

TEATOWN LAKE RESERVATION, INC.

**Financial Statements
for the year ended
June 30, 2025
(with summarized
comparative information for 2024)**



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

Independent Auditor's Report

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

Opinion

We have audited the accompanying financial statements of Teatown Lake Reservation, Inc., (the "Organization"), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the year ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2025, and the results of its activities and its cash flows for the year 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the 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 the Organization's ability to continue as a going concern within 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 have previously audited the Organization's fiscal 2024 financial statements, and our report dated November 4, 2024 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



November 6, 2025

TEATOWN LAKE RESERVATION, INC.

Statement of Financial Position

Assets

	June 30	
	2025	2024
Current assets		
Cash and cash equivalents	\$ 82,114	\$ 178,114
Investments, at fair value	15,322,913	13,295,226
Current portion of contributions receivable	1,036,796	2,798,480
Inventory, at cost	6,639	6,973
Prepaid expenses and other	64,204	41,221
Total current assets	16,512,666	16,320,014
Cash held for security deposits	12,308	14,531
Contributions receivable, net of current portion	6,731,126	5,270,755
Property and equipment, at cost, net	16,274,330	14,850,029
Total assets	\$ 39,530,430	\$ 36,455,329

Liabilities and Net Assets

Current liabilities		
Accounts payable and accrued expenses	\$ 162,112	\$ 125,913
Contracts payable	182,450	82,246
Deferred program revenue	519,470	508,879
Life estate payable	-	19,465
Long-term debt, current portion (EIDL)	3,872	3,767
Total current liabilities	867,904	740,270
Long-term debt, net of current portion (EIDL)	133,936	142,172
Security deposits	12,308	14,531
Total liabilities	1,014,148	896,973
Net assets		
Without donor restrictions	18,148,959	16,890,787
With donor restrictions	20,367,323	18,667,569
Total net assets	38,516,282	35,558,356
Total liabilities and net assets	\$ 39,530,430	\$ 36,455,329

See notes to financial statements.

TEATOWN LAKE RESERVATION, INC.

Statement of Activities
For the year ended June 30, 2025
(With Summarized Comparative Information for the Year Ended June 30, 2024)

	2025		2024	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Public support and revenue				
Contributions of cash				
Individuals, net	\$ 324,701	\$ 1,385,503	\$ 1,710,204	\$ 7,765,063
Corporate	38,830	-	38,830	35,618
Foundation	135,730	103,275	239,005	346,427
Government grants	244,337	2,186,160	2,430,497	422,872
Contributed nonfinancial assets	25,132	-	25,132	19,096
Special events, net of direct costs of \$79,469 in 2025 and \$92,626 in 2024	250,806	-	250,806	187,906
Plant sale – net	36,002	-	36,002	49,051
Membership dues	100,965	-	100,965	97,540
Educational services	737,293	-	737,293	658,480
Nature store and other	71,015	-	71,015	70,239
Rental property	236,042	-	236,042	233,172
Sponsorships	9,202	-	9,202	18,464
Interest and dividends – net of fees	25,306	510,836	536,142	513,616
Insurance claim proceeds	39,879	-	39,879	528,597
Net assets released from restrictions	<u>2,669,617</u>	<u>(2,669,617)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>4,944,857</u>	<u>1,516,157</u>	<u>6,461,014</u>	<u>10,946,141</u>
Expenses				
Program services	<u>2,810,159</u>	<u>-</u>	<u>2,810,159</u>	<u>2,459,043</u>
Supporting activities				
Management and general	498,735	-	498,735	710,478
Fund-raising	<u>432,108</u>	<u>-</u>	<u>432,108</u>	<u>419,163</u>
Total supporting activities	<u>930,843</u>	<u>-</u>	<u>930,843</u>	<u>1,129,641</u>
Total expenses	<u>3,741,002</u>	<u>-</u>	<u>3,741,002</u>	<u>3,588,684</u>
Increase in net assets before other additions (deductions)	<u>1,203,855</u>	<u>1,516,157</u>	<u>2,720,012</u>	<u>7,357,457</u>
Other additions (deductions)				
Unrealized gain (loss) on investments	(1,112)	135,533	134,421	349,239
Realized gain on sale of investments	<u>55,429</u>	<u>48,064</u>	<u>103,493</u>	<u>117,235</u>
Total other additions	<u>54,317</u>	<u>183,597</u>	<u>237,914</u>	<u>466,474</u>
Increase in net assets	<u>1,258,172</u>	<u>1,699,754</u>	<u>2,957,926</u>	<u>7,823,931</u>
Net assets, beginning of year	<u>16,890,787</u>	<u>18,667,569</u>	<u>35,558,356</u>	<u>27,734,425</u>
Net assets, end of year	<u>\$ 18,148,959</u>	<u>\$ 20,367,323</u>	<u>\$ 38,516,282</u>	<u>\$ 35,558,356</u>

