

**COLUMBIA LAND CONSERVANCY, INC.**

AUDITED FINANCIAL STATEMENTS

As of and for the 18-month period ended June 30, 2022

(With memorandum only totals as of December 31, 2020)

**COLUMBIA LAND CONSERVANCY, INC.**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees of  
Columbia Land Conservancy, Inc.:

### ***Opinion***

We have audited the financial statements of the Columbia Land Conservancy, Inc. (a not-for-profit organization) which comprise the statement of financial position as of June 30, 2022 and the related statements of activities, functional expenses, and cash flows for the 18-month period then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Columbia Land Conservancy, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the 18-month period then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Columbia Land Conservancy, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***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, and for 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.

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 Columbia Land Conservancy, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

## ***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 GAAS 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 GAAS, 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 Columbia Land Conservancy, Inc.'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 Columbia Land Conservancy, Inc.'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 audit.

## ***Report on Summarized Comparative Information***

We previously audited Columbia Land Conservancy, Inc.'s financial statements for the year ended December 31, 2020, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 2, 2021. In our opinion, the summarized comparative information as presented on the statement of financial position herein as of December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*UHY LLP*

Hudson, New York  
October 24, 2022

**COLUMBIA LAND CONSERVANCY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2022**  
(with memorandum only totals as of December 31, 2020)

	<b>2022</b>	<b>2020</b> (memorandum only)
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 850,111	\$ 1,146,084
Investments	25,015	-
Pledges receivable, current portion	91,666	317,742
Accounts receivable	12,338	29,848
Contributions receivable	1,090	109,014
Grants receivable	133,037	189,281
Prepaid expenses	109,039	62,126
Inventory	2,894	3,659
Total current assets	<u>1,225,190</u>	<u>1,857,754</u>
<b>PROPERTY AND EQUIPMENT, NET</b>	<u>951,775</u>	<u>1,054,071</u>
<b>OTHER ASSETS</b>		
Investments	11,217,840	12,047,996
Pledges receivable, non-current portion	27,263	62,240
Land	9,763,957	8,261,990
Total other assets	<u>21,009,060</u>	<u>20,372,226</u>
Total assets	<u>\$ 23,186,025</u>	<u>\$ 23,284,051</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 36,890	\$ 31,371
Accrued expenses	79,574	68,770
Deferred revenue	22,926	929
Other liabilities	3,775	1,350
Notes payable, current	305,863	13,135
Total current liabilities	<u>449,028</u>	<u>115,555</u>
<b>LONG-TERM LIABILITIES</b>		
Notes payable, net of current portion	414,611	259,561
Total long-term liabilities	<u>414,611</u>	<u>259,561</u>
Total liabilities	<u>863,639</u>	<u>375,116</u>
<b>NET ASSETS</b>		
Without donor restrictions	6,886,244	6,774,543
With donor restrictions	15,436,142	16,134,392
Total net assets	<u>22,322,386</u>	<u>22,908,935</u>
Total liabilities and net assets	<u>\$ 23,186,025</u>	<u>\$ 23,284,051</u>

See notes to financial statements.

**COLUMBIA LAND CONSERVANCY, INC.**  
**STATEMENT OF ACTIVITIES**  
**For the 18-month period ended June 30, 2022**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>OPERATING ACTIVITIES</b>			
<b>REVENUE AND SUPPORT</b>			
Annual support contributions	\$ 992,768	\$ 270,918	\$ 1,263,686
Foundation grants	436,750	49,357	486,107
Corporate and business contributions	33,050	-	33,050
Capital campaign contributions	15,000	4,921	19,921
Government grants - other projects	38,749	319,179	357,928
Government grants - purchase of development rights	-	40,977	40,977
Program events	490	-	490
Merchandise sales	3,314	-	3,314
Donated services	5,990	-	5,990
Land protection contributions	-	173,273	173,273
Program revenues	51,318	48,800	100,118
Rental income	37,998	-	37,998
Miscellaneous	12,377	-	12,377
Releases from invested endowed funds	337,175	-	337,175
Net assets released from restriction	846,200	(846,200)	-
	<u>2,811,179</u>	<u>61,225</u>	<u>2,872,404</u>
Total revenues and support			
<b>EXPENSES</b>			
Program:			
Public conservation area management	791,430	-	791,430
Easement stewardship and management	297,237	-	297,237
Land protection activities	904,532	-	904,532
Purchase of development rights	52,505	-	52,505
Community outreach and education	586,809	-	586,809
Total Program Expenses	<u>2,632,513</u>	<u>-</u>	<u>2,632,513</u>
Supporting Services:			
Management and General	533,698	-	533,698
Fundraising	303,095	-	303,095
Total Supporting Services	<u>836,793</u>	<u>-</u>	<u>836,793</u>
Total expenses	<u>3,469,306</u>	<u>-</u>	<u>3,469,306</u>
Change in net assets from operating activities	<u>(658,127)</u>	<u>61,225</u>	<u>(596,902)</u>
<b>NON-OPERATING ACTIVITIES</b>			
Investment income, net	(175,671)	(427,402)	(603,073)
Endowment contributions- capital campaign	-	5,102	5,102
Donated land	1,030,500	-	1,030,500
Loss on sale of land	(36,856)	-	(36,856)
Interest expense	(48,145)	-	(48,145)
Releases from invested endowed funds	-	(337,175)	(337,175)
Change in net assets from non-operating activities	<u>769,828</u>	<u>(759,475)</u>	<u>10,353</u>
<b>CHANGE IN NET ASSETS</b>	111,701	(698,250)	(586,549)
<b>NET ASSETS, January 1, 2021</b>	<u>6,774,543</u>	<u>16,134,392</u>	<u>22,908,935</u>
<b>NET ASSETS, June 30, 2022</b>	<u>\$ 6,886,244</u>	<u>\$ 15,436,142</u>	<u>\$ 22,322,386</u>

See notes to financial statements.

