TEATOWN LAKE RESERVATION, INC.

Financial Statements
for the year ended
June 30, 2015
(with summarized comparative totals for 2014)

CONDON
O'MEARA
MCGINTY &
DONNELLY LLP

Certified Public Accountants

One Battery Park Plaza
New York, NY 10004-1405
Tel: (212) 661 - 7777
Fax: (212) 661 - 4010

Independent Auditor's Report

To the Board of Trustees of
Teatown Lake Reservation, Inc.

We have audited the accompanying financial statements of Teatown Lake Reservation, Inc. which comprise the statement of financial position as of June 30, 2015, 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 on the previous page present fairly, in all material respects, the financial position of Teatown Lake Reservation, Inc. as of June 30, 2015 and the results of its activities and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Teatown Lake Reservation, Inc.'s 2014 financial statements, and our report dated October 14, 2014, expressed an unmodified opinion on those financial statements. In our opinion the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Condon O'Meara McGinty + Donnelly LLP

November 13, 2015

TEATOWN LAKE RESERVATION, INC.

Statement of Financial Position

Assets

	June 30 2015	June 30 2014
Current assets		
Cash and cash equivalents	$ 204,315	$ 245,628
Investments, at fair value	3,851,264	3,084,748
Current portion of contributions receivable	344,015	337,365
Inventory, at cost	12,496	16,131
Prepaid expenses	25,103	22,171
Total current assets	4,437,193	3,706,043
Cash held for security deposits	9,339	9,321
Contributions receivable, net of current portion	-	252,500
Charitable remainder unitrust	156,214	165,553
Property and equipment, at cost, net	7,756,615	7,704,342
Intangible asset – easement	175,000	175,000
Total assets	**$12,534,361**	**$12,012,759**

Liabilities and Net Assets

Current liabilities		
Accounts payable and accrued expenses	$ 151,941	$ 212,148
Deferred revenue	437,490	442,028
Current portion of life estate payable	10,791	9,836
Loans payable	200,000	200,000
Total current liabilities	800,222	864,012
Life estate payable	148,790	159,581
Security deposits	9,339	9,321
Total liabilities	958,351	1,032,914
Net assets		
Unrestricted	9,090,862	9,084,906
Temporarily restricted	2,485,148	1,894,939
Total net assets	11,576,010	10,979,845
Total liabilities and net assets	**$12,534,361**	**$12,012,759**

See notes to financial statements.

TEATOWN LAKE RESERVATION, INC.

Statement of Activities
For the year ended June 30, 2015
(With Summarized Comparative Information for the Year Ended June 30, 2014)

	2015			2014
	Unrestricted	Temporarily Restricted	Total	Total
Public support and revenue				
Contributions				
Individuals	$ 338,118	$ 977,450	$ 1,315,568	$ 462,579
Corporate	17,875	22,000	39,875	12,358
Foundation	218,742	52,000	270,742	304,678
Government grants	-	59,765	59,765	59,765
Special events, net of direct donor benefits of $26,404 in 2015 and $29,557 in 2014	189,283	-	189,283	239,978
Plant sale – net	13,461	-	13,461	14,397
Membership dues	57,975	-	57,975	62,754
Educational services	587,885	3,750	591,635	534,687
Nature store and other	22,388	-	22,388	28,845
Rental property	137,885	-	137,885	156,075
Sponsorships	66,598	-	66,598	46,745
In-kind donations	2,156	-	2,156	1,135
Interest and dividends – net	(2,118)	(1,912)	(4,030)	4,645
Net assets released from restrictions	520,253	(520,253)	-	-
Total public support and revenue	2,170,501	592,800	2,763,301	1,928,641
Expenses				
Program services	1,600,697	-	1,600,697	1,556,386
Supporting services				
Management and general	363,033	-	363,033	408,278
Fund-raising	201,567	-	201,567	326,561
Total supporting services	564,600	-	564,600	734,839
Total expenses	2,165,297	-	2,165,297	2,291,225
Increase (decrease) in net assets before other additions (deductions)	5,204	592,800	598,004	(362,584)
Other additions (deductions)				
Unrealized gain (loss) on investments	(126,475)	(67,131)	(193,606)	204,634
Realized gain on sale of investments	127,227	73,879	201,106	166,799
Change in value of charitable remainder unitrust	-	(9,339)	(9,339)	15,690
Total other additions (deductions)	752	(2,591)	(1,839)	387,123
Increase in net assets	**5,956**	**590,209**	**596,165**	**24,539**
Net assets, beginning of year	**9,084,906**	**1,894,939**	**10,979,845**	**10,955,306**
Net assets, end of year	**$ 9,090,862**	**$ 2,485,148**	**$ 11,576,010**	**$ 10,979,845**

See notes to financial statements.