See notes to financial statements.

TEATOWN LAKE RESERVATION, INC.

Statement of Functional Expenses
For the year ended June 30, 2025
(With Summarized Comparative Information for the Year Ended June 30, 2024)

	2025							2024		
	Program Services				Supporting Activities			Total Supporting Activities	Total	Total
	Environmental Education	Stewardship at Teatown	Regional Conservation	Total Program Services	Management and General	Fund-raising	Direct costs of Special Events			
Salaries and wages	\$ 918,678	\$ 527,211	\$ 110,294	\$ 1,556,183	\$ 200,783	\$ 184,408	\$ -	\$ 385,191	\$ 1,941,374	\$ 1,655,631
Payroll taxes and benefits	251,061	86,664	9,627	347,352	67,207	26,030	-	93,237	440,589	376,524
Professional fees	18,357	107,287	37,965	163,609	10,849	156,671	-	167,520	331,129	470,636
Program and special events expenses	51,781	19,137	31,257	102,175	2,620	8,079	-	10,699	112,874	137,059
Accounting fees	-	-	-	-	27,200	-	-	27,200	27,200	26,600
Bank charges	17,660	799	372	18,831	6,358	2,671	-	9,029	27,860	29,263
Board of Trustees expense	-	-	-	-	2,679	-	-	2,679	2,679	4,659
Charitable contributions	-	1,500	-	1,500	-	203	-	203	1,703	1,500
Cost of benefit auction	-	-	-	-	-	-	24,140	24,140	24,140	19,096
Cost of catering	-	-	-	-	-	-	55,329	55,329	55,329	73,530
Cost of sales	7,992	2,664	-	10,656	-	-	-	-	10,656	12,149
Dues and subscriptions	399	2,544	-	2,943	908	545	-	1,453	4,396	4,023
Food	12,451	102	-	12,553	-	-	-	-	12,553	14,508
Insurance	90,306	32,892	-	123,198	26,912	-	-	26,912	150,110	123,607
Interest	-	-	-	-	3,868	-	-	3,868	3,868	3,512
Licenses and fees	1,570	8,295	1,276	11,141	775	23	-	798	11,939	11,458
Life estate expense	-	-	-	-	6,787	-	-	6,787	6,787	1,938
Office equipment leases	2,953	227	227	3,407	682	454	-	1,136	4,543	6,266
Payroll processing fees	-	-	-	-	40,286	-	-	40,286	40,286	36,150
Postage	1,414	379	386	2,179	749	2,918	-	3,667	5,846	5,765
Printing	3,159	-	2,832	5,991	-	13,129	-	13,129	19,120	17,241
Publicity	4,129	170	2,939	7,238	-	-	-	-	7,238	5,052
Real estate taxes	-	-	-	-	2,366	-	-	2,366	2,366	26,608
Repairs and maintenance	48,189	37,834	408	86,431	17,563	682	-	18,245	104,676	93,197
Sanitation	4,560	86	43	4,689	746	86	-	832	5,521	4,060
Security	1,538	285	17	1,840	285	33	-	318	2,158	2,624
Staff development	912	491	136	1,539	211	196	-	407	1,946	5,709
Supplies	6,357	1,245	468	8,070	1,248	7,582	-	8,830	16,900	15,722
Telephone	10,637	4,033	632	15,302	3,853	2,344	-	6,197	21,499	21,850
Travel	51,092	2,357	2,326	55,775	-	2,336	-	2,336	58,111	53,181
Utilities	40,845	4,251	1,009	46,105	8,907	1,310	-	10,217	56,322	56,985
Depreciation	156,996	56,693	2,907	216,596	56,693	17,444	-	74,137	290,733	350,241
Other	2,848	1,155	853	4,856	8,200	4,964	-	13,164	18,020	14,966
Total expenses	1,705,884	898,301	205,974	2,810,159	498,735	432,108	79,469	1,010,312	3,820,471	3,681,310
Less: expenses deducted directly on the statement of activities – direct costs of special events	-	-	-	-	-	-	(79,469)	(79,469)	(79,469)	(92,626)
Total expenses reported by function on the statement of activities	\$ 1,705,884	\$ 898,301	\$ 205,974	\$ 2,810,159	\$ 498,735	\$ 432,108	\$ -	\$ 930,843	\$ 3,741,002	\$ 3,588,684

