



Financial Report

Fiscal Year 2021

The North Carolina High Peaks Trail Association is a non-profit focused on the Black Mountain Range with 17 peaks over 6,000-feet, including the tallest mountain in the East, mighty Mount Mitchell at 6,684-feet.

MISSION:

Enjoy, Maintain and Improve Our Black Mountain High Peaks Trails While Promoting and Protecting our Black Mountain High Peaks

STRATEGIC ACTION AREAS:

- 1) Enjoy Our Challenging High Peaks Trails
- 2) Maintain and Improve Our Diverse High Peaks Trails
- 3) Increase Awareness and Appreciation of Our Magnificent High Peaks
- 4) Preserve and Protect Our Irreplaceable High Peaks





North Carolina High Peaks Trail Association

To: The Board of Directors

Annual Report, FY 2021

Introduction and Summary of Activities

The mission of the NC High Peaks Trail Association is to preserve and protect the Black Mountain Range and to maintain, improve, and enjoy its trails. That mission is supported by a range of partnerships and outreach and social activities that contribute to the vitality of our community.

Fiscal Year 2021 (October 1, 2020 to September 30, 2021) saw a resumption of some but not all the activities that were cancelled or restricted in FY 2020 by the Covid-19 pandemic. The Association's regular schedule of group hikes resumed in late March 2021 (following cancellation in March 2020), though the maximum number of hikers was usually restricted to 10, and Yancey County van service was not available for these hikes, due to Covid. The Annual members' meeting in October 2020 (to review activities for the preceding FY 2020) was held virtually rather than in person. Trail maintenance work by the Monday Crew, which had been suspended in early 2020, resumed in full throughout FY 2021. A fundraiser at the Homeplace Beer Company planned for FY 2020 was again postponed in FY 2021. Monthly Board Meetings were still held online rather than in person.

Despite these challenges, the Association pursued a range of available opportunities. Organized hikes resumed in late March 2021, and through the end of FY '21 in September, High Peaks sponsored eight hikes and strolls, with a total of 60 hikers. With steadily increasing community interest, an active hiking schedule was planned for the Fall months.

Trail maintenance is one of our Association's key contributions to the local community and its environment. The Carolina Mountain Club (CMC) Monday Crew for trail maintenance is comprised mainly of High Peaks members and is led by High Peaks President John Whitehouse. A significant part of the Crew's work is devoted to about 60 miles of trails in the Black Mountain Range, Mt. Mitchell State Park, and Blue Ridge Parkway that are not maintained by the CMC. (One motivation for founding the NC High Peaks Trail Association was this gap in coverage by

the CMC.) During FY '21, High Peaks members contributed a total of 2101 volunteer hours in 125 work days for 19 trails assigned to High Peaks in the Appalachian Ranger District of the Pisgah National Forest, Mt. Mitchell State Park, and Blue Ridge Parkway.

A formal partnership with Mt. Mitchell State Park is based on High Peaks' designation as Friends of Mount Mitchell State Park. This partnership encompasses several forms of assistance to the Park — involving volunteer work hours, especially for trail maintenance, maintaining and adding live webcams, trail maps, public radio communications, public information signs, planning new trails, and financial assistance. One form of assistance is based on visitors' donations to the Friends of Mt. Mitchell — which are placed in a designated bank account managed by High Peaks and then used to purchase equipment and supplies for the Park. Financial assistance to the Park is also provided through state and federal grants that High Peaks obtains for trail development and maintenance.

Specific projects for the U.S. Forest Service and Mt. Mitchell State Park included several trail development projects: High Peaks obtained a Recreational Trails Program (RTP) grant from North Carolina (\$65,600) that was used to relocate and develop sections of the Mt. Mitchell Trail above Higgins Bald on land managed by the USFS. Only a portion of that work (\$26,240) was completed in 2021 due to Covid. The rest of the work will be completed in 2022.

Another grant (\$5000) from the Friends of State Parks plus donations (\$4000) to the Friends of Mount Mitchell State Park fund was used to renovate the Park's Balsam Nature Trail. This project involved contract work with the American Conservation Experience (ACE) and AmeriCorps as well as collaboration with the American Hiking Society (AHS). Five AHS volunteers camped and worked for a week in the Park, with supervision and assistance each day from High Peaks members.

In addition to our work in developing and maintaining trails for the Park, High Peaks also used the Friends of Mt. Mitchell funds to purchase, repair, and develop a variety of communications equipment and facilities for the Park: mobile radio devices for the Park Rangers, an additional live webcam at the Mt. Mitchell summit, repairing the webcam and radio stations at the Park's Classroom Building, recording a message for a radio (AM 1630) Traveler Information Station (TIS), traveler information signs on Rt. 128 to the Park, a hiker information sign for the Mt. Mitchell Trail head at the Black Mountain Campground along with a QR code that connects to an internet website for information about the Park, and a much-needed new notebook computer.

