
- Increased funding
- New funding sources (PNB heritage Program)
- Instituted Asset Management Program/ Long-term Capital Plan
- Instituted professional procurement and tendering processes (NBON)
- Introduction of F.U.N. Tour
- Re-established guide training at Hyde Park, NY
- Draft of a long-term Natural Area Plan developed
- Initiated major infrastructure investment in historic cottages
- Investment in new security systems (remote cameras)
- Increased storage facilities (containers)
- Investment in new equipment (truck, skid steer)

Department Reports

Supported by the Park Commission, a new management structure was implemented at the Park in 2017. The reorganization was as follows: Finance, Administration & Human Resources, Operations, Interpretation, Education, Programming and Exhibits and Marketing & Visitor Services.

FINANCE AND HUMAN RESOURCES

Working with the Commission's Finance, Administration and Human Resources Committee, the report of the Department is as follows:

Financially, 2017 year was a positive year. After being frozen at our 2012 budget level for three years, both the United States and Canada restored the Roosevelt Park to its full requisition for the 2017 fiscal year.

The increase in funding came later in the year; therefore, the Park was able to initiate some additional capital projects in 2017 but we were not able to complete them all in 2017. These projects needed to be organized and tendered to accommodate the Park's increased investments in infrastructure. Many projects tendered in 2017 will not be completed until fiscal 2018. These projects include an electrical upgrading project for three of our historic houses, a new truck and plow, two new furnaces, development of a natural area plan and condition assessments of all historical houses.

While we did not end up spending all of our increased allocation in 2017, the projects that did not get completed will be addressed in 2018; therefore, 2018 spending will be considerable in regard to investments in infrastructure. Over this two-year period spending will on Park infrastructure will have increased significantly and the surplus in cash for 2017 will be used up in 2018, balancing out the Park's overall financial position.



Crews were able to complete extensive structural renovations to the Wells Shober Cottage without disrupting the popular daily Tea with Eleanor programs.

OPERATIONS

Highlights

Working with the Commission's Operations Committee, the report of the Operations Department is as follows:

The streamlining of the management structure within the Park brings a sharper focus on remediating the deferred maintenance issues within the Park. Structural and electrical system assessments were completed for the Roosevelt, Hubbard and Wells-Shober cottages. These, combined with the newly instituted Asset Management Plan (AMP) are guiding the restoration and maintenance of the cottages and the grounds for the next several years. As the AMP is further refined it is also being expanded and applied to all aspects of the Park's operations, regardless of the department.

The following projects were completed or begun in 2017:

- Security cameras have been installed in the Historic Core
- A new plow truck has been ordered to replace a model from 1998
- Partnership with NB Dept. of Tourism Built Heritage has been continued with \$21,000 being directed to the Hubbard restoration.
- Restoration of dormers, gutters and the accessible entrance on the east face of the Roosevelt Cottage.
- Northern chimney at Hubbard cottage replaced and capped.
- East and south sides of the Wells Shober cottage restoration completed.
- Skid Steer added to equipment fleet.
- Bicycle trail from Raccoon Beach to Lower Duck Pond drive completed.
- New trail from Adams Complex to Wells Shober cottage, completed.

Department Reports



NATURAL AREA MANAGEMENT PLAN

The goal of the plan is to create more opportunities for enjoyment and exploration of the forests, wetlands, and coastline that the Roosevelt family treasured.

Created in conjunction with Upland Design Studios of Dartmouth Nova Scotia, the RCIP Natural Area Management Plan will create an extensive network of cycling trails and improvements to our existing hiking trails. The plan will be completed by March 2018, with phased-in construction beginning in April. Built with an eye to the future and with environmental protection being a cornerstone of the project, the Park is creating a world class network of trails and experiences for our guests to enjoy that can be sustainably maintained for the long term.

INTERPRETATION, EDUCATION, PROGRAMING AND EXHIBITS

Working with the Commission's Interpretation, Education, Programing and Exhibits Committee, the report of the Department is as follows:

The 2017 season was filled with growth and change for the Park's Interpretation, Education, Programming and Exhibits staff. A new manager, Will Kernohan, joined the Park's management team and introduced new interpretive techniques and created a positive environment for the Park's interpretive guide staff. The guide staff created a new tour, the F.U.N. Tour, which was very well received by the Park's visitors. Over 2,780 visitors enjoyed the F.U.N. Tour during the season. The introduction of daily morning meetings during the season allowed the guide staff to improve communications, create exciting interpretation and professionally develop their interpretive skill sets. The Park's Tea with Eleanor program moved to Wells-Shober Cottage, where three teas were delivered daily throughout the season. Tea program numbers enjoyed a 21% increase in paid attendance and many Guide staff had the opportunity to deliver the program for the first time.