TEATOWN LAKE RESERVATION, INC.

Statement of Functional Expenses
For the year ended June 30, 2015
(With Summarized Comparative Information for the Year Ended June 30, 2014)

	2015							2014
	Program Services				Supporting Services			
	Environmental Education	Stewardship at Teatown	Regional Conservation	Total Program Services	Management and General	Fund-raising	Total	Total
Salaries and wages	$ 593,393	$ 187,988	$ 67,673	$ 849,054	$ 153,048	$ 122,735	$ 1,124,837	$ 1,178,956
Payroll taxes and benefits	108,856	19,376	8,243	136,475	22,759	17,551	176,785	192,346
Professional fees	18,370	14,141	6,877	39,388	21,370	7,187	67,945	124,405
Program and special events expenses	43,129	35,547	17,072	95,748	259	16,925	112,932	121,852
Accounting fees	-	-	-	-	23,625	-	23,625	23,850
Annual report	59	59	58	176	59	157	392	399
Bank charges	14,433	122	376	14,931	5,948	2,183	23,062	21,378
Board of Trustees expense	-	-	-	-	2,354	-	2,354	7,955
Charitable contributions	-	-	-	-	-	260	260	255
Cost of sales	9,905	3,301	-	13,206	-	-	13,206	14,919
Dues and subscriptions	341	1,075	-	1,416	851	511	2,778	2,876
Food	7,379	177	-	7,556	-	-	7,556	6,695
Insurance	45,150	22,181	102	67,433	15,214	-	82,647	76,456
Licenses and fees	195	125	50	370	3,368	-	3,738	70
Life estate expense	-	-	-	-	9,900	-	9,900	10,460
Newsletter	2,915	433	433	3,781	-	2,516	6,297	5,750
Office equipment leases	5,594	430	430	6,454	1,291	861	8,606	8,876
Payroll fees	-	-	-	-	4,231	-	4,231	4,277
Postage	1,473	327	224	2,024	984	3,664	6,672	9,092
Printing	1,256	-	1,256	2,512	105	9,629	12,246	17,844
Publicity	6,355	506	1,138	7,999	-	498	8,497	13,181
Real estate taxes	-	-	-	-	1,441	-	1,441	1,432
Repairs and maintenance	36,185	16,783	383	53,351	14,375	580	68,306	68,630
Sanitation	4,557	98	48	4,703	98	98	4,899	3,783
Security	1,602	248	17	1,867	248	34	2,149	1,968
Staff development	2,368	1,229	-	3,597	2,507	1,254	7,358	4,439
Supplies	5,280	579	579	6,438	2,441	6,868	15,747	17,532
Telephone	5,632	1,275	400	7,307	2,074	799	10,180	9,525
Travel	30,762	10,711	1,223	42,696	95	711	43,502	42,533
Utilities	36,810	4,752	956	42,518	10,245	1,255	54,018	62,309
Interest	-	-	-	-	15,989	-	15,989	10,000
Depreciation	129,370	39,530	19,885	188,785	48,154	2,635	239,574	216,100
Other	532	60	320	912	-	2,656	3,568	11,082
Total	$ 1,111,901	$ 361,053	$ 127,743	$ 1,600,697	$ 363,033	$ 201,567	$ 2,165,297	$ 2,291,225

See notes to financial statements.

TEATOWN LAKE RESERVATION, INC.

