

**GLEN HELEN ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2023 AND 2022**

**GLEN HELEN ASSOCIATION
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FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Board of Directors
Glen Helen Association

Opinion

We have audited the accompanying financial statements of Glen Helen Association (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then 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 Glen Helen Association as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years 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. 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 Glen Helen Association 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 Glen Helen Association'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 Glen Helen Association'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 Glen Helen Association'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.

Bennett, Groeber, Mullen & Feltner Co.

May 31, 2024

**GLEN HELEN ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2023 & 2022**

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents (without donor restrictions)	728,189	1,325,809
Promises to Give (current portion) - net of allowance for doubtful accounts of \$3,726 in 2023 and 2022.	152,155	223,245
Grants Receivable	245,541	67,262
Inventory	16,549	18,870
Prepaid Expenses	5,407	5,538
Total Current Assets	1,147,841	1,640,724
Fixed Assets:		
Land	2,501,617	2,380,617
Buildings and Leasehold Improvements	1,335,701	1,188,782
Equipment	114,434	37,220
Construction in Process	136,068	232,829
Bridges and Boardwalks	10,103	-
Accumulated Depreciation	(324,317)	(252,792)
Total Fixed Assets	3,773,606	3,586,656
Non-Current Assets:		
Cash and Cash Equivalents (with donor restrictions)	715,515	425,469
Promises to Give (net of current portion)	143,219	222,669
Interest in Assets Held by Community Foundations	4,665,484	4,279,549
Right-of-use asset	13,200	-
TOTAL ASSETS	10,458,865	10,155,067
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	48,785	34,043
Accrued Expenses and Payroll Liabilities	105,201	83,342
Deferred Revenue	105,300	-
Camp Deposits	82,494	73,366
Current Portion of Long Term Debt	50,000	50,000
Total Current Liabilities	391,780	240,751
Long Term Liabilities		
Promissory Note Payable (net of current portion)	1,807,336	1,857,336
Lease Liabilities	13,200	-
TOTAL LIABILITIES	2,212,316	2,098,087
Net Assets:		
Without Donor Restrictions	6,500,747	6,353,061
With Donor Restrictions	1,745,802	1,703,919
NET ASSETS	8,246,549	8,056,980
TOTAL LIABILITIES AND NET ASSETS	10,458,865	10,155,067

GLEN HELEN ASSOCIATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
AS OF JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Donations, Gifts and Grants	\$ 792,656	\$ 222,744	\$ 1,015,400
Gifts In-Kind	\$ 122,600	\$ -	\$ 122,600
Special Events	\$ 29,845	\$ -	\$ 29,845
Membership Dues	\$ 108,653	\$ -	\$ 108,653
Program Revenue	\$ 459,199	\$ -	\$ 459,199
Gift Shop Sales	\$ 69,154	\$ -	\$ 69,154
Investment Income	\$ 64,756	\$ 16,001	\$ 80,757
Rental Income	\$ 147,606	\$ -	\$ 147,606
Net Assets Released from Restrictions	\$ 292,899	\$ (292,899)	\$ -
Total Public Support and Revenue	\$ 2,087,368	\$ (54,154)	\$ 2,033,214
EXPENSES:			
Program Expenses	\$ 1,357,270	\$ -	\$ 1,357,270
Management and General Expenses	\$ 537,348	\$ -	\$ 537,348
Fundraising Expenses	\$ 220,228	\$ -	\$ 220,228
Total Expenses	\$ 2,114,846	\$ -	\$ 2,114,846
OTHER REVENUE			
Changes in Value of Interest in Assets Held by Community Foundations	\$ 217,138	\$ 96,037	\$ 313,175
(Loss) Gain on Asset Disposal	\$ (41,974)	\$ -	\$ (41,974)
CHANGE IN NET ASSETS	\$ 147,686	\$ 41,883	\$ 189,569
NET ASSETS BEGINNING OF YEAR	\$ 6,353,061	\$ 1,703,919	\$ 8,056,980
NET ASSETS END OF YEAR	\$ 6,500,747	\$ 1,745,802	\$ 8,246,549