Research and planning continues throughout the off-season to ensure an exciting and positive 2018 season.



Top: Sustainability and accessibility are a priority for the park's natural areas new management plan.

Above: The new, fast-paced, family-oriented Fun Tour debuted in 2017 and was very well received by visitors of all ages.

Department Reports



MARKETING AND VISITOR SERVICES

Working with the Commission's Marketing & Visitors Servers Committee the report of the Department is as follows:

Park Attendance Sets New Record

The Park set a new attendance record for 2017 with an 8% increase to an estimated 179,596 visitors. The greatest increase for the second year in a row came in the Natural Area with a 34% increase. The 8% increase broke the previous record of 167,868 set in 2016. The increase in the natural area attendance is consistent with the explosion of visitors to the natural area in 2016 of 89%.



Visitor Services

This is the first season where Marketing and Visitor Services were combined. 2017 was a very positive year with the Conference Lodging Program showing its best year since its creation, selling 956 room nights compared to the 611 room nights sold in 2016. This represents a 56% increase in room sales. Food Services in 2017 was much more challenging with a loss of business forcing the early closing of the Fireside Restaurant. This has forced the Park to rethink its food services operation for 2018. With a 71% increase in our Conference bookings we expect a corresponding increase in conference meals. We also plan to offer Park visitors food service on a limited basis at the Prince Cottage.

Food Services planning in 2017 included preliminary investigation into a limited food and beverage service at Prince Cottage.



Transitions 2017

RETIRING COMMISSIONER

Sandra Irving, Canadian Alternate Commissioner from St. John, New Brunswick, resigned from the Commission after 12 years of service. Mrs. Irving was appointed March 11, 2004.

RETIRING STAFF

Mike Bridges, a member of the Park's Operation team, has retired after 19 years of service.

Carolyn Newman, who served as a Park guide and helped develop the first Tea With Eleanor interpretation, has retired after 20 years of service.



Carolyn Newman

Thank You!

We gratefully acknowledge and thank the governments of the United States and Canada for their continued support of this unique Park. Our special thanks goes out to the people of both countries for preserving, supporting and funding Roosevelt Campobello International Park.

We extend our thanks to the many staff and volunteers who work so hard every day to preserve this legacy of friendship which the Park was established to honor.

Most importantly we want to thank our many visitors from both countries and around the world, they are the reason this Park was created.

We hope you will join us in 2018!

Commissioners & Management

COMMISSIONERS

United States

Christopher du P. Roosevelt,
Chair
Lyme, Connecticut

Senator Angus King
Brunswick, Maine

Richard J. Warren
Bangor, Maine

Canada

Honourable Greg Thompson
Vice-Chair
St. Andrews, New Brunswick

Edward L. D. McLean,
Saint John, New Brunswick

G. Fred Nicholson, Q.C.
St. Stephen, New Brunswick

ALTERNATES

United States

Anna Eleanor Roosevelt
Portland, Maine

Sidney Unobskey
Calais, Maine

Philip W. Conkling
Camden, Maine

Canada

Ann McCain Evans
Toronto, Ontario

Vacant

Honourable Michael A. Meighen,
C.M.Q.C.
Toronto, Ontario

MANAGEMENT STAFF

James P. Carr
Superintendent

Stephen Smart
Manager, Operations

Laura A. Tinker
Manager, Finance,
Administration and Human
Resources

Will Kernohan
Manager, Interpretation,
Education, Programing and
Exhibits

Vern M. McKimmey
Manager, Marketing and
Visitor Services

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INDEPENDENT AUDITOR'S REPORT

Roosevelt Campobello International Park Commission
459 Route 774, Welshpool, New Brunswick E5E 1A4
P.O. Box 129, Lubec, Maine 04652

We have audited the accompanying financial statements of Roosevelt Campobello International Park Commission, which comprise the statement of financial position as of December 31, 2017 and the related statements of activities, 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.

Auditor's 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 auditor's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Roosevelt Campobello International Park Commission as of December 31, 2017 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.