Statement of Cash Flows

	Year Ended June 30	
	2015	2014
Cash flows from operating activities		
Increase in net assets	$ 596,165	$ 24,539
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	239,574	216,100
Donated stock	(901,255)	(16,273)
Proceeds from donated stock	901,255	16,273
Unrealized (gain) loss investments	193,606	(204,634)
Realized (gain) on sale of investments	(201,106)	(166,799)
Change in value of charitable remainder unitrust	9,339	(15,690)
(Increase) decrease in current assets		
Contributions receivable	245,850	352,115
Inventory	3,635	(539)
Prepaid expenses	(2,932)	(1,591)
Increase (decrease) in current liabilities		
Accounts payable and accrued expenses	(60,207)	80,238
Deferred revenue	(4,538)	71,579
Increase (decrease) in security deposits	18	(3,995)
Net cash provided by operating activities	1,019,404	351,323
Cash flows from investing activities		
Purchases of property and equipment	(291,847)	(401,087)
Proceeds from the sale of investments	590,261	413,754
Purchases of investments	(1,281,072)	(351,229)
Net change in cash equivalents in investment portfolio	(68,205)	57,161
Net cash (used in) investing activities	(1,050,863)	(281,401)
Cash flows (used in) financing activities		
Payments of life estate payable	(9,836)	(8,984)
Net increase (decrease) in cash and cash equivalents	**(41,295)**	**60,938**
Cash and cash equivalents, beginning of year	**254,949**	**194,011**
Cash and cash equivalents, end of year	**$ 213,654**	**$ 254,949**
Cash and cash equivalents consist of:		
Operations	$ 204,315	$ 245,628
Cash held for security deposits	9,339	9,321
Total	$ 213,654	$ 254,949

See notes to financial statements.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements
June 30, 2015

Note 1 – Nature of organization

Teatown Lake Reservation, Inc. (the "Organization") was incorporated in 1972 under Section 402 of the Not-for-Profit Corporation Law of the State of New York. The principal purpose of the Organization is to inspire the regional community to life-long environmental stewardship. The Organization is located in and conducts its activities in Westchester County, New York. The Organization is supported primarily by educational services revenues, individual and corporate donations, government and foundation grants, special events, and membership dues.

Note 2 – Summary of significant accounting policies

Basis of presentation

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted

Unrestricted net assets consist of amounts that are not subject to donor-imposed stipulations and are available for any purpose in performing the primary objectives of the Organization.

Temporarily restricted

Temporarily restricted net assets consist of amounts that are subject to donor-imposed stipulations that limit the use of the donated assets for specific program activities or relate to future periods.

Permanently restricted net assets

Permanently restricted net assets consist of amounts that are restricted by the donor to be kept by the Organization in perpetuity. As of June 30, 2015, the Organization had no permanently restricted net assets.

Cash equivalents

The Organization considers highly liquid assets with a maturity of ninety days or less at the time of acquisition to be cash equivalents, with the exception of cash held with the Organization's investment custodians, which is included as an investment.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2015

Note 2 – Summary of significant accounting policies (continued)

Investments

Investments are recorded at fair value based on publicly quoted market prices. Donated securities are recorded at fair value on the date of the contribution. Realized and unrealized gains or losses on investments are reflected in the statement of activities and are recorded in their respective net assets accounts. Investment advisory fees of $29,534 and $23,021 in 2015 and 2014, respectively, have been netted against interest and dividends.

Allowance for doubtful accounts

As of June 30, 2015, the Organization does not have an allowance for doubtful accounts. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Inventory

Inventory consists of items available for sale in the Nature Store and tea, which is sold at the Nature Store as well as at local area merchants. The Nature Store and tea inventories are stated at the lower of cost or market.

Property and equipment

Property and equipment are recorded at cost or at the estimated fair value at the date of gift, if donated. The Organization's capitalization policy is to record property and equipment costing greater than $1,000 with a useful life greater than one year. Depreciation is being provided on the straight-line method over the estimated useful lives of the assets, which range from five to forty years.

Deferred revenue

Deferred revenue represents the unearned portion of summer camp and special events receipts, which are recorded as revenue when the events are held.

Contributions

The Organization reports contributions as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor stipulation expires, that is, when a stipulated time restriction ends or the purpose for restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Temporarily restricted contributions are reported as increases in unrestricted net assets if the restrictions are satisfied within the same fiscal year the contributions are received. Bequests and wills are recorded as revenue when a legally binding obligation is received and when a fair value can reasonably be determined.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2015

Note 2 – Summary of significant accounting policies (continued)

In-kind goods and services

The Organization receives in-kind goods and services that are used in support of its activities. The goods and services are recorded at the fair value based on what it would have cost the Organization if purchased independently. For the fiscal years ended June 30, 2015 and 2014, the donated goods and services totaled $2,156 and $1,135, respectively, and are reflected as public support and revenue and a corresponding expense in the various line items in the statement of functional expenses. In addition, the Organization receives in-kind services rendered by volunteers including Board members who have donated significant amounts of their time to the Organization's activities. These services do not meet the criteria for recognition under the accounting standards and accordingly, have not been reflected in the financial statements.