See notes to financial statements.

TEATOWN LAKE RESERVATION, INC.

Statement of Cash Flows

	Year Ended	
	June 30	
	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Increase in net assets	\$ 2,957,926	\$ 7,823,931
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	290,733	350,241
Change in discount on contributions receivable	87,483	188,962
Donated stocks	(1,104,150)	(8,288)
Proceeds from sale of donated stocks	1,104,150	8,288
Unrealized (gain) of investments	(134,421)	(349,239)
Realized (gain) on sale of investments	(103,493)	(117,235)
(Increase) decrease in assets		
Contributions receivable	213,830	(6,956,611)
Inventory	334	1,026
Prepaid expenses and other assets	(22,983)	33,078
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	36,199	(123,984)
Deferred program revenue	10,591	72,263
Increase (decrease) in security deposits	(2,223)	4,650
Net cash provided by operating activities	<u>3,333,976</u>	<u>927,082</u>
Cash flows (used in) investing activities		
Purchases of property and equipment	(1,715,034)	(1,298,552)
Changes in contracts payable	100,204	82,246
Proceeds from the sale of investments	10,440,173	10,392,520
Purchases of investments	(12,229,946)	(10,007,575)
Net cash (used in) investing activities	<u>(3,404,603)</u>	<u>(831,361)</u>
Cash flows (used in) financing activities		
Payment of long-term debt (EIDL)	(8,131)	(3,961)
Payments of life estate payable	(19,465)	(23,490)
Net cash (used in) financing activities	<u>(27,596)</u>	<u>(27,451)</u>
Net increase (decrease) in cash and cash equivalents	(98,223)	68,270
Cash and cash equivalents, beginning of year	<u>192,645</u>	<u>124,375</u>
Cash and cash equivalents, end of year	<u>\$ 94,422</u>	<u>\$ 192,645</u>
Cash and cash equivalents consist of:		
Operations	\$ 82,114	\$ 178,114
Cash held for security deposits	12,308	14,531
Total	<u>\$ 94,422</u>	<u>\$ 192,645</u>

See notes to financial statements.

TEATOWN LAKE RESERVATION, INC.**Notes to Financial Statements
June 30, 2025****Note 1 – Nature of organization**

Teatown Lake Reservation, Inc. (the “Organization”) was incorporated in 1971 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. The Organization’s significant accounting policies are described below.

Net assets

The Organization’s net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as net assets without donor restrictions and net assets with donor restrictions.

Without donor restrictions

Net assets without donor restrictions 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.

With donor restrictions

Net assets with donor restrictions 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.

As of June 30, 2025 and June 30, 2024, the Organization has no net assets with perpetual (permanent) donor restrictions.

Cash equivalents

The Organization considers highly liquid assets with original maturities of ninety days or less at the time of acquisition to be cash equivalents. Cash equivalents that are part of the Organization’s investment portfolio are reported as investments and included in Note 4.