**COLUMBIA LAND CONSERVANCY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the 18-month period ended June 30, 2022**

	<b>Public Conservation Area Management</b>	<b>Easement Stewardship and Management</b>	<b>Land Protection Activities</b>	<b>Community Outreach and Education</b>	<b>Total Program</b>	<b>General and Administration</b>	<b>Fundraising and Development</b>	<b>Total</b>
Staff salaries	\$ 284,238	\$ 193,008	\$ 443,767	\$ 376,707	\$ 1,297,720	\$ 277,603	\$ 177,010	\$ 1,752,333
Payroll taxes	21,518	14,451	36,688	28,295	100,952	21,474	13,196	135,622
Employee benefits	48,030	30,276	70,506	59,265	208,077	45,028	27,635	280,740
Professional development	665	725	2,414	2,987	6,791	1,628	1,105	9,524
Advertising and marketing	-	-	-	30,244	30,244	7,933	-	38,177
Bad debt	-	-	-	-	-	50	-	50
Banking and credit card services	-	-	-	92	92	6,468	450	7,010
Board and committees	-	-	-	-	-	5,192	-	5,192
Catering and event services	521	1,721	4,800	372	7,414	983	19,608	28,005
Consulting services	10,225	-	100,817	750	111,792	23,600	-	135,392
Depreciation	118,470	4,417	12,742	7,646	143,275	6,276	4,042	153,593
Donations to other organizations	2,000	750	8,500	500	11,750	2,000	-	13,750
Donor/volunteer expenses	242	-	-	238	480	-	736	1,216
Duplication	449	353	802	674	2,278	2,650	322	5,250
Equipment and fixtures	20,971	1,621	10,673	2,602	35,867	3,365	390	39,622
Insurance	47,614	21,816	-	-	69,430	19,989	-	89,419
Memberships and subscriptions	125	-	16,834	440	17,399	3,668	-	21,067
Merchandise	-	-	-	2,956	2,956	-	-	2,956
Miscellaneous	2,174	-	437	75	2,686	6,141	2,571	11,398
Occupancy	19,960	3,963	17,165	6,583	47,671	5,200	3,090	55,961
Payroll services	-	-	-	-	-	10,604	-	10,604
Payments in lieu of taxes	33,094	-	1,395	188	34,677	-	-	34,677
PCA vehicle expense	15,615	-	-	-	15,615	-	-	15,615
Postage/shipping/storage	956	3,224	3,419	5,348	12,947	892	5,042	18,881
Printing and design	6,982	3,222	7,337	29,205	46,746	618	18,492	65,856
Accounting	-	-	-	-	-	23,201	-	23,201
Legal	7,194	8,001	40,062	-	55,257	49,278	-	104,535
Maintenance and improvements	111,893	-	500	-	112,393	537	-	112,930
Recruitment	618	-	-	-	618	180	-	798
Staff travel	2	-	-	424	426	-	530	956
Supplies and services	34,924	7,189	18,305	31,218	91,636	9,140	28,876	129,652
Easement and acquisition costs	2,950	2,500	63,787	-	69,237	-	-	69,237
Purchase of development rights	-	-	52,505	-	52,505	-	-	52,505
Trade land	-	-	43,582	-	43,582	-	-	43,582
Subtotal	<u>791,430</u>	<u>297,237</u>	<u>957,037</u>	<u>586,809</u>	<u>2,632,513</u>	<u>533,698</u>	<u>303,095</u>	<u>3,469,306</u>
Interest expense	2,434	-	45,711	-	48,145	-	-	48,145
Total	<u>\$ 793,864</u>	<u>\$ 297,237</u>	<u>\$ 1,002,748</u>	<u>\$ 586,809</u>	<u>\$ 2,680,658</u>	<u>\$ 533,698</u>	<u>\$ 303,095</u>	<u>\$ 3,517,451</u>

See notes to financial statements.

**COLUMBIA LAND CONSERVANCY, INC.**  
**STATEMENT OF CASH FLOWS**  
**For the 18-month period ended June 30, 2022**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ (586,549)
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation	153,593
Realized and unrealized losses	1,068,918
Donated land	(1,030,500)
Loss on disposal of land	36,856
Restricted contributions for endowment	(5,102)
Bad debt expense	50
Noncash donation from discount on PCLB loan	(66,401)
Imputed interest on long-term debt	20,209
Changes in:	
Pledges receivable	261,003
Accounts receivable	17,510
Grants receivable	56,244
Contributions receivable	107,924
Prepaid expenses	(46,913)
Inventory	765
Accounts payable	5,519
Accrued expenses	10,804
Deferred revenue	21,997
Other liabilities	2,425
Net cash provided by operating activities	<u>28,352</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sale of investments	200,000
Purchases of investments	(463,777)
Proceeds from sale of land	51,677
Purchase of land	(560,000)
Purchase of fixed assets	(51,297)
Net cash used for investing activities	<u>(823,397)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Restricted contributions for endowment	5,102
Proceeds from long-term debt	550,000
Payments of long-term debt	(56,030)
Net cash provided by financing activities	<u>499,072</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(295,973)
<b>CASH AND CASH EQUIVALENTS, January 1, 2021</b>	<u>1,146,084</u>
<b>CASH AND CASH EQUIVALENTS, June 30, 2022</b>	<u>\$ 850,111</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>	
Interest paid	<u>\$ 27,936</u>
Donated stock	<u>\$ 111,375</u>

See notes to financial statements.



## **NOTE 1 – NATURE OF OPERATIONS**

The Columbia Land Conservancy, Inc., (the “Organization” or “CLC”) is a non-profit land trust that works with the community to conserve the farmland, forests, wildlife habitat, and rural character of Columbia County, New York, strengthening connections between people and the land. CLC is based in Chatham, New York. It receives its support from private donations, program fees, investment income, and private and government grants.

### **Program Services**

*Land Protection* – CLC employs a three-pronged programmatic approach to its land protection mission.