Program services

Program services expense represents all costs associated with carrying out the program activities of the Organization.

Supporting services

Supporting services expense consists principally of administrative costs and general development and membership activities.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis on the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Concentrations of credit risk

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents, investments and contributions receivables. The Organization places its cash and cash equivalents with what it believes to be quality financial institutions. At certain times throughout the year, the Organization's cash balances exceeded the FDIC insurance limit, however, the Organization has not incurred any losses to date. The Organization invests in mutual funds and exchange traded funds. Investments are exposed to various risks such as interest rate, market volatility, liquidity and credit risk. Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position as of June 30, 2015. The Organization routinely assesses the financial strength of its cash and investment portfolio. Contributions receivable consist principally of amounts due from individuals donors. The Organization monitors the collectibility of the receivables. The Organization believes no significant risk of loss is likely as a result of credit risk concentrations with respect to its cash, cash equivalents, investments and contributions receivables.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2015

Note 2 – Summary of significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 results could differ from those estimates.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure through November 13, 2015, which is the date the financial statements were available to be issued.

Note 3 – Investments

The following is a summary of the investments as of June 30, 2015 and 2014:

	2015		2014	
	Cost	Fair Value	Cost	Fair Value
Cash equivalents	$ 745,889	$ 745,889	$ 677,684	$ 677,684
Mutual funds				
Cash reserves	70,380	70,380	70,378	70,378
Intermediate term-bond	-	-	157,657	163,928
Emerging markets	142,441	144,645	101,141	113,622
Moderate allocation	509,478	609,995	328,315	516,067
World stock	421,456	542,202	260,040	376,728
Precious metals-equity	126,044	87,634	101,800	88,245
Mid-cap blend	731,974	812,721	254,738	368,339
World allocation	363,020	458,593	237,442	360,140
World bond	-	-	81,632	86,668
Foreign large value	170,484	172,850	-	-
Large blend	-	-	103,075	117,698
Exchange traded funds				
Large blend	191,610	206,355	135,409	141,104
Emerging markets	-	-	3,343	4,147
Total	$3,472,776	$3,851,264	$2,512,654	$3,084,748

For the years ended June 30, 2015 and 2014, investment fees totaled $29,554 and $23,021, respectively, and are recorded with interest and dividends on the statements of activities.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2015

Note 3 – Investments (continued)

Fair value measurements

For assets measured at fair value on a recurring basis, accounting standards requires quantitative disclosures about the fair value measurement separately for each major class of assets. The Organization's investments have been classified in the highest level of the hierarchy (Level 1). Their quoted prices are in active markets for identical assets.

Note 4 – Charitable remainder unitrust

The Organization is the beneficiary from a trust that is administered by an officer of the Board. The position is currently held by Stuart MacKintosh as designated by the Trust. Distributions are made to a beneficiary in accordance with the trust agreement. The trust is invested in cash, stocks and mutual funds. The Organization records its interest in the trust at fair value. Changes in the value of the trust resulting from realized and unrealized gains and losses and distributions of income to the donor are classified as temporarily restricted support in the accompanying statement of activities.

Note 5 – Property and equipment

At June 30, 2015 and 2014, the Organization's property and equipment, net, consisted of the following:

	2015	2014
Land and land improvements	$5,908,190	$5,685,696
Buildings and building improvements	3,694,599	3,653,360
Furniture, fixtures and equipment	781,261	753,147
Total property and equipment	10,384,050	10,092,203
Less accumulated depreciation	2,627,435	2,387,861
Total property and equipment, net	$7,756,615	$7,704,342

Note 6 – Life estate

During 1993, the Organization entered into an agreement to take exclusive use, title and possession of certain premises. A provision in the agreement provides that the Organization pay the sum of $1,000 per month, subject to an annual consumer price index adjustment, to the individual, as defined in the agreement. The total payments for the fiscal years ended June 30, 2015 and 2014 were $19,734 and $19,444, respectively.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2015

Note 7 – Loans payable

During November 2010, the Organization received a $600,000 loan from a donor to be repaid on or before December 31, 2012, with interest calculated at 5% per annum on the outstanding balance. The interest accrues until the full repayment is made. Since the loan was not fully repaid on December 31, 2012, the loan and any unpaid interest is due immediately on demand from the donor.