TEATOWN LAKE RESERVATION, INC.**Notes to Financial Statements (continued)****June 30, 2025****Note 2 – Summary of significant accounting policies (continued)****Investments**

Investment purchases are recorded at cost. Thereafter, investments are recorded at fair value in the statement of financial position. The fair value of the investments has been determined by using publicly reported market values for exchange traded funds and the net asset value of the underlying investments calculated at the close of each business day for mutual funds. Donated investments are recorded at the fair value on the date of receipt. Interest, dividends and net realized gain on investments, less external and direct internal investment expenses are reported net in the statement of activities.

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 that the Organization can access at the measurement date.

Allowance for credit losses

As of June 30, 2025, the Organization does not have an allowance for credit losses for any contributions receivables that may not be collectible. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current and future anticipated economic conditions. There were no additions or deductions to the allowance during 2025 and 2024 fiscal years.

Inventory

Inventory consists of items available for sale in the Nature Store. The Nature Store inventories are stated at cost.

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. During the 2025 and 2024 fiscal years, as a result of a fire in one of the buildings (in June 2024), fully depreciated property and equipment with a cost basis of \$49,585 and \$522,415, respectively, were removed from the books and records of the Organization.

Impairment of long-lived assets

Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. The effects of impairments, if any, are reflected in the statement of activities. There were no impairments during 2025 and 2024 fiscal years.

TEATOWN LAKE RESERVATION, INC.**Notes to Financial Statements (continued)****June 30, 2025****Note 2 – Summary of significant accounting policies (continued)****Land held for conservation and easements**

The Organization owns, has conservation easements over, and maintains and uses in a manner consistent with its stewardship, recreational and educational environmental focus, approximately 1,008 acres of land, of which: (i) 735 acres are owned by the Organization (which includes 244 acres transferred from Brooklyn Botanic Garden (“BBG”) in May 2018); (ii) 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; (iii) 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; (iv) approximately 100 acres are Westchester County’s Kitchawan Preserve, John Hand Park, and a portion of the Peekskill Briarcliff Trailway which have trails that are maintained by the Organization under agreement with the County and (v) 7.5 acres of land donated by Mininbergs and 5 acres from the Organization/Maida purchase.

Operating leases

The Organization follow the guidance of FASB ASC 842, *Leases*. FASB ASC 842 establishes a right of use (“ROU”) model that requires a lessee to record an ROU asset, which represents the right to use a respective asset for the lease term, and a lease liability on the statement of financial position at the present value of future payments due under the lease. The Organization has elected not to record leases with an initial term of 12 months or less on the statement of financial position, as permitted by FASB ASC 842.

Deferred program revenue

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

Operating measure

The Organization has elected to present an operating measure in its statement of activities. Accordingly, items affecting operations are segregated from those not affecting operations. The Organization includes in its measure of operations all revenues and expenses that are an integral part of its program and supporting activities and excludes contributions that are time restricted in nature or purpose restricted and realized and unrealized gains and losses on investment.

TEATOWN LAKE RESERVATION, INC.**Notes to Financial Statements (continued)****June 30, 2025****Note 2 – Summary of significant accounting policies (continued)****Revenue recognition**

Government grants and contributions are recognized as revenue in the period received and when the conditions on which they depend have been substantially met. The Organization has received government grants and contributions through contracts, where certain conditions have to be met, in order for the revenue to be recognized.

Reimbursements under government grants are subject to audit by the various government agencies. The effects of any potential audit disallowances are not reflected in these financial statements as management does not believe any disallowance will have a material effect on the financial statements.

The Organization reports contributions as net assets with temporary donor restrictions 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, 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. Contributions with temporary donor restrictions are reported as increases in net assets without donor restrictions 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 notice is received and when a fair value can reasonably be determined.

Membership

Membership dues are recognized as revenue in the applicable membership period and the Organization has determined that the performance obligation with respect to membership dues has been satisfied. Revenues, including admissions, plant sales, educational programs, sales of the nature store and other items are recognized as revenue at the time such services are provided and the Organization is not required to provide any additional goods or services.

The Organization conducts membership fundraising campaigns. Each amount collected from members during campaigns consists of membership benefit revenue and charitable contributions to the Organization. Members receive benefits, depending on giving level, in exchange for their dues.