Prior to January 1, 2021, the Association partnered with the Blue Ridge Parkway as the Crabtree Falls Chapter of the Friends of the Blue Ridge Parkway, but the U.S. Park Service severed its relationship with the Friends of BRP organization. Nevertheless, our Overlook Adopters have continued cleaning their assigned overlooks — at 24 Parkway Overlooks from Linville Falls (mile 316) to Graybeard (mile 363). These adopters now report directly to NPS/Blue Ridge Parkway. We continue to maintain trails for the Blue Ridge Parkway.

The High Peaks Birders are an important active affiliate of the NC High Peaks Trail Association. The Covid pandemic, however, significantly restricted HP Birders' activities in FY '21. The annual Audubon Christmas Bird Count was held in December 2020, with 22 field counters contributing 38 hours over 121 miles, and counting 1612 birds belonging to 48 different species. The 2021 Winter Climate Watch Survey was cancelled by the Audubon Society due to Covid restrictions. The pandemic also forced cancellation of meetings of the Ornithological Wise Leaders (OWLS) guidance committee.

High Peaks offers significant contributions to the local community through the efforts of Board member Jake Blood. One such contribution is his representation of High Peaks as a nonprofit member of the Yancey County Chamber of Commerce and his Chairing of the County's Tourism and Travel Committee. As part of his role on that committee, Jake creates extensive maps of local trails and other outdoor recreation opportunities, which High Peaks provides as a free service to the County. Jake is also our designated liaison with the U.S. Forest Service, and he interacts with both the USFS and Mt. Mitchell State Park in planning and relocating trails, and in designing and printing maps of local trails for these two government organizations. Additionally, Jake offers talks about the Black Mountains and outdoor activities to various local community and school groups, though Covid restricted these talks during FY 2021. One presentation was at Mountain Aire. Another was a brief TV segment on Mt. Mitchell and outdoor attractions in Yancey County that was aired on WRAL-TV in Raleigh in June and is available on their website: <https://www.wral.com/visit-burnsville/19719644/>.

Statement of Financial Position and Activity

NC High Peaks Trail Association began the year, in October 1, 2020, with \$65,375.87 in total assets. *Our net worth at the end of FY 2021 was \$68,719.75, an increase of \$3,343.88 (5.1%).* Total liabilities decreased from \$26,886.96 to \$99.77, a decrease of \$26,787.19 or 99.6%. (Liabilities in September 2021 were for NC state sales taxes on merchandise sales. The decrease in liabilities was due to reimbursement by NC state for a commercial loan of \$26,860.00 that covered an earlier contract with American Conservation Experience and other expenses for renovation of a section of the Mt. Mitchell Trail inside the Mt. Mitchell State Park.) These numbers may be found on the 'Balance Sheet Previous Year Comparison' report and 'Statement of Financial Position' under the 'Financial Activity' tab.

Total Net Income (income – expenses) in FY 2021 for unrestricted funds and for the two restricted funds, the Friends of Mt. Mitchell Donation Fund and the Trail Fund, was \$30,131.07. Total income was \$44,913.12, and total expenses were \$14,782.05. (Substantially different numbers for 2020 reflected income and liabilities associated mainly with grants, loans, and reimbursements for the Trail Fund: Total income = \$49,289.19; total expenses = \$67,987.19; and total net income = -\$18,698.)

For unrestricted funds in FY 2021, the net income was \$2,222.45, with total income of \$35,817.91 and total expenses of \$33,595.46. Income included reimbursement from North

Carolina for the 2020 RTP grant. Expenses included repayment of the Commercial Loan from United Community Bank, which reduced our current liabilities. Income from Membership Dues was \$6,035.00 (a 45.8% increase of \$1,895.00 compared to \$4,140.00 in FY 2020); and \$2,102.01 was received from Merchandise Sales (a 208.4% increase of \$1,415.01 from \$686 in FY 2020).

The restricted Friends of Mt. Mitchell Donation Fund in FY 2021, saw a net loss of -\$3,211.97. Income from donations and interest totaled \$5,725.16 (a 59.5% decrease of \$8,431.56 from \$14,156.72 in FY 2020); and expenses totaled \$8,937.13 — including \$5,497.99 for park equipment, \$1,500 for bear-proofing trashcans, \$1,260 for last year's ACE project, and \$551.68 for computer services. (Total expenses in FY 2021 were \$1,463.79 less than in FY 2020, a 14.1% decrease.)