- *Conservation Easements* - CLC helps families and individuals protect privately owned land including, but not limited to, working farmlands, by creating, accepting and stewarding conservation easements, ensuring the owner’s conservation vision will be upheld forever.
- *Support of land use planning and community projects* - Working with municipalities, communities and conservation groups, CLC encourages land use planning practices and procedures that support protection of the county’s rich conservation resources and helps to implement local conservation efforts, including fundraising, acquisition, site planning, and the like for creation of public open spaces, trail building, training of local officials and volunteers, and stewardship of land for habitat, recreation, and education.
- *Support for agriculture* - CLC believes that a strong and vibrant farm sector is, among other things, an important conservation asset to this area, where centuries of farming have left an indelible mark on the county’s lands, conservation resources, and scenic attributes. CLC works to find ways to support an active and resurgent agricultural community, including the development and implementation of innovative strategies to provide new farmers, and farmers who want to expand their operation, opportunities to farm land that might otherwise be unaffordable to them.

*Community Outreach and Education:* CLC works to communicate its mission and the importance of conservation throughout the County with an active and aggressive program of public information and advocacy for conservation values. Among other things, the Organization provides numerous informational programs to community groups, issues frequent press releases about its programs and projects, and maintains a substantive and active web site and social media presence. CLC also offers regular outdoor education and recreation opportunities for the general public to promote an appreciation for the natural resources and landscapes within Columbia County.

*Easement Stewardship* - CLC is responsible for ensuring that the goals of every conservation easement CLC holds are respected in perpetuity. CLC monitors its easement properties by air each year and visits every property on the ground in alternating years to ensure the terms of the easement are being upheld and appropriate action is taken in accordance with best professional standards and practices, if and when necessary.

*Conservation Lands* – CLC owns 14 properties with a variety of conservation attributes. Each property is managed for one or more of the following purposes: to maintain and/or improve its ecological health, to demonstrate best practices for conservation management, to maintain and increase soil health and agricultural viability, and for public access. Ten Properties, CLC’s Public Conservation Areas (PCAs), are open to the public for hiking and outdoor enjoyment. They are maintained for wildlife habitat, recreation, and CLC’s educational programs. The areas offer a diversity of experiences and ecosystems. Two other properties may be established as PCAs in the future and there are two additional properties that may be opened for limited public and educational use. While these four properties are not currently open to the public, they are being monitored by staff, except the Thompson Finch Farm which is being maintained by the farmers who hold the long-term ground lease. CLC also manages one public preserve for Scenic Hudson Land Trust, Inc. (See Note 12).

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Accounting**

The accounts and financial statements are maintained and presented using the accrual basis of accounting. Revenues are recognized when earned. Expenses are recognized when incurred.

### **Financial Statement Presentation**

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, "Not-for-Profit Entities."

Under provisions of ASC 958, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

- Net assets without restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific purposes from time to time.
- Net assets with restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of CLC or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenues are reported as increases in net assets with or without restrictions. Expenses are reported as decreases in net assets without restrictions. Gains and losses on investments and other assets or liabilities, if any, are reported as increases or decreases in net assets without restrictions unless their use is restricted by explicit donor stipulation or by law.

### **Change in Fiscal Year**

During 2021, the Organization changed to a fiscal year ending June 30<sup>th</sup>. As a result of this change, the financial statements represent an 18-month period due to the change taking effect January 1, 2021.

### **Contributions**

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the nature of any donor restrictions.

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a time restriction ends, or a purpose restriction is accomplished, 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. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

### **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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Cash Equivalents**

For the purpose of the statement of cash flows, CLC considers investments with maturities of three months or less at acquisition date to be cash equivalents.

**Accounts and Grants Receivable**

Accounts and grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debts expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts or grants receivable. No allowance for uncollectible accounts and grants receivable was deemed necessary as of June 30, 2022.

**Pledges Receivable**

Unconditional promises to give that are expected to be collected within one year are recorded at their face value which approximates net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a risk-free interest rate, adjusted for donor risk where necessary, applicable to the year in which the promise was received and the duration of the commitment. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met.

An allowance is made for uncollectible promises to give based upon management's judgement and analysis of creditworthiness of the donors, past collection experience, and other relevant factors. No allowance for uncollectible promises to give was deemed necessary as of June 30, 2022.

**Inventory**

Inventory consists of items for sale at the CLC store and is stated at the lower of cost or net realizable value determined by the first-in, first-out method.

**Investments**

Investments consist of certificates of deposit, municipal bonds, and publicly traded mutual funds, purchased and recorded at cost on a trade date basis or received as contributions and recorded at fair value as of the date received. Net appreciation (depreciation) in the fair value of investments, which consists of the realized and unrealized gains or losses and the unrealized appreciation (depreciation) on those investments, is presented in the statement of activities as investment income. Investment income is presented net of investment fees. The average cost method is primarily used to determine the basis for computing realized gains or losses.

Investments are measured at fair value on a recurring basis. In accordance with FASB ASC 820-10, fair value measurements are identified as Level 1, Level 2 or Level 3. Level 1 is based on quoted prices in active markets for identical assets/liabilities. Level 2 is based on significant other observable inputs such as quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets in markets that are not active, and inputs other than quoted prices. Level 3 is based on significant unobservable inputs for the asset or liability.

Investments in mutual funds are valued based on quoted market prices within active markets. Investments in bonds are valued based on prices obtained from a pricing service using primarily matrix pricing, which considers observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, credit information, and the bond's terms and conditions, among other things. Certificates of deposit are valued based upon similar certificates of deposit available in the market.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Property, Equipment and Depreciation**

Property and equipment with a value of \$3,000 or greater is recorded at cost. Donated property and equipment is recorded at fair market value as of the date of donation. Expenditures for maintenance and repairs are charged to expense when incurred. Gains and losses from sales or other dispositions of depreciable property are included in current operations. Depreciation of property and equipment is provided over the useful lives of the assets using the straight-line method.