Public programming

Fees are from public programming to which the Organization expects to be entitled in exchange for providing education services. Performance obligations are determined based on the nature of the goods or services provided by the Organization. Revenue for performance obligations satisfied over time is recognized ratably over the period as the Organization satisfies its performance obligations. The Organization believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2025**Note 2 – Summary of significant accounting policies (continued)****Special events revenue**

The Organization considers special event revenue to include both exchange transaction and contribution portions. The Organization's performance obligation and condition of the contribution are to host the event for its registered attendees. Payments are received upon the event registration. Revenue is recognized at a point in time when the event takes place for both exchange transaction and contribution portions. There was no deferred special events revenue as of June 30, 2025.

Contributed nonfinancial assets (in-kind donations)

Contributed nonfinancial assets are estimated at their fair value and reported as both public support and expenses in the period in which they are used. Contributions of nonfinancial assets are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. These nonfinancial assets do not have donor-imposed restrictions.

For the years ended June 30, 2025 and June 30, 2024, the Organization received the following in-kind contributions:

	<u>2025</u>	<u>2024</u>
Donated goods	\$ 24,732	\$ 16,096
Donated consulting and professional fees	<u>400</u>	<u>3,000</u>
Total	<u>\$ 25,132</u>	<u>\$ 19,096</u>

Donated goods consist of various auction items valued and recorded at the estimated value if the Organization had to purchase them independently.

Donated consulting and professional fees relating to an estimate and discount on an irrigation system. These contributed services are valued and reported at the estimated fair value based on current rates for similar services. The above corresponding expenses are reflected in the statement of functional expenses.

Donated volunteers

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 conducting the program activities of the Organization.

TEATOWN LAKE RESERVATION, INC.**Notes to Financial Statements (continued)****June 30, 2025****Note 2 – Summary of significant accounting policies (continued)****Supporting activities**

Supporting activities 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 supporting activities have been summarized on a functional basis on the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting activities benefited. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques primarily consisting of salary and wages and time and effort reporting.

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 receivable. The Organization places its cash and cash equivalents with what it believes to be quality financial institutions.

At certain times throughout the fiscal year, the Organization's cash balances exceeded the FDIC insurance limit, however, the Organization has not incurred any losses to date. 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, 2025. Management routinely assesses the financial condition of the financial institutions in which they hold its cash and investment portfolio. Contributions receivable consist of amounts due from individual donors. The Organization monitors the collectability of the receivables on an ongoing basis. 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.

Comparative financial information

The financial statements include certain prior year summarized comparative information in total but not by net asset classification or functional expense classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

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.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2025**Note 2 – Summary of significant accounting policies (continued)****Subsequent events**

The Organization has evaluated events and transactions for potential recognition or disclosure through November 6, 2025, which is the date the financial statements were available to be issued.

Note 3 – Liquidity and availability of financial assets

The Organization's working capital and cash flows have seasonal variations during the year attributable to cash receipts from contributions, educational programs, capital campaign and other revenue items. As of June 30, 2025 and June 30, 2024, financial assets and liquidity resources available, reduced by amounts not available for general use because of donor restrictions and internal board designations, within one year for general expenditure, such as operating expenses, are summarized below.

The following is a summary of the Organization's financial assets as of June 30, 2025 and June 30, 2024, available for general use within one year of the statement of financial position date:

	<u>2025</u>	<u>2024</u>
Financial assets		
Cash	\$ 94,422	\$ 192,645
Investments, at fair value	15,322,913	13,295,226
Current portion of contributions receivable	<u>1,036,796</u>	<u>2,798,480</u>
Sub-total	16,454,131	16,286,351
Less: Net assets without restrictions – Board designated	<u>(958,816)</u>	<u>(966,444)</u>
Total financial assets	<u>\$ 15,495,315</u>	<u>\$ 15,319,907</u>

In addition, the Organization has available a \$100,000 line-of-credit (see note 10) with a bank that is drawn upon as necessary during the year.