Certified Public Accountants

Bucksport, Maine

February 26, 2018

Financials

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017
(Expressed in United States Dollars)

Exhibit A

	<u>2017</u>
<u>ASSETS</u>	
Current Assets	
Cash and Cash Equivalents	\$ 1,635,540
Investments	104,583
Accounts Receivable	6,054
Inventory for resale	36,314
Prepaid Expenses	51,522
Note Receivable	-
Total Current Assets	<u>1,834,013</u>
Non-Current Assets	
Property and equipment	5,928,590
Total Assets	<u><u>\$ 7,762,603</u></u>
 <u>LIABILITIES AND NET ASSETS</u>	
Current Liabilities	
Accounts payable	\$ 7,074
Accrued payroll and related taxes & benefits	35,959
Accrued sick and vacation payable	338,430
Deferred Revenue	-
Total Liabilities	<u>381,463</u>
Net Assets	
Undesignated	5,928,590
Board Designated - Note 4	1,452,550
Total Net Assets (Exhibit B)	<u>7,381,140</u>
 <u>TOTAL LIABILITIES AND NET ASSETS</u>	 <u><u>\$ 7,762,603</u></u>

Financials

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017 and DECEMBER 31, 2016
(Expressed in United States Dollars)

Exhibit B

	2017
Changes in Unrestricted Net Assets:	
Unrestricted Support, Revenues and Gains	
Federal grants:	
Canada - Operating	\$ 1,657,897
United States - Operating	1,657,897
New Brunswick Summer Youth Programs	11,770
New Brunswick Tourism Hub Grant	662
Heritage Fund Grant	11,250
Visitors' and other donations	19,429
Gift Shop	10,082
Paid Teas	-
Interest	6,793
Currency Exchange Gain - Note 5	2,927
Other Income	112,511
<u>Total Unrestricted Public Support, Revenues, and Gains</u>	\$ 3,491,218
Expenses and Losses:	
Program - (Exhibit C)	\$ 2,153,850
Management & General - (Exhibit C)	557,604
Currency Exchange Loss	-
Food Services Loss - Net - Schedule 1	145,879
Conference Lodging Loss - Net - Schedule 2	28,054
Tea Program Loss - Net - Schedule 4	28,301
<u>Total Expenses and Losses</u>	2,913,688
<u>Increase (decrease) in Unrestricted Net Assets</u>	577,530
 <u>Increase (decrease) in Total Net Assets - (Exhibit D)</u>	 577,530
 <u>Net Assets at Beginning of Year</u>	 6,803,610
 <u>Net Assets at End of Year (Exhibit A)</u>	 \$ 7,381,140

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION

Exhibit C

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017

(Expressed in United States Dollars)

	<u>GENERAL OPERATING FUND</u>		Total All Funds
	Program Services	Management & General	
	2017		
Administrative Staff	\$ 72,964	\$ 262,519	\$ 335,483
Security Staff	\$ 255,306	\$ -	\$ 255,306
Maintenance Staff	\$ 556,150	\$ -	\$ 556,150
Guides	\$ 413,098	\$ -	\$ 413,098
Gardening Staff	\$ 134,641	\$ -	\$ 134,641
Payroll Taxes & Benefits	\$ 253,666	\$ 51,709	\$ 305,375
<u>Total Personnel Services</u>	<u>\$ 1,685,825</u>	<u>\$ 314,228</u>	<u>\$ 2,000,053</u>
Commission	\$ -	\$ 42,785	\$ 42,785
Professional Services	\$ 2,377	\$ 98,241	\$ 100,618
Publications	\$ 115,947	\$ -	\$ 115,947
Utilities	\$ 40,389	\$ 23,363	\$ 63,752
Insurance	\$ 36,441	\$ 17,006	\$ 53,447
Park Maintenance	\$ 119,228	\$ 1,848	\$ 121,076
Office Supplies	\$ 1,674	\$ 26,184	\$ 27,858
Other	\$ 22,192	\$ 27,119	\$ 49,311
Depreciation	\$ 129,777	\$ 6,830	\$ 136,607
<u>Total Other Operating Cost</u>	<u>\$ 468,025</u>	<u>\$ 243,376</u>	<u>\$ 711,401</u>
<u>Total Operating Cost - (Exhibit B)</u>	<u>\$ 2,153,850</u>	<u>\$ 557,604</u>	<u>\$ 2,711,454</u>

Financials

See Accompanying Notes.