The restricted Trail Fund in FY 2021 saw a net income of \$4,333.40 from donations, with no expenses. (Income from donations to the Trail Fund decreased by \$146.60 (3.3%) from \$4,480.00 donated in FY 2020.)

At the end of FY 2021, in September 30, 2021, NC High Peaks Trail Association held \$2,783.85 in its checking account at United Community Bank; and an additional \$3,135.27 was in its PayPal account, totaling \$5,919.12 in available cash. (Available cash increased by \$2,222.45, 60.1%, from \$3,696.67 in FY '20.)

In September 30, 2021, NC High Peaks also held a total of \$62,800.63 in two restricted funds: The Friends of Mt. Mitchell Fund (for which NC High Peaks Trail Association is the fiduciary agent) was \$37,512.35, and the Trail Fund Money Market account was \$25,288.28. (Relative to FY '20, the Friends of Mt. Mitchell Fund decreased by \$3,211.97, -7.9%; and the Trail Fund increased by \$4,333.40, 20.7%.)

Numbers in the preceding section may also be found on the 'Balance Sheet Previous Year Comparison' report under the 'Financial Activity' tab.

Additionally, NC High Peaks Trail Association also has a substantial inventory of tools and equipment. This inventory is actively used for trail maintenance, and some is used and installed at Mt. Mitchell State Park, provided by High Peaks in its role at the Friends of Mt. Mitchell State Park. This inventory includes: 9 two-way Radios (one of which was added in FY '21), 5 Hikvision cameras (one broken and not in use), 4 Weed Eaters (one broken and not in use), and 3 Chain Saws (one of which was added in FY '21). Additional equipment owned by the Friends of Mt. Mitchell and in permanent installation or use by Mt. Mitchell State Park includes: 6 Public Service Scanning Radios (added in FY '21, for use by Park Rangers), 1 Video Projector (added in FY '21), 1 Tent Canopy (added in FY '21), 1 Traveler Information Station transmitter and

antenna, 1 30-ft Tower (for the transmitter antenna), 1 Hikvision camera and associated communications equipment, 1 Weather Station, and 2 Telescopes and tripods (added in FY '21).

Statement of Activities

NC High Peaks Trail Association is a 501(c)3 non-profit corporation chartered in North Carolina. Our purpose is to advance the public's awareness, education, understanding, and appreciation of nature, wildlife, the natural environment, and the healthy lifestyle benefits deriving from the active use of these amenities. To that end, High Peaks leads hikes, maintains and builds trails, establishes formal partnerships, presents educational programs, and affiliates with a local birding group. Our activities are primarily in Yancey County, and a special focus is the Black Mountains.

NC High Peaks also engages with the community by cleaning over-looks and scenic by-ways and working to improve the quality of our outdoor recreation assets. We partner with the Blue Ridge Parkway, Pisgah National Forest (Appalachian Ranger District), Mount Mitchell State Park, Carolina Mountain Club, Appalachian Trail Conservancy, and Friends of the Mountains-to-Sea Trail. NC High Peaks is also the fiduciary agent for the *Friends of Mount Mitchell State Park* fund.

NC High Peaks coordinates hiking trips each month. It also participates in community outreach activities. In FY 2021 and in most previous years, we participated in the Mount Mitchell Crafts Fair (August in Burnsville). Due to the Covid pandemic, however, we did not participate in FY 2020 or '21 in either Old Timey Days (September in Burnsville) or the Earth Day celebration in Burnsville.

NC High Peaks is actively engaged in trail maintenance in our area. The Carolina Mountain Club 'Monday Crew', led by John Whitehouse, works almost every week on trails in the Black Mountain Range as well as the Mountains to Sea Trail and the Appalachian Trail. One important general effort involves rebuilding and rerouting sections of the Mount Mitchell Trail, especially above Higgins Bald. This work has been funded by multiple grants from North Carolina's Recreational Trails Program. Much of the work on this trail has been done by the American Conservation Experience, with ongoing assistance from the Monday Crew. And in FY 2021, we also arranged, supervised, and worked with volunteers from the American Hiking Society, who camped at Mt. Mitchell State Park and worked on the Balsam Nature Trail for a week. Work on maintaining trails in the Mt. Mitchell State Park and in the adjacent Pisgah National Forest lands around Black Mountain Campground is an ongoing concern of the Monday Crew. The coverage area for this work is also growing as the State Park is expanding with a large section of forest land recently added to the State Park.