GLEN HELEN ASSOCIATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
AS OF JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Donations, Gifts and Grants	\$ 3,359,805	\$ 493,535	\$ 3,853,340
Gifts In-Kind	11,525	-	11,525
Special Events	5,570	-	5,570
Membership Dues	97,789	-	97,789
Program Revenue	309,017	-	309,017
Gift Shop Sales	15,641	-	15,641
Investment Income	58,698	85,273	143,971
Rental Income	105,811	-	105,811
Net Assets Released from Restrictions	2,126,573	(2,126,573)	-
Total Public Support and Revenue	6,090,429	(1,547,765)	4,542,664
EXPENSES:			
Program Expenses	768,554	-	768,554
Management and General Expenses	453,587	-	453,587
Fundraising Expenses	56,122	-	56,122
Total Expenses	1,278,263	-	1,278,263
OTHER REVENUE			
Changes in Value of Interest in Assets Held by Community Foundations	(297,173)	(175,430)	(472,603)
CHANGE IN NET ASSETS	4,514,993	(1,723,195)	2,791,798
NET ASSETS BEGINNING OF YEAR	1,838,068	3,427,114	5,265,182
NET ASSETS END OF YEAR	\$ 6,353,061	\$ 1,703,919	\$ 8,056,980

**GLEN HELEN ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Operating Expenses				
Compensation	399,279	263,316	138,571	801,166
Payroll Taxes	50,086	25,869	8,108	84,063
Benefits	38,583	15,156	6,706	60,445
Stipends Awards	38,200	-	-	38,200
Advertising	976	1,012	6	1,994
Design Services	15,244	2,876	1,277	19,397
Gift Shop Expenses	36,350	-	-	36,350
Supplies & Materials	9,427	2,196	113	11,736
Student Meal Expense	38,709	15	-	38,724
Animal Care	8,970	642	52	9,664
Instructional Supplies	5,605	-	-	5,605
Employee Search Expense	1,320	3,531	-	4,851
Training & Development	5,564	3,725	-	9,289
Dues and Subscriptions	1,408	619	4	2,031
License and Permit Fees	861	200	-	1,061
Program Expenses - Misc.	111	17	-	128
Facility & Equipment Expenses	573,022	76,103	1,900	651,025
Contracted Services	35,929	9,271	49	45,249
Contract Administration Labor	829	46,744	37,395	84,968
Investment Management Fees	24,889	9,418	3,871	38,178
Other Program Expenses	-	-	-	-
Depreciation	52,953	22,458	9,232	84,643
Bank Fees	4,243	11,215	82	15,540
Copier Service Agreement & Expense	842	2,133	866	3,841
Lease Expense	3,300	-	-	3,300
Software Expense	4,539	3,218	214	7,971
Office Supplies	1,078	1,355	44	2,477
Postage	159	8,497	5,982	14,638
Printing	3,391	24,939	4,634	32,964
Membership Costs	-	250	1,000	1,250
Travel and Meetings	820	298	122	1,240
Miscellaneous	583	2,275	-	2,858
Total Operating Expenses	<u>1,357,270</u>	<u>537,348</u>	<u>220,228</u>	<u>2,114,846</u>
Total Expenses	<u>\$ 1,357,270</u>	<u>\$ 537,348</u>	<u>\$ 220,228</u>	<u>\$ 2,114,846</u>

**GLEN HELEN ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Operating Expenses				
Compensation	268,251	272,568	-	540,819
Payroll Taxes	22,568	30,405	-	52,973
Benefits	42,490	7,923	-	50,413
Stipends Awards	68,816	881	-	69,697
Advertising	1,646	130	-	1,776
Design Services	100	2,616	613	3,329
Gift Shop Expenses	5,499	1,356	-	6,855
Supplies & Materials	6,520	-	985	7,505
Student Meal Expense	30,989	-	-	30,989
Animal Care	6,264	97	-	6,361
Instructional Supplies	5,764	-	-	5,764
Employee Search Expense	3,055	2,319	-	5,374
Training & Development	4,168	445	-	4,613
Dues and Subscriptions	100	240	-	340
License and Permit Fees	700	1,048	-	1,748
Program Expenses - Misc.	-	-	-	-
Facility & Equipment Expenses	186,985	58,827	60	245,872
Contracted Services	1,713	23,986	-	25,699
Contract Administration Labor	350	5,196	39,360	44,906
Investment Management Fees	27,158	-	572	27,730
Other Program Expenses	102	-	-	102
Depreciation	73,223	-	-	73,223
Bank Fees	2,734	7,751	-	10,485
Copier Service Agreement & Expense	617	1,580	-	2,197
Lease Expense	-	-	-	-
Software Expense	3,033	1,275	428	4,736
Office Supplies	1,927	4,827	417	7,171
Postage	159	7,014	8,397	15,570
Printing	672	22,399	4,884	27,955
Membership costs	6	32	406	444
Travel and Meetings	180	32	-	212
Miscellaneous	2,765	640	-	3,405
Total Operating Expenses	<u>768,554</u>	<u>453,587</u>	<u>56,122</u>	<u>1,278,263</u>
Total Expenses	<u>\$ 768,554</u>	<u>\$ 453,587</u>	<u>\$ 56,122</u>	<u>\$ 1,278,263</u>