Financials

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
 STATEMENTS OF CASH FLOWS - ALL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (Expressed in United States Dollars)

Exhibit D

	2017
<u>Operating Activities</u>	
Increase in net assets - (Exhibit B)	\$ 577,530
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	147,941
Gain on Disposal	(10)
Changes in operating assets and liabilities:	
Increase in accounts receivable	(4,627)
Decrease in prepaid expenses	53,886
Decrease in inventory	10,262
Decrease in accounts payable	(4,989)
Decrease in deferred revenue	(285,000)
Increase in accrued payroll and related taxes	9,957
Decrease in accrued sick and vacation payable	(1,177)
<u>Net Cash Provided by Operating Activities</u>	503,773
<u>Investing Activities</u>	
Purchases of investments	(105,146)
Proceeds from investments	215,901
Purchase of property and equipment	(206,796)
Proceeds from Sales of Equipment	5,360
<u>Net Cash Used in Investing Activities</u>	(90,681)
Increase in Cash and Cash Equivalents	413,092
Cash and Cash Equivalents at Beginning of Year	1,222,448
<u>Cash and Cash Equivalents at End of Year - (Exhibit A)</u>	\$ 1,635,540

Financials

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
SCHEDULE OF SALES AND CONFERENCES
FOR THE YEAR ENDED DECEMBER 31, 2017
(Expressed in United States Dollars)

Schedule 1

	<u>2017</u>
Sales	\$ 208,290
Cost of Sales	<u>88,912</u>
Gross Profit	<u>119,378</u>
Expenses	
Wages	204,004
Payroll Taxes & Benefits	<u>20,393</u>
Total Wages & Benefits	224,397
<u>Direct Expenses</u>	
Maintenance Expense	5,836
Office Supplies	2,442
Cleaning Supplies	426
Replenish Small Equipment	3,520
Uniforms	1,450
Insurance	4,859
Advertising & Marketing	418
Telephone	741
Utilities Power Heat	3,982
Propane	3,206
Professional Services	1,265
Employee Training	1,382
Depreciation Expense	<u>11,333</u>
Total Operating Expenses	<u>40,860</u>
Total Expenses	<u>265,257</u>
Net Loss - Exhibit B	<u><u>(145,879)</u></u>

Financials

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
SCHEDULE OF CONFERENCE LODGING
FOR THE YEAR ENDED DECEMBER 31, 2017
(Expressed in United States Dollars)

Schedule 2

Sales	\$ 120,691
Expenses	
Wages	90,217
Payroll Taxes and Benefits	<u>15,137</u>
Total Wages	<u>105,354</u>
Direct Expenses	
Utilities	18,929
Cleaning Supplies	1,321
Replenish Small Equipment	6,880
Other Expenses	<u>16,261</u>
Total Direct Expenses	<u>43,391</u>
Total Expenses	<u>\$ 148,745</u>
Net Loss - Exhibit B	\$ (28,054)

Financials

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
SCHEDULE OF GIFT SHOP
FOR THE YEAR ENDED DECEMBER 31, 2017
(Expressed in United States Dollars)

Schedule 3

Sales	\$ 49,473
Cost of Sales	\$ 27,690
Gross Profit	\$ 21,783
Expenses	
Wages	10,242
Payroll Taxes and Benefits	1,459
Total Wages	<u>11,701</u>
Direct Expenses	
Other Expenses	-
Total Direct Expenses	<u>-</u>
Total Expenses	<u>\$ 11,701</u>
Net Loss - Exhibit B	<u>\$ 10,082</u>

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
SCHEDULE OF TEA PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2017
(Expressed in United States Dollars)

Schedule 4

Sales	\$ 38,257
Cost of Sales	<u>\$ 11,832</u>
Gross Profit	<u>\$ 26,425</u>
Expenses	
Wages	49,711
Payroll Taxes and Benefits	<u>2,836</u>
Total Wages	<u>52,547</u>
Direct Expenses	
Replenish Small Equipment	2,152
Other Expenses	<u>27</u>
Total Direct Expenses	<u>2,179</u>
Total Expenses	<u>\$ 54,726</u>
Net Loss - Exhibit B	<u>\$ (28,301)</u>

**ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

Note 1 – Summary of Significant Accounting Policies

Nature of Operations

The Roosevelt Campobello International Park Commission was established on August 14, 1964, by the Governments of Canada and the United States of America to commemorate President Franklin D. Roosevelt and to provide a symbol of friendly relations between the people of Canada and the United States.

Method of Accounting

The financial statements have been prepared on the accrual basis of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its audit guide for non-profit organizations. All amounts are expressed in United States dollars.

Income Tax Responsibility

The Park Commission established through international agreement is exempt from Federal, State and Provincial income taxes and therefore no provision for income taxes has been made.

The Park Commission has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Management believes there were no activities subject to tax on unrelated business income.