At June 30, 2015, the Organization had an outstanding balance of $200,000, which resulted in $15,989 of interest expense, shown on the statement of functional expenses. As of June 30, 2015, the total accrued interest outstanding was $95,989 and is included in accounts payable and accrued expenses on the statement of financial position.

Note 8 – Line of credit

The Organization has available a $100,000 line of credit, which expires on July 18, 2016. Amounts borrowed under the line of credit bear interest at the prime rate as published in the Wall Street Journal plus 1% per annum. The line of credit is secured by the business assets of the Organization. As of June 30, 2015, the Organization had no outstanding borrowings under the line of credit.

Note 9 – Lease agreements

The Organization entered into several agreements to lease space at various locations on the Organization premises that expire at various times through August 31, 2016. In connection with lease agreements, the Organization holds security deposits totaling $9,339 as of June 30, 2015 and $9,321 as of June 30, 2014. Total rental revenue for the fiscal years ended June 30, 2015 and June 30, 2014 was $137,885 and $156,075, respectively.

At June 30, 2015, future minimum lease payments under the agreements that the Organization will receive are $100,760 in the 2016 fiscal year and $8,300 in the 2017 fiscal year, respectively.

Note 10 – Commitments

The Organization owns, leases, has conservation easements over, and maintains and uses in a manger consistent with its stewardship, recreational and educational environmental focus, approximately 985 acres of land, of which: (i) 451 acres are owned by the Organization; (ii) 237 acres are leased from the Brooklyn Botanic Garden ("BBG") under a 99-year lease that expires in 2080 but has an automatic renewal option that allows the Organization to continue the lease for an additional 99 years; (iii) 40 acres are leased from Open Space Institute ("OSI") under a lease that expires in November 2016; (iv) 50 acres are owned by Westchester County and managed by the Organization under a 99-year cooperative park management agreement that grants the Organization the right-of-first-refusal to purchase the property if the County decides to sell; (v) some 110 acres are owned by others – 97 acres owned by Con Edison, 8 acres owned by one individual, and 5 acres owned by the Town of Yorktown – who have given the Organization permission in one form or another to use the land; and (vi) approximately 100 acres are Westchester County's Kitchawan Preserve, John Hand Park, and a portion of the Briarcliff Peekskill Trailway which have trails that are maintained by the Organization under agreement with the County.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2015

Note 10 – Commitments (continued)

Also, the Organization and BBG are currently negotiating a transfer to the Organization of the property leased from BBG, and the Organization and OSI are currently discussing an extension of the Organization's lease with OSI.

Note 11 – Tax status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"). In addition, the Organization has been determined by the Internal Revenue Service to be a publicly supported organization as described in Section 509(a)(1) and 170(b)(1)(A)(vi) of the Code and not a private foundation. The Organization may qualify for the maximum charitable contribution deduction for donors. As of June 30, 2015, no amounts have been recognized for uncertain income tax positions. In addition, the Organization's tax returns for the 2012 fiscal year and forward are subject to the usual review by the appropriate authorities.

Note 12 – Endowment

The Organization's endowment consists of various individual funds established for a variety of purposes. Its endowment includes both donor-restricted term endowment funds and funds designated by the Board. As required by accounting principals generally accepted in the United States of America (GAAP), net assets associated with term endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation

The Organization follows the New York State Not-For-Profit Corporation Law (N-PCL) when adhering to donor-restricted contributions. The Organization preserves the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The donor-restricted term endowment fund is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by N-PCL.

The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted term endowment funds: the duration and preservation of the fund, the purposes of the Organization and the donor-restricted term endowment fund, general economic conditions, the possible effect of inflation and deflation, the expected total return from income and the appreciation of investments, other resources of the Organization, and the investment policies of the Organization.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2015

Note 12 – Endowment (continued)

Interpretation (continued)

The following is a summary of the assets and net assets of the endowment funds:

Assets		Net assets	
Investments, at fair value	$3,851,264		
Contributions receivable	344,015	Board designated - unrestricted	$1,866,345
Charitable remainder unitrust	156,214	Temporarily restricted net assets	2,485,148
Total assets	$4,351,493	Total net assets	$4,351,493