**Land**

Both acquisitions and conveyances of land are recorded at cost if purchased or at fair value at the date of acquisition if all or part of the land was received as a donation. Fair value is generally determined by appraisal.

- Values are primarily based on independent professional appraisals performed for the Organization or on appraised values determined or adopted by public agencies.
- Where neither of the foregoing sources is readily available, CLC may use the full cash value as established by the local tax assessor, cost if the cash value is minimal, or internal estimates based on staff analyses.
- Where a current appraisal is available from a qualified independent appraiser retained by a third party, such value may be adopted when CLC is satisfied that the appraisal is reasonable.

**Easements**

Conservation easements are voluntary legal agreements by which landowners can elect to ensure permanent protection of the conservation values of their property. Easement donors continue to own the property in fee, with the right to live on, rent, mortgage, or convey their land subject only to use restrictions and, sometimes, site planning constraints set out in the easement. CLC does not attribute value to the easements held. Easements are not marketable interests in real estate and have no segregable economic value to CLC. Indeed, the easements impose on CLC a perpetual obligation to monitor and steward the properties, the costs of which are an on-going expense in CLC's annual budget.

**Functional Expense Allocations**

Management has performed occupancy (square-footage) and time studies of administrative costs and personnel to enable it to allocate indirect costs to all departments that benefit from the expenses. Expenses, such as salaries and benefits, office, depreciation and general professional services have been allocated among program services, development, and management and support services classifications based primarily on employee efforts, space occupied, and other estimates made by CLC's management.

**Advertising Costs**

Advertising costs are expensed as incurred.

**Presentation of Sales Taxes**

New York imposes sales tax on CLC's sales of certain merchandise to non-exempt customers. CLC collects sales tax from customers and remits the taxes collected to the state. The accounting policy is to exclude taxes collected and remitted to the state from revenues and cost of sales.

**Income Taxes**

CLC has been granted an exemption from Federal income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has classified CLC as an other than private foundation. The State of New York also recognizes this classification.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Taxes (Continued)**

The Organization has evaluated any uncertain tax positions and related income tax contingencies and determined any uncertain positions, if any, are not material to the financial statements, according to FASB ASC 740-10. Penalties and interest assessed by income taxing authorities are included in operating expenses, if incurred. None of the Organization's returns are currently under examination.

**Payments in Lieu of Taxes (PILOT)**

While CLC is exempt from property tax on the lands it owns for public access and conservation purposes, it is the Organization's policy to make annual PILOT payments to the town or village in which the public conservation areas that it owns are located.

**Donated Services, Goods and Facilities**

A substantial number of volunteers have donated hours to the Organization's program services and fundraising efforts during the year; however, these donated services are not reflected in the financial statements since the services do not require specialized skills. Donated professional services, legal services and services requiring specialized skills, which enhanced or created a financial asset, are reflected in the statement of activities at their fair value.

**Concentrations of Credit and Market Risk**

Financial instruments that potentially expose the Organization to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash is maintained at FDIC insured financial institutions and credit exposure is limited to any one institution. The Organization has not experienced any losses on its cash balances. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents. The Organization places its cash and cash equivalents with high credit quality institutions.

Investments are exposed to various risks. Due to the level of risk associated with these securities and the level of uncertainty related to the changes in their fair value, it is at least reasonably possible that changes in risks in the near term could materially affect account balances and the amounts reported in the statement of financial position and statement of activities.

**Measure of Operations**

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to CLC's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, property asset transactions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

**Risks and Uncertainties**

In March 2020, the World Health Organization declared COVID-19 a pandemic.

In April 2020, CLC received a refundable advance of \$220,400 from the Small Business Administration's (SBA) Paycheck Protection Program (PPP). CLC applied for and achieved forgiveness with the SBA on the refundable advance in full on January 17, 2021.

According to the rules of the SBA, CLC is required to retain documentation for six years after the date the refundable advance was forgiven or paid in full, and permit authorized representatives of the SBA, including representatives of its Office of Inspector General, to access such files upon request. Should the SBA conduct such a review and reject all or some of CLC's judgments pertaining to satisfying conditions of the refundable advance, CLC may be required to adjust previously reported amounts and disclosures in the financial statements.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Prior Year Amounts**

Amounts shown for December 31, 2020 in the accompanying statement of financial position are included to provide a basis for comparison with June 30, 2022, and present summarized totals only. Accordingly, the December 31, 2020 amounts are not intended to present all information necessary for a fair presentation in accordance with accounting principles generally accepted in the United States of America.

**Subsequent Events**

Subsequent events have been evaluated through October 24, 2022, which is the date the financial statements were available to be issued.

In March of 2019, CLC took ownership of the Thompson Finch Farm in Ancram, New York, and entered into a long-term ground lease with the current farmer. Under the ground lease model, CLC owns the farm's 196.3 acres (valued at \$588,000), while the structures on the property are owned by the leasing farmer. Thanks to a community-wide effort led by CLC, including a multi-pronged partnership with Equity Trust, Dutchess Land Conservancy, and Scenic Hudson, the property will remain a farm long into the future. More than 300 community members plus multiple organizations and foundations contributed \$1,525,328 to purchase the farm; CLC raised and paid \$1,015,956 toward the purchase of the easement and the land with partners paying the remaining \$509,372.

As part of this transaction, CLC entered into a five-year, interest-free loan for \$400,000 from the PCLB Foundation. Interest was imputed on this loan during 2019 using the Wall Street Journal Prime Rate as of the date of the initial borrowing (March 1, 2019, which was 5.5%). This imputed interest will be amortized over the life of the loan and reflected as releases from with restriction time donations from the grantor equal to the imputed interest expense for each year. The loan is collateralized by an investment account held at Vanguard with the stipulation that the account maintain a fair market value of a minimum of \$600,000. During the 18 months ended June 30, 2022, CLC made no principal payments on the loan and recognized \$30,314 of imputed interest expense; per the loan agreement, the security requirements for the investment account were adjusted in proportion to the paydown. The current fair market value must be a minimum of \$450,000.