Note 4 – Investments

The following is a summary of the investments as of June 30, 2025 and 2024:

	<u>2025</u>		<u>2024</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Cash equivalents	\$ 665,534	\$ 665,534	\$ 803,590	\$ 803,590
Certificates of deposit	1,000,000	1,005,696	1,750,000	1,832,002
Mutual funds	11,330,258	12,065,125	4,248,613	4,727,161
Exchange traded funds	875,352	1,466,087	888,226	1,417,801
Stocks	82,693	120,471	103,700	126,514
U.S. Treasuries	<u>-</u>	<u>-</u>	<u>4,266,442</u>	<u>4,388,158</u>
Total	<u>\$ 13,953,837</u>	<u>\$ 15,322,913</u>	<u>\$ 12,060,571</u>	<u>\$ 13,295,226</u>
Unrealized gain		<u>\$ 1,369,076</u>		<u>\$ 1,234,655</u>
Change in unrealized value gain		<u>\$ 134,421</u>		<u>\$ 349,239</u>

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2025**Note 4 – Investments (continued)**

For the years ended June 30, 2025 and June 30, 2024, investment fees totaled \$39,300 and \$35,992, respectively, and are recorded with net interest and dividends on the statement of activities.

Note 5 – Contributions receivable, net

Contributions receivable are unconditional promises from external individuals and businesses to make donations to the Organization. Contributions receivable due within one year are \$1,036,796. Contributions due in two to five years are \$7,054,854 less a present value discount of \$319,728 to reduce the contribution receivable to its present value. Except for contributions receivable due within one year, the Organization discounts its receivables to its present value using a discount rate in the range of 4.5% to 4.75% per annum.

Note 6 – Property and equipment

At June 30, 2025 and June 30, 2024, the Organization's property and equipment, net, consisted of the following:

	<u>2025</u>	<u>2024</u>
Land and land improvements	\$13,336,756	\$13,336,756
Buildings and building improvements	3,724,645	3,716,555
Furniture, fixtures and equipment	1,039,551	1,041,583
Improvements in progress	<u>2,786,620</u>	<u>1,127,229</u>
Total property and equipment	20,887,572	19,222,123
Less: accumulated depreciation	<u>4,613,242</u>	<u>4,372,094</u>
Total property and equipment, net	<u>\$16,274,330</u>	<u>\$14,850,029</u>

Improvements in progress

The Organization is the process of constructing various buildings, dredging of a pond and other enhancements throughout the premises. The balance represents costs of planning, architectural, engineering, labor, materials and constructions costs associated with these projects.

Note 7 – Deferred program revenue

The following is a summary of the Organization's deferred program revenue for the fiscal year ended June 30, 2025:

Deferred program revenue, beginning of year	<u>\$ 508,879</u>
Deferred program revenue, end of year	<u>\$ 519,470</u>

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2025**Note 8 – Life estate payable**

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 each fiscal years ended June 30, 2025 and 2024 were \$19,465 and \$23,490, respectively. A present value obligation was recorded in previously issued financial statements and going forward monthly payments are charged to operations in the respective fiscal year.

Note 9 – Long-term debt**Economic Injury Disaster Loan (EIDL)**

During June 2020, the Organization received an Economic Injury Disaster Loan (“EIDL”) with the U.S. Small Business Administration to provide disaster relief from the COVID-19 pandemic. The EIDL was approved for \$150,000. Repayment of the EIDL commenced December 2022 and requires monthly payments of \$641 applicable first to a fixed interest rate of 2.75% per annum and the balance to a reduction of principal. EIDL will amortize over 360 months, until June 2050, when the entire unpaid principal balance and all accrued and unpaid interest will be due and payable. The EIDL is collateralized by a security interest, as defined in the EIDL documents.

The following is a summary of the required annual principal payments as of June 30, 2025:

<u>Fiscal Year</u>	<u>Total</u>
2026	\$ 3,872
2027	3,980
2028	4,091
2029	4,263
2030	4,382
2031 and thereafter	<u>117,220</u>
Total	<u>\$ 137,808</u>

Note 10 – Line of credit

The Organization has available a \$100,000 line of credit. Amounts borrowed under the line of credit are subject to 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, 2025, the Organization had no outstanding borrowings under the line of credit.