Estimates

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

Inventories

Inventories are valued at the lower of cost or market. Cost has been determined by the first-in, first-out method.

Cash and Cash Equivalents & Investments

Cash and equivalents consist of cash on deposit in checking, money market, and certificates of deposit maturing within 30 days. Investments consist, primarily, of longer term certificates of deposits.

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, Roosevelt Campobello International Park Commission's deposits may not be returned to it. Roosevelt Campobello International Park Commission had deposits held at multiple different banking institutions totaling \$1,740,123 as of December 31, 2017 all of which was covered by depository insurance.

Deferred Revenue

Deferred Revenue presented on Exhibit A consisted of U.S. Government Grant Funds restricted to use in the subsequent year.

Financials

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Property and Equipment

Property and equipment acquisitions, including those obtained under capital leases, with individual costs in excess of \$1,000 are capitalized. Depreciation expense is computed on the straight-line method with estimated useful lives of five to fifteen years for equipment and of forty years for buildings and improvements. Historical treasures, such as the Roosevelt Cottage and its contents, have not been depreciated. Donated assets are recorded at fair market value at the date of the gift. Original donations consist primarily of the Roosevelt Cottage. Artifact restoration is expensed as work progresses and is not capitalized or depreciated.

Accrued Sick and Vacation Liability

The employees are allowed to accumulate sick and vacation time to a maximum number of hours depending upon the length of service. This liability is expected to be paid as the employees terminate their employment and has been recorded as a liability. A few employees have earned sick time beyond the amount that has been recorded as a liability. They would only be paid for that excess time at the discretion of the Commission during a documented illness. The likelihood of such payments is remote and therefore calculation of the amount is not possible.

Fair Value

Financial Accounting Standards Board's accounting standard for Fair Value Measurements establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 valuations are based on unadjusted quoted prices for identical assets or liabilities in active markets and have the highest priority; Level 2 valuations are based on quoted prices for similar assets or liabilities in active markets or quoted prices in inactive markets for which significant inputs are observable; Level 3 valuations are based on inputs that are both unobservable and significant to the fair value measurement and have the lowest priority.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2017.

The carrying amount of cash and cash equivalent, accounts receivable, prepaid expenses and accounts payable approximate their fair value due to the short-term nature of such instruments. The carrying value of notes receivable approximates fair value because it contains interest rates that are fixed and are market based. Investments consist of certificates of deposits and are valued at their cash value as of the end of the year as determined by the financial institution holding the certificate. The Note Payable approximates its fair value despite not having a market based interest rate because, due to the combination of its short term nature, and the small difference in interest rates, any restatement to this item for fair value would not have a significant effect to the financial statements.

Donated Materials and Services

Donated materials or equipment, when received, are reflected as contributions in the accompanying statements at their estimated fair market values at the date of receipt. Contributions of services are recognized when the services received create or enhance nonfinancial assets, require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized.

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note 2 – Prepaid Expenses

Prepaid expenses for the year ended December 31, 2017 were comprised of prepaid advertising costs in the amount of \$25,096 and prepaid insurance in the amounts of \$26,426.

Note 3 - Pension Plan

The Commission has a noncontributory pension plan that covers its U.S. employees. Pension expenses charged to operations were \$36,891 for the year ended December 31, 2017.

The Canadian employees participate in a group registered retirement savings plan. The eligible employees receive an increase in their wage base to cover the pension costs. Then this increase is invested on their behalf through a payroll deduction into the group registered retirement savings plan. This pension cost of \$147,150 for the year ended December 31, 2017 is reflected as part of salaries and wages expense.

Note 4 – Board Designated Net Assets

Board Designated Net Assets is comprised of the following:

	<u>2017</u>
Vehicle Replacement	\$260,000
Office Equipment/Programming	83,000
Maintenance Equipment Replacement	53,000
Building and Grounds	1,058,550
	<u>\$1,452,550</u>

Note 5 - Currency Exchange

The Commission maintains cash accounts in both the U.S. and Canada and has transactions during the year involving Canadian currency. Items of revenue and expenses involving Canadian currency are recorded in U.S. dollars and are translated to U.S. dollars as they occur, at the rate of exchange in effect at the date of transaction. Canadian cash on hand at the balance sheet date is converted to U.S. dollars at the rate of exchange in effect at that time. Any net exchange gain or (loss) for the year is recognized in the statement of activities.

Note 6– Evaluation of Subsequent Events

The Commission has evaluated subsequent events through February 26, 2018, the date the financial statements were available to be issued.