On July 5, 2022 CLC repaid the loan in full and the collateralized Vanguard account was released back to CLC and subsequently closed.

**NOTE 3 – CONCENTRATION OF CREDIT RISK**

At year end and at various times during the year, the Organization may have amounts on deposit with its financial institutions that exceed Federal Deposit Insurance Corporation (FDIC). As of June 30, 2022, cash and cash equivalents of approximately \$468,000 were in excess of related FDIC coverage.

**NOTE 4 – PLEDGES RECEIVABLE**

Pledges receivable as of June 30, 2022, relate mainly to the Organization's capital campaign. After receiving a leadership gift of \$2.4 million dollars in late 2015, CLC began planning a capital campaign and in 2017 launched *Columbia County Tomorrow: Our Heritage, Our Future* with a goal to raise at least \$7,000,000. The campaign increases CLC's capacity and strengthens its ability to continue to work effectively and strategically. The campaign proceeds will support three broad initiatives, which include: 1) the Legacy Lands Fund, to enhance the existing permanently restricted endowment for the management of CLC's public conservation areas (previously named the PCA management fund); 2) the Farm and Forest Fund, to be used to support CLC's efforts to secure and protect properties of high conservation value as they come on the market; and 3) the Community Engagement Fund, to focus on connecting people with the land. This initiative will enable CLC to expand its capacity to provide outdoor education, work more closely with County schools and community-based youth organizations, assist landowners looking to CLC for guidance on how to manage their property, and support planning, trail building, and create municipal parkland by providing additional resources to municipal officials and community groups. Funds that are not directed to one of these particular initiatives will be allocated to the Capital Campaign General Fund which is a board designated fund. Once the campaign is completed, the Board will designate a portion without donor restrictions from this fund to the three initiatives listed above.

**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 4 – PLEDGES RECEIVABLE** (Continued)

As of June 30, 2022, the campaign has raised \$8,945,150, in the form of contributions and pledges. These funds were designated as follows and represent amounts pledged prior to discounting:

Legacy Lands Fund	\$ 3,485,814
Farm and Forest Fund	1,160,335
Community Engagement Fund	45,240
General Fund	4,253,761
	<u>\$ 8,945,150</u>

Pledges receivable at June 30, 2022 related to the campaign consist of the following:

Pledges receivable, current portion	\$ 91,666
Total current	<u>91,666</u>
Pledges receivable, non-current portion	30,000
Less: Discount	<u>(2,737)</u>
Total non-current	<u>27,263</u>
Pledges receivable	<u>\$ 118,929</u>

Pledges receivable at June 30, 2022 are expected to be realized as follows:

2023	\$ 91,666
2024	<u>30,000</u>
Total	121,666
Discount	<u>(2,737)</u>
Net Present Value	<u>\$ 118,929</u>

**NOTE 5 – INVESTMENTS**

CLC's investment policy conforms to the New York Prudent Management of Institutional Funds Act (NYPMIFA). The primary investment objective of CLC is to preserve, protect, and enhance its assets, by earning a total return for each fund appropriate to each fund's time horizon, liquidity needs and risk tolerance. This objective is achieved with a portfolio that is diversified across a number of asset classes in a manner that management believes will balance the long-term total return objective while minimizing risk. The purpose of such diversification is to provide reasonable assurance that no single security, investment style, or asset class will have a disproportionate impact on the portfolio's aggregate results.

With approval from its Executive Committee, CLC may recognize as annual operating revenue a maximum of 3.5% of the five-year rolling average of certain endowment funds each fiscal year. Such revenues are generally transferred from endowment funds in the last month of each fiscal year. Other funds have been established for the express purpose of directly reimbursing CLC for annual expenditures and the Organization draws those funds, if available, during the year the expenses are incurred.

CLC invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 5 – INVESTMENTS** (Continued)

Investments, stated at fair value, at June 30, 2022, are as follows:

	Cost	Unrealized Gain (Loss)	Fair Value	FASB ASC 820 Measurements
Certificates of deposit	\$ 25,000	\$ 15	\$ 25,015	Level 1
Mutual funds:				
Equity	5,014,014	1,122,891	6,136,905	Level 1
Fixed income	4,506,996	(347,572)	4,159,424	Level 1
Real estate	399,370	58,739	458,109	Level 1
Money market fund	463,090	-	463,090	Level 1
Accrued interest	312	-	312	N/A
Total Investments	<u>\$ 10,408,782</u>	<u>\$ 834,073</u>	<u>\$ 11,242,855</u>	

A portion of the above portfolio is considered donor restricted (see Note 14).

As of October 24, 2022, the fair value of the Organization's investments has decreased to approximately \$10,220,000.

**NOTE 6 – PROPERTY AND EQUIPMENT**

A summary of property and equipment as of June 30, 2022, is as follows:

		Useful Lives
<u>Operational Assets</u>		
Buildings and improvements	\$ 598,005	39-39.5 years
Furniture and fixtures	<u>193,910</u>	3-7 years
Total operational assets	791,915	
Less: accumulated depreciation	<u>(442,935)</u>	
Net Operational Assets	<u>348,980</u>	
<u>Public Conservation Areas</u>		
Buildings and improvements	1,135,845	5-39 years
Equipment and vehicles	<u>313,475</u>	5-7 years
Total Public Conservation Areas	1,449,320	
Less: accumulated depreciation	<u>(846,525)</u>	
Net Public Conservation Areas	<u>602,795</u>	
Total Property and Equipment	<u>\$ 951,775</u>	

Total depreciation expense recorded for the 18-month period ended June 30, 2022 was \$153,593.