TEATOWN LAKE RESERVATION, INC.**Notes to Financial Statements (continued)
June 30, 2025****Note 11 – Lease agreements**

The Organization, as a landlord, entered into several agreements to lease its space to other individuals at various locations on the Organization's premises. In connection with lease agreements, the Organization holds security deposits totaling \$12,308 as of June 30, 2025 and \$14,531 as of June 30, 2024. Total rental revenue for the fiscal years ended June 30, 2025 and June 30, 2024 was \$236,042 and \$233,172, respectively.

At June 30, 2025, future minimum lease payments under the agreements that the Organization will receive are \$42,666 in the 2026 fiscal year.

Note 12 – Commitments

The Organization has undertaken a Capital Campaign to design and build various new buildings on site along with dredging of a pond, and other various enhancements.

In connection with the Capital Campaign, the Organization has various contracts with different entities at different stages of construction for softs/hard costs incurred, such as early design, probes, schematic designs, bid, negotiations, legal, permits, allocated staff time, architectural, engineering, consulting, construction manager and general contractors. Work completed under these agreements through June 30, 2025, totaled approximately \$2,790,000 which are recorded as improvements in progress in the property and equipment accounts in the statement of financial position. As of June 30, 2025, work completed under the various contracts but remains to be paid were approximately \$182,000 and are recorded as contracts payable on the statement of financial position.

Note 13 – 403 (b) plan

The Organization has a 403(b) plan (the "Plan") that covers all eligible employees, as defined by the Plan. Eligible employees can defer a portion of their compensation, not to exceed the annual limit established by the Internal Revenue Code. The Organization makes matching contributions as outlined in the Plan documents. The Organization made contributions totaling \$34,009 and \$23,941 for the fiscal years ended June 30, 2025 and June 30, 2024, respectively.

Note 14 – Insurance claim

On June 8, 2023, certain properties of the Organization were damaged by a fire. The Organization received reimbursement checks from its insurance carrier amounting to \$39,879 and \$528,597 for the fiscal year ended June 30, 2025 and June 30, 2024, respectively. Such proceeds were used for emergency response, repairs, clean-up of the damaged premises and replacement costs, some of which are recorded as improvements in progress in the property and equipment records in the statement of financial position.

Note 15 – Related party transactions

The Organization has certain business dealings with a firm for consulting (website) services. A member of the Board of Trustees has a financial interest with the firm. Such dealings have been disclosed and approved by the Board of Trustees.

TEATOWN LAKE RESERVATION, INC.**Notes to Financial Statements (continued)
June 30, 2025****Note 16 – 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.

Note 17 – Endowment

The Organization follows the New York Prudent Management of Institutional Funds Act (NYPMIFA). The Organization’s endowment consists of various funds established for specific purposes. Under NYPMIFA, the Organization is required to act prudently when making decisions to spend or accumulate donor restricted endowment assets and in doing so to consider a number of factors including the duration and preservation of its donor restricted endowment funds. The Organization classifies as net assets with perpetual donor restrictions, if any, the original value of gifts donated to the perpetual endowment. The portion of the donor-restricted endowment fund that is not classified as net assets with perpetual donor restrictions is classified as net assets without donor restrictions or net assets with temporary donor restrictions based on donor stipulations.

The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organization
- (7) Where approximate and circumstances would otherwise warrant, alternatives to expenditures of the fund, giving due consideration to the effect that such alternatives may have on the Organization.
- (8) The investment policies of the Organization

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)

June 30, 2025

Note 17 – Endowment (continued)

The following is a summary of the assets change in Board-Designated and Net Assets with Temporary Donor Restrictions for the Year Ended June 30, 2025:

	Without Donor Restrictions Board- Designated	With Temporary Donor Restrictions	<u>Total</u>
Net assets, beginning of year	\$ 966,444	\$18,667,569	\$19,634,013
Interest and dividends, net	25,306	510,836	536,142
Unrealized gain (loss)	(1,112)	135,533	134,421
Realized gain	55,429	48,064	103,493
Contributions, net	-	3,674,938	3,674,938
Endowment draws	(87,251)	-	(87,251)
Net assets released from restriction/ appropriated for expenditures	<u>-</u>	<u>(2,669,617)</u>	<u>(2,669,617)</u>
Net assets, end of year	<u>\$ 958,816</u>	<u>\$20,367,323</u>	<u>\$21,326,139</u>

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.