**GLEN HELEN ASSOCIATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>06/30/2023</u>	<u>06/30/2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 189,569	\$ 2,791,798
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation Expense	84,643	73,223
Donation of restricted noncash items	(202,113)	(125,358)
Net Realized (Gain)/Loss on Investments	(80,756)	(143,971)
Loss/(Gain) on Sale of Fixed Assets	41,974	-
Amortization of Right-of-Use Assets	3,300	-
Change in Value of Assets held at Community Foundation	(274,206)	519,445
Changes in operating assets and liabilities:		
Promises to Give	(27,739)	200,801
Other Receivables	-	15,660
Prepaid Expenses	131	2,024
Accounts Payable and other Current Liabilities	45,729	76,711
Deferred Revenue	105,300	-
Inventory	2,321	1,424
Net cash provided by (used in) operating activities	(111,847)	3,411,757
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	-	(2,977,028)
Distributions from Beneficial Interest	171,140	81,668
Proceeds from sale of Investments	-	78,035
Purchase of Fixed Assets	(540,668)	(242,802)
Prpceeds from Sale of Fixed Assets	227,101	-
Net cash provided by (used in) investing activities	(142,427)	(3,060,127)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loan balance	(50,000)	(50,000)
Payment of lease liability	(3,300)	-
Contributions restricted for endowments	-	125,358
Net cash provided by (used in) financing activities	(53,300)	75,358
Net increase (decrease) in cash	(307,574)	426,988
Cash at beginning of period	1,751,278	1,324,290
Cash at end of period	\$ 1,443,704	\$ 1,751,278

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 1 – ORGANIZATION

The Glen Helen Association (The Association) is a not-for-profit organization. The primary mission of the Association is the stewardship of Glen Helen as a natural area, and use of Glen Helen for environmental learning programs and activities which enhance the public's use, enjoyment, and knowledge of nature, and to do all things incidental to the foregoing. The Association is a membership-based Association that receives gifts, grants and bequests, and operates several fundraising events and a gift shop called the Nature Shop. The Association is governed by a volunteer Board of Directors.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. A summary of significant accounting policies follow and are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

The financial statements of the Association have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Association to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor 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. These net assets may be used at the discretion of the Association's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of The Association or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing program services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be a more unusual or nonrecurring nature.

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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash and cash equivalents without donor restrictions include all monies in checking accounts, savings accounts, money markets and certificates of deposits with original maturity dates of less than one year. Cash and cash equivalents with donor restrictions include all monies in checking accounts, savings accounts, money markets and certificates of deposits with original maturity dates of less than two years and have been restricted by the donor for a specific purpose. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Concentration of Credit Risk

The Federal Deposit Insurance Corporation (FDIC) currently insures up to \$250,000 of substantially all depository accounts held at each financial institution. At various times during the year, the Association's cash deposits may exceed the federally insured limits. The Association has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on its cash and cash equivalents, respectively.

Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances based on terms identified in the grant agreement. Grants receivable for the years ended June 30, 2023 and 2022 was \$245,541 and \$67,262, respectively.

Pledges Receivable

Pledges receivable represent unconditional promises to give support over a period of time. Unconditional promises to give are reported as an increase in net assets with or without donor restrictions, depending on the nature of the donor-imposed restriction, if any. The Association recognizes pledges receivable at estimated net realizable value for pledges due within one year. Pledges receivable that are expected to be collected in future years are recorded at the present value of their net realizable value. The allowance is determined on a case by case basis when pledges are not deemed fully collectible by management.

Inventory

Inventory held for the Nature Shop is carried at the lower of cost or net realizable value on a first in first out basis.

Property: Land and Buildings

Land and Buildings are recorded at cost or fair value at the time of the gift in the case of donated items. Depreciation is provided using the straight-line method over the estimated useful lives for the assets which ranges from five to thirty-nine years. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in changes in net assets for the period. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized. Depreciation expense for the years ended June 30, 2023 and 2022 was \$84,643 and \$73,223, respectively.