**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 7 – LAND**

Land consists of the following as of June 30, 2022:

Land-Main St. office building, Chatham	\$ 25,000
Land-Public Conservation Areas-restricted in perpetuity	5,684,779
Land-Public Conservation Areas-board designated	1,378,678
Land-Held in Fee-board designated	808,500
Other Land-wth donor restrictions	36,500
Other Land-without donor restrictions	1,830,500
	<u>\$ 9,763,957</u>

Land – Public Conservation Areas – CLC owns 10 conservation areas with public access: Borden’s Pond Conservation Area, Drowned Lands Swamp Conservation Area, Greenport Conservation Area, Hand Hollow Conservation Area, Harris Conservation Area, High Falls Conservation Area, Ooms Conservation Area, Overmountain Conservation Area, Schor Conservation Area, and Siegel-Kline Conservation Area. In addition, CLC owns two conservation areas without public access: Bardwell Conservation Area and Bloody Hill Conservation Area. The properties are recorded at appraised values at acquisition based on the determination that the properties will be operated as public conservation areas in perpetuity. CLC also manages one additional conservation area as described in Note 12.

Public conservation areas are of two types:

- Restricted in perpetuity, which represent properties donated or bequeathed to CLC to be held in perpetuity as public conservation areas and properties purchased with funds specifically donated to CLC for the purchase of property to be held in perpetuity as public conservation areas.
- Board designated, which represent properties purchased by CLC or unrestricted property donated to the Organization and converted to public conservation areas.

Land Held in Fee – Board Designated – CLC owns two properties that, through board action, it intends to hold for special purposes. The first is the Four Sisters property located in Hillsdale which is valued at \$220,500. This property is rich in conservation value and will be held for limited public access and used for education purposes. The second property is Thompson Finch Farm, located in Ancram and valued at \$588,000. As part of the purchased easement transaction, CLC took steps to ensure the property will remain a farm by entering into a long-term ground lease with the current farmer. Under the ground lease model CLC owns the farm’s 196.3 acres while the structures as owned by the leasing farmer.

Other Land – With Donor Restrictions – CLC owns a ¼ acre parcel in the Town of Ghent situated along the Right of Way for what is planned to become a portion of the Harlem Valley Rail Trail, which was gifted to CLC with the expectation it may be conveyed to the State of New York for the Rail Trail at some future date.

Other Land – Without Donor Restrictions- Other unrestricted land consists of several parcels that were gifted, bequeathed, or purchased by the Organization. When a determination has been made as to the disposition of these properties, the property will either be improved as appropriate and transferred to “Land – Public Conservation Areas” or sold with the proceeds to be used to support CLC’s programmatic activities. During the period ended June 30, 2022, CLC sold one gifted parcel, subject to a conservation easement, for \$51,677, incurring a net loss of \$36,856.

**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 7 – LAND** (Continued)

In December, 2021 CLC acquired a parcel that was one of its top conservation priorities. Referred to as Ancram-1580, this is 152.49 acres adjacent to Lake Taghkanic State Park. There is high interest from the New York State Office of Parks, Recreation, and Historic Preservation (OPRHP) to purchase the property, but the state was unable to purchase within the seller's timeframe. This property will expand the State Park's trail system, provide OPRHP with staff housing and equipment storage, and is a key connectivity corridor, that along with a few other important parcels nearby, will ultimately allow for a protected corridor between the State Park and the New Forge State Forest. OPRHP has elevated this property as a top priority for acquisition and has provided CLC with a Letter of Interest to acquire this property as soon as practical (i.e. up to 3 years). The landowner was interested in seeing this land added to the State Park so was willing to agree to a bargain sale to help support future CLC conservation activities. As part of purchase transaction, CLC entered into of a five-year, interest-free loan for \$550,000 from the PCLB Foundation. Interest was imputed on this loan during 2022 using the Wall Street Journal Prime Rate as of the date of the initial borrowing (December 1, 2021, which was 5.5%). This imputed interest will be amortized over the life of the loan and reflected as releases from with restriction time donations from the grantor equal to the imputed interest expense for each year. The loan is collateralized by the value of the property, which is estimated to be \$1,400,000. During the 18 months ended June 30, 2022, CLC made no principal payments on the loan and recognized \$15,397 of imputed interest expense.

In December 2021, CLC was gifted 14 acres in Livingston, NY. As part of CLC's interest in supporting farm affordability, the organization intends to place an easement on the property that includes an affordability provision and sell the land to a qualified farmer. The value of the property is \$180,500.

**NOTE 8 – DEFERRED REVENUE**

Deferred revenue results from current year collections for services to be performed in the subsequent year and will be recognized as revenue in the period earned. Payments received in advance for grants that contain contingencies are treated as deferred revenue until the contingency is met. Sponsorship money received in advance of the period covered are deferred until the terms of the sponsorship are met. As of June 30, 2022, deferred revenue is comprised of \$22,926 for purchase development rights (PDR) grant funds received in advance.

**NOTE 9 – LINE OF CREDIT**

CLC maintains a line of credit that is due on demand with a fixed rate of interest of 5.49% at June 30, 2022, for a three-year period ending November 1, 2024 with an available balance of \$260,000 at June 30, 2022. There was no outstanding balance as of June 30, 2022.

**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 10 – NOTES PAYABLE**

Notes payable were comprised of the following as of June 30, 2022:

Note payable, Peter and Carmen Lucia Buck Foundation, collateralized by the mortgage deed, no interest, due and payable in full in December 2026 with option to pre-pay unpaid principal balance in whole or in part at any time upon ten days prior written notice without any prepayment charge, penalty, or fee.	\$ 550,000
Note payable, Kinderhook Toyota, 4.99% interest bearing, collateralized by related vehicle; monthly payments of \$564, final payment due in September 2025.	20,734
Note payable, Peter and Carmen Lucia Buck Foundation, collateralized by investments, no-interest. The effective interest rate is 5.5%. During the 18-month period ended June 30, 2022, \$20,808 was amortized and recorded as interest expense. The principal of this loan was paid off in full on July 5, 2022.	<u>300,000</u>
Total	870,734
Less: current portion	305,863
Less: unamortized imputed interest	<u>150,260</u>
Long-term Debt	<u><u>\$ 414,611</u></u>

Notes payable are expected to mature as follows:

2023	\$ 305,863
2024	6,163
2025	6,478
2026	2,230
2027	<u>550,000</u>
	<u><u>\$ 870,734</u></u>

The final payment on outstanding notes payable maturing in the fiscal year ending June 30, 2027 is presented above gross of the imputed interest.