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, if any, or for a specified term as well as to provide additional real growth through new gifts and investment return.

TEATOWN LAKE RESERVATION, INC.

Notes to Financial Statements (continued)
June 30, 2025**Note 18 – Net assets with donor restrictions**

The following is a summary of the activity of the net assets with donor restrictions for the year ended June 30, 2025:

	<u>Balance</u> <u>Jun 30, 2024</u>	<u>Contributions</u>	<u>Time restricted/ Pledges</u>	<u>Interfund Transfer in</u>	<u>Interfund Transfer out</u>	<u>Investment Income and Other</u>	<u>Net assets Released from Restriction</u>	<u>Balance at June 30, 2025</u>
Temporarily restricted fund								
Anonymous Fund	\$ 465,386	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,161	\$ 315,225
Bench Fund	7,959	1,025	-	-	-	-	1,133	7,851
Capital Campaign Fund	14,913,033	596,937	850,000	-	-	454,024	2,171,687	14,642,307
CFA Elevator Accessibility Project Grant	-	100,000	-	-	-	-	-	100,000
Cliffdale Property	810,337	-	-	-	-	78,470	38,225	850,582
Dena Thomas Memorial Scholarship Fund	118,252	1,950	-	-	-	11,324	5,000	126,526
Environmental Leaders Learning Alliance	51,992	-	-	-	-	-	34,720	17,272
Erica Douwes Scholarship Fund	9,908	19,819	-	-	-	-	6,740	22,987
Land Gift Fund	903,113	-	-	-	38,000	38,930	-	904,043
LTA Cliffdale Farm Meadow Restoration Grant	-	81,806	-	-	-	-	-	81,806
LTA Croft Wetland Restoration Grant	20,635	-	-	-	-	-	20,635	-
LTA Land Management Software Grant	20,666	-	-	-	-	-	20,666	-
LTA Professional Development Grant	-	80,000	-	-	-	-	40,000	40,000
Matthew Potel Camp Scholarship	443	-	-	-	-	-	443	-
Meadows Restoration Fund	77,290	-	-	38,000	-	-	70,981	44,309
No Child Left Inside	93,229	22,500	-	-	-	-	27,774	87,955
NYS ADA Compliant Trail Installation	100,000	-	-	-	-	-	-	100,000
NYS Nature Playscape Installation	125,000	-	-	-	-	-	-	125,000
NYS Raptor Loop Design Grant	50,000	-	-	-	-	-	-	50,000
Orinoco Foundation	-	-	50,000	-	-	-	-	50,000
Sarah Swope Memorial Fund	17,878	-	-	-	-	-	825	17,053
Sidney Heymann Fund	1,939	-	-	-	-	-	-	1,939
Tea Project Fund	-	5,000	-	-	-	-	-	5,000
Teatown Environmental Science Academy Fund	5,147	24,890	-	-	-	-	28,659	1,378
Teatown Neighbors Camp Fund	2,805	3,325	-	-	-	-	2,805	3,325
Tenant Security Account	14,531	-	-	-	-	-	2,223	12,308
Turtle Conservation Fund	2,670	-	-	-	-	-	310	2,360
Viola & William Orr Endowment	1,083,840	-	-	-	-	111,685	45,529	1,149,996
Wildflower Island Fund	3,687	815	-	-	-	-	1,027	3,475
Wildflower Woods	74	-	-	-	-	-	74	-
ZBGA Capital Grant	-	-	1,924,354	-	-	-	-	1,924,354
Discount on contributions receivable	(232,245)	-	(87,483)	-	-	-	-	(319,728)
Total	\$ 18,667,569	\$ 938,067	\$ 2,736,871	\$ 38,000	\$ 38,000	\$ 694,433	\$ 2,669,617	\$ 20,367,323