NC High Peaks Trails Association maintains a website: <http://www.nchighpeaks.org>. The website provides information about the Association and includes a calendar of activities, access to the Associations' maps of the Black Mountain Range and its trail network, live cameras and weather information for Mt. Mitchell State Park, and a retail outlet for merchandise. The

Association also maintains a Facebook page that is used for public relations, communications, and promotion of hikes and other activities.

Statement of Expenses

NC High Peaks Trail Association had no remarkable expenses in FY 2021. Total expenses for FY 2021 were \$14,687.64. Program expenses of the Association's activities (e.g., equipment for trail maintenance, radios for Mt. Mitchell Park Rangers, computer services) were \$10,454.82 (71.2%); Administrative expenses were \$1,800.35 (12.3%), and Fundraising costs (mainly PayPal) were \$2,432.47 (16.6%).

NC High Peaks incurs expenses for trail maps, maps for area information kiosks, our website, webcams, and weather station on Mount Mitchell. We also pay Yancey Transportation Services for hiker transportation, fees that are reimbursed by the hikers. Finally, we act as the fiscal agent for the Friends of Mount Mitchell fund and pay for supplies and other things requested by the State Park for which they cannot use State appropriated funds.

Total expenses were much less in FY 2021 than in the previous year (\$68,479.30), when the Association paid two contracts to the American Conservation Experience for trail building. A large portion of the expenses this year involved supplies and equipment for Mt. Mitchell State Park purchased with the Friends of Mt. Mitchell Fund (\$7,677.13).

Conclusions and Recommendations.

- Leadership transition plan: Sustainable leadership is essential to the continued vitality of the NC High Peaks Association. The current strength of the Association owes largely to the exceptional competence and generosity of its recent and current leadership, contributed especially by its current President, John Whitehouse. Maintaining the future vitality of our organization demands that we do not rely on the leadership of too few persons.

Importantly, our By-Laws prevent Board members from serving more than three consecutive, two-year terms. Our current President will need to rotate off the Board at the end of FY 2022. It is customary and desirable, though not required, for the President of High Peaks to be a Board member. It is urgent, therefore, that we begin now to identify and develop candidates who can serve as President for FY 2023, and candidates for other key leadership positions in FY '23 and beyond.

> Recommendation: A Leadership Planning Committee should be appointed at our next Board Meeting, March 17, 2022.

- Organizational growth, membership, community collaborations, outreach, and fundraising: The goal of developing future leaders for the NC High Peaks Trail Association is associated with the broader goals of growing its membership, financial resources, and collaborative engagements with other community organizations and activities. The Association has

supported those aims through a variety of efforts such as fundraising, scheduling and advertising hikes, booths at community gatherings, and talks at schools and other groups. Such efforts should certainly continue.

The Association should also explore additional opportunities for advertising both (a) the contributions and activities of NC High Peaks and (b) the value of the Black Mountains and related environmental resources to the vitality of Yancey County and western North Carolina. At its meeting in early February 2022, the High Peaks Finance Committee discussed potential opportunities for adding community support, membership applications, or advertising through several local businesses and non-profit organizations, especially those associated with health and outdoor recreation. For example, Mercy Urgent Care has had an organizational membership in High Peaks for several years; and we might explore their participation in advertising or other types of support. Informal brainstorming at the Finance Committee meeting generated a number of commercial and non-profit organizations with whom High Peaks might find common interests and opportunities.

The Annual Financial Report for FY 2020 recommended several opportunities that remain relevant to our efforts and planning for this year and beyond. As noted in last year's report, growth in membership and participation in scheduled hikes are supported by advertising on our website, Facebook, the local newspaper, and the Yancey County Visitors Center. Educational outreach is also beneficial to both the community and High Peaks. Possible community service projects at Mountain Heritage High School — e.g., for trail building — were mentioned in last year's report and still seem relevant.

In closing, the Financial Review Committee gratefully acknowledges its indebtedness to Nancy Fitzgibbons for handling our minutes and recordkeeping, to Susan Weller for our financial management, to Jake Blood for his ongoing efforts at map-making for both Yancey County and Mt. Mitchell State Park and his Chairmanship of the Tourism and Visitors Committee of the Yancey County Chamber of Commerce, and to John Whitehouse for his excellent leadership of the Association. Thank you also to Jake and Cynthia Blood who have done so much with our grant management over the years. We also want to thank Alan Orovitz for his leadership and skill whenever a technology need presents itself. Alan is one of the unsung heroes that enable NC High Peaks to do the many things we do.

Respectively submitted by the Financial Review Committee:

Susan Weller, Treasurer

Abbey Malk, Finance Committee

Joe Lappin, Finance Committee

March, 2022