**NOTE 11 – OPERATING LEASES**

The Organization has a copier lease agreement. Total lease expense under this agreement was \$4,102 for the 18-month period ended June 30, 2022. Future minimum lease payments as of June 30, 2022 are as follows:

2023	\$ 2,435
2024	2,435
2025	2,435
2026	2,435
2027	<u>1,827</u>
	<u><u>\$ 11,567</u></u>

**NOTE 12 – COMMITMENTS**

Easements and Public Conservation Areas

Acceptance of easements and donor restricted public conservation areas impose on the Organization a perpetual obligation to monitor and steward the properties.

During the 18-month period ended June 30, 2022, the Organization closed on 3 new easements, adding 300 acres of protected land.

As of June 30, 2022, CLC holds a total of 212 easements on 29,984 acres in Columbia County. During the 18-month period ended June 30, 2022, CLC's expense for monitoring and stewarding easements was \$297,237.

There were no amendments to existing easements during in the 18-month period ended June 30, 2022.

Harrier Hill Park

The Organization has entered into a contract to monitor, maintain and provide certain management services at Harrier Hill Park in Stockport, NY. The property is owned by the Scenic Hudson Land Trust, Inc. (SHLT). The contract requires SHLT to pay the Organization \$4,000 per year for site management and monitoring as well as reimburse the Organization for any repairs made to the site; repairs greater than \$100 must be preapproved by SHLT.

Farmland Access, Resources, and Matching Program (FARM)

In 2013, CLC entered into an agreement with Dutchess Land Conservancy, Inc. (DLC) to provide programmatic services expanding the scope of what has been the Farmer Landowner Match Program from Columbia County into Dutchess County. DLC agreed, among other terms, to pay a \$3,000 upfront fee and \$1,000 per month to CLC for staff time related to this program.

In 2018, the program was updated and rebranded as the FARM program. The agreement with DLC was updated in June 2020 and the fee structure modified. Under the current agreement, DLC will pay \$3,897 per quarter to CLC for staff time related to managing this program on their behalf. The agreement with DLC ended on March 29, 2022. A new agreement, reflecting changes in the FARM program administration, will be finalized in the fall of 2023.

Rensselaer Plateau Alliance USDA Grant Partnership

CLC partnered with the Rensselaer Plateau Alliance (RPA), Highstead Foundation, Housatonic Valley Association, and others in a successful grant application to the United States Department of Agriculture ("USDA") – National resources Conservation Service for \$6.2 million. The RPA was the lead applicant and will serve as the grant manager. While the grant has been awarded, the contract has not yet been issued. CLC match responsibilities are still to be determined, but current estimates are approximately \$400,000 cash match over a five-year period with this amount decreasing if CLC is successful in negotiating a greater number of easement bargain sales than initially estimated.

**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 13 – BOARD DESIGNATED NET ASSETS**

Board Designated net assets are comprised of the following:

Cash, money markets, and investments	\$ 2,501,387
Conservation Lands:	
Schor Conservation Area	590,750
Hand Hollow Conservation Area	175,928
Round Ball Mountain	612,000
Four Sisters	220,500
Thomson Finch Farm	588,000
Total board designated PCAs	2,187,178
 Total Board Designated net assets	 \$ 4,688,565

The funds designated for investment are the accumulated contributions and earnings from capital campaigns in 2001, 2017, and 2018 that were without donor restriction, as well as additional amounts approved by the Board on an annual basis. The funds are intended to support the ongoing operations of CLC and may be used only with approval from CLC’s Board.

The public conservation areas listed above are properties purchased with net assets without donor restrictions or properties gifted with no restrictions and converted into public conservation areas.

**NOTE 14 – NET ASSETS WITH DONOR RESTRICTIONS – ENDOWMENT FUNDS**

Donor restricted endowment fund assets total \$12,929,230 at June 30, 2022. These assets are comprised of \$5,684,779 in land that was gifted or bequeathed to CLC to use as public conservation areas or purchased with funds restricted for the express purpose of acquiring land for a public conservation area (PCA). The remaining \$7,244,451 represents funds from, and restricted by, donors in perpetuity for specific uses. CLC’s endowment includes funds for specific PCA sites, a general PCA management endowment (which includes the Ellsworth Kelly Fund), a PCA staff endowment, a staff housing endowment fund, and the David & Peggy Rockefeller Endowment designated for general operational support. The PCA related endowments are intended to generate funds to maintain and improve the PCA sites, to support PCA staff and offset direct expenses for specific sites. The staff housing endowment is designated for upkeep and improvement of housing that CLC owns in part to provide quality, affordable housing for the staff and to otherwise support staff housing expenses. All earnings and appreciation derived from the investment of restricted endowments are recorded as net assets with donor restrictions.

Underwater Endowment Funds

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA has required the organization to retain as a fund of perpetual duration. There were no underwater donor-restricted endowments as of June 30, 2022.