Change in Board-Designated and Temporarily Restricted Net Assets for the Year Ended June 30, 2015:

	Unrestricted-Board Designated	Temporarily Restricted	Total
Net assets, beginning of year	$1,945,227	$ 1,894,939	$3,840,166
Interest and dividends, net	(2,118)	(1,912)	(4,030)
Unrealized (loss)	(126,475)	(67,131)	(193,606)
Realized gain	127,227	73,879	201,106
Change in value of charitable remainder trust	-	(9,339)	(9,339)
Contributions and revenue	-	1,114,965	1,114,965
Endowment draws	(77,516)	-	(77,516)
Net assets released from restriction/ appropriated for expenditures	-	(520,253)	(520,253)
Net assets, end of year	$1,866,345	$ 2,485,148	$4,351,493

Endowment Net Asset Composition by Type of Fund as of June 30, 2015:

	Unrestricted-Board Designated	Temporarily Restricted	Total
Contributions receivable	$ 262,250	$ 81,765	$ 344,015
Charitable remainder unitrust	-	156,214	156,214
Investments	1,604,095	2,247,169	3,851,264
Total funds	$1,866,345	$2,485,148	$4,351,493

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2015

Note 12 – Endowment (continued)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. There were no endowment fund deficiencies as of June 30, 2015.

Spending Policy and how the Investment Objectives Relate to Spending Policy

Each year the Organization has a policy of appropriating various expenditures, as approved by the Board. The Organization has a policy to let the endowment fund grow. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Note 13 – Temporarily restricted net assets

The following is a summary of the activity of the temporarily restricted net assets for the year ended June 30, 2015:

Temporarily restricted fund	Balance at June 30, 2014	Contributions	Time Restricted	Investment Income & Other	Net Assets Released from Restrictions	Balance at June 30, 2015
Bench Fund	$ 701	$ 3,100	$ -	$ -	$ 630	$ 3,171
Charitable remainder trust	165,553	-	-	(9,339)	-	156,214
Cliffdale Property	716,281	-	-	(651)	28,986	686,644
Con Edison Contribution Receivable	-	-	20,000	-	-	20,000
Con Edison Teatown Trails Green Stewardship	1,510	-	2,000	-	1,478	2,032
Dena Thomas Memorial Fund	77,207	1,275	-	(596)	5,110	72,776
Durr Greenhouse Fund	-	20,000	-	-	100	19,900
Environmental Leaders Learning	30,337	20,000	-	15	27,983	22,369
Erica Fund	3,788	500	-	-	1,440	2,848
Frable Family Fund	-	2,500	-	-	2,113	387
Kathryn David Education Programming at Riverwalk	10,134	20,000	-	-	13,490	16,644
Land Fund (Croft Project)	718,652	3,000	-	18	276,899	444,771
Laura Thorn Memorial Fund	5,270	-	-	-	-	5,270
LTA-Bioscape Project Grant	127	-	-	-	127	-
LTA Environmental Monitoring Grant	4,179	-	-	-	4,179	-
LTA Interpretive Planning Grant	25,000	-	-	-	22,500	2,500
No Child Left Inside	14,379	22,000	-	-	14,246	22,133
NYSOPRHP ZBGA Grant 2014	59,765	-	-	-	59,765	-
NYSOPRHP ZBGA Grant 2015	-	-	59,765	-	-	59,765
Pace University Program Fee Receivable	-	-	3,000	-	-	3,000
Sarah Swope Memorial Fund	25,888	-	-	-	1,097	24,791
Sidney Heyman Fund	3,739	-	-	-	-	3,739
Teacher Training for Independent Science Research	-	10,000	-	-	-	10,000
Teatown Environmental Science Academy Fund	5,900	4,300	-	-	6,692	3,508
Teatown Neighbors Camp Fund	2,460	2,109	-	-	2,460	2,109
TESA Program Fee Receivable	-	-	750	-	-	750
Turtle Conservation Fund	153	7,850	-	-	3,651	4,352
Viola & William Orr Endowment	-	896,556	-	6,050	20,267	882,339
Wildflower Island Fund	8,453	1,434	-	-	9,363	524
Wildflower Woods	15,463	14,826	-	-	17,677	12,612
Total	**$ 1,894,939**	**$ 1,029,450**	**$ 85,515**	**$ (4,503)**	**$ 520,253**	**$ 2,485,148**