**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 14 – NET ASSETS WITH DONOR RESTRICTIONS – ENDOWMENT FUNDS (Continued)**

Endowment composition by type of fund as of June 30, 2022:

	<u>With Donor Restrictions</u>
Donor-Restricted Endowment Funds:	
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ 5,890,877
Accumulated investment gains	<u>1,353,574</u>
Total	<u>\$ 7,244,451</u>

Changes in endowment net assets for the 18-month period ended June 30, 2022 are as follows:

	<u>With Donor Restrictions</u>
Beginning balance January 1, 2021	\$ 7,902,907
Investment returns, net	(326,383)
Contributions	5,102
Appropriated for expenditure	<u>(337,175)</u>
Ending balance June 30, 2022	<u>\$ 7,244,451</u>

Endowment fund balance is comprised of the following as of June 30, 2022:

	<u>With Donor Restrictions</u>
Investments	\$ 7,244,451
Total	<u>\$ 7,244,451</u>

**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 15 – NET ASSETS WITH DONOR RESTRICTIONS**

Donor restricted net assets at June 30, 2022 are as follows:

**Subject to expenditure for a specified purpose:**

Public Conservation Area Management	\$ 157,842
Community Outreach & Education	
Educational Programming	23,342
Special projects	26,000
Capital Campaign: Community Engagement	35,959
PLACE (see below)	202,319
Land Protection	
Farm & Forest: Thompson Finch Farm	69,211
Farm & Forest: General	57,040
Special project grants	28,627
Land held to be donated to NYS for Rail Trail	36,500
Leadership development and JEDI support	41,102
	<u>677,942</u>

**Subject to CLC's spending policy and appropriation:**

Conservation Easement Stewardship & Legal Defense Fund	<u>1,563,325</u>
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**Subject to the passage of time:**

Capital Campaign: General fund	115,385
Unamortized imputed interest	150,260
	<u>265,645</u>

**Donor restricted endowments (subject to spending policy and appropriations, net of accumulated net earnings of \$1,353,574)**

Public Conservation Area Management	4,302,859
Public Conservation Area Staffing	633,246
Staff Housing	101,187
General Fund (David and Peggy Rockefeller Endowment)	1,128,962
Ellsworth Kelly Fund (supports PCAs)	1,078,197
	<u>7,244,451</u>

Land required to be used as a Public Conservation Area	<u>5,684,779</u>
Total net assets with donor restrictions	<u>\$ 15,436,142</u>

**Paden Legacy Fund Advancing Conservation Education (PLACE) Restriction**

In July 2021, CLC initiated a small fundraising campaign in honor of the previous Executive Director's retirement. The proceeds of that effort are restricted for purpose and are to be directed towards CLC's Conservation Education programs.

**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 15 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

Releases from donor restricted net assets for the 18-month period ended June 30, 2022 are as follows:

<b>Subject to the passage of time</b>	\$ 234,123
<b>Subject to expenditure for a specified purpose:</b>	
Public Conservation Area Management (including \$17,750 subject to CLC's spending policy and appropriation)	51,217
Public Conservation Area Improvement Grants	91,044
Agricultural Program - FARM Program	47,910
Agricultural Program - FPIG Projects	58,529
Community Outreach & Education	97,178
Educational Programming	54,921
Farm & Forest - Thompson Finch Farm	30,314
Forest Corridor Collaboration	50,180
Land Protection Special Project Grants	21,373
Leadership and Development Support	28,898
Special projects	18,818
<b>Subject to CLC's spending policy and appropriation</b>	
Investment in perpetuity:	
Public Conservation Area Management	250,385
Public Conservation Area Staffing	34,295
Rockefeller General Operating Endowment	37,745
Per donor restriction:	
CE Stewardship & Legal Defense Fund	76,445
	<u>\$ 1,183,375</u>

**NOTE 16 – RENTAL INCOME**

CLC received three houses as part of the land transaction at two conservation areas. Rental income collected for the 18-month period ended June 30, 2022 totaled \$38,000. The lease agreements are as follows:

- One-year lease expired March 31, 2022 and extended to July 1, 2022, reverting to a month-to-month lease thereafter that requires monthly payments of \$650.
- Month-to-month lease beginning January 2, 2020 that requires monthly payments of \$650
- Month-to-month lease ended March 31, 2022 that required monthly payments of \$650, which has since been leased rent-free to seasonal farm staff
- Month-to-month lease resulting from a tradeland transaction that requires monthly payments of \$300.

On June 30, 2022, the aggregate net minimum rental commitment under the leases for 2023 is \$37,000.

The cost of the properties being rented is \$527,250 with a net book value of \$303,473 at June 30, 2022.

**NOTE 17 – PENSION PLAN**

CLC offers a 403(b) defined contribution retirement plan to all eligible employees. Currently, the plan provides for annual contributions of 3% of wages earned after one year of service. CLC made contributions to the plan of \$43,480 for the 18-month period ended June 30, 2022.



**COLUMBIA LAND CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 18 – LIQUIDITY**

The table below reflects CLC’s financial assets as of June 30, 2022, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one-year, perpetual endowments, and accumulated earnings net of appropriations within one year, or because the CLC board has set aside the funds for a specific contingency reserve. These board designations could be drawn upon if the board approves that action.

Current financial assets at year end:

Cash and cash equivalents	\$ 850,111
Accounts receivable	12,338
Grants receivable	133,037
Contributions receivable	1,090
Investments	11,242,855
Pledges receivable	<u>121,666</u>
Total financial assets	<u>12,361,097</u>

Less amounts unavailable for general expenditures within one year, due to:

Perpetual and term endowments and accumulated earnings beyond one year	(7,244,451)
Donor restricted net assets, restricted for purpose, beyond one year	(1,563,325)
Pledges receivable beyond one year	(64,977)
Board designated reserve for future contingencies	(1,000,000)
Financial assets held for others	<u>(3,175)</u>

Financial assets available to meet cash needs for general expenditures within one year

\$ 2,485,169

CLC has an invested asset management policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The policy anticipates that CLC will hold at least \$1,000,000 of its board designated assets in reserve as an emergency fund should conditions require. CLC also has a \$260,000 line of credit, see Note 9.

During the year ending June 30, 2023, CLC paid off a loan which had an investment account set up as collateral. See the subsequent event section of Note 2 for further discussion of this matter. As a result of paying off the loan, the \$463,090 investment account set up as collateral was made available for general expenditure for the year ending June 30, 2023.