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Endowment Funds

Under the ASC topic Endowments of Not-for-Profit Association: Net Asset Classification of Funds, all Associations with endowment funds are required to provide additional disclosures that outline the governing board's interpretation of the laws underlying the Association's net asset classifications, the Association's endowment spending policy, and the Association's investment policy. The endowment funds of the Association are subdivided into appropriate net asset classifications. Endowment funds with donor restriction in perpetuity represent gifted funds received under circumstances indicating a stipulation of the donor that principal is not to be expended, and only investment income and change in market value will be available for use. Endowment funds with donor restriction for purpose represent funds received under circumstances indicating a stipulation of the donor that the funds are to be designated for long-term investment purposes. Endowment funds without donor restriction represent funds received under circumstances where there is no donor stipulation, and for which the Association may designate that the principal is not to be expended or that the funds are designated for long-term investment purposes.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). Family and Youth Initiatives groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. The levels are:

- Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
- Level 2 Other observable inputs, either directly or indirectly, including:
 - Quoted prices for similar assets/liabilities in active markets;
 - Quoted prices for identical or similar assets in non-active markets;
 - Inputs other than quoted prices that are observable for the asset/liability; and
 - Inputs that are derived principally from or corroborated by other observable market data.
- Level 3 Unobservable inputs that cannot be corroborated by observable market data.

A description of the valuation methodologies used for assets measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below. See footnote 4.

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions, Donated Materials and Services

Under the ASC topic Accounting for Contributions Received and Contributions Made, contributions are recognized as revenue when received. Contributions are recognized as revenues in the period granted at their fair market value. Contributions are recorded as without donor restriction or with donor restrictions support depending on the existence and/or nature of any donor restrictions. It is the Association policy to record temporarily restricted contributions received and expensed in the same accounting period as unrestricted net assets.

In-Kind Donations

Generally accepted accounting principles require that gifts in kind received through donations be valued and recorded as revenue at their fair value at the time the contribution is received. In addition, gifts in kind distributed as part of the entity's programs are reported as functional expenses for the programs in which the gifts in kind are used. Gifts in kind designated as significant assets will be capitalized at the date of donation.

The Association's 2023 and 2022 financial statements report the fair value of in-kind contributions of \$122,600 and \$11,525, respectively. In kind donations are valued primarily at the donor's cost or fair market value.

Rental Income

Rental income as presented on the statement of activities includes income received from lessees for apartments and other facilities on the property, as well as facility rentals for events. Rental income is recognized when received as revenue without donor restrictions.

Functional Allocation of Expenses

The cost of operating activities at the nature preserve along with administrative costs, are reported on a functional basis. Expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, and amortization, which are allocated based on the use of the asset, as well as administrative expenses such as professional services, office expenses, insurance, and other, which are allocated on the basis of estimates of time and effort.

Advertising Expenses

Advertising costs are expensed when incurred. Advertising expense amounted to \$1,994 and \$1,776 for the years ended June 30, 2023 and 2022, respectively.

Income Taxes and Uncertain Tax Positions

The Association is exempt from federal income tax as an Association described in Section 501(c)(3) of the Internal Revenue Code. The provisions of the ASC standard, Accounting for Uncertainty in Incomes Taxes, clarifies the accounting for the recognition and measurement of uncertainties in income taxes for all entities, including not-for-profit Associations. Uncertain tax positions are evaluated on whether they meet the "more likely than not" standard for sustainability on examination by tax authorities. The Association does not believe its financial statements include any uncertain tax positions.

Reclassifications

Certain prior amounts have been reclassified to conform to the current year presentation.

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the statement of financial position at the date of the lease commencement. The standard became effective for years beginning after December 31, 2021. The Association recognizes an adoption date of July 1, 2022. See footnote 10 for further detail.

NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, are comprised of the following:

	2023	2022
Cash and Cash Equivalents	\$728,189	\$ 1,325,809
Endowments held at community foundations	51,767	137,438
	\$779,956	\$ 1,463,247

The Association is substantially supported by restricted contributions. A donor’s restriction requires resources to be used in a particular manner or in a future period, therefore the Association must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year. As part of the Association’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 4 – INVESTMENTS

The Association’s investments are maintained in commingled accounts at three area foundations. Income, expenses, gains and losses are allocated based upon ownership percentages. Investments carried at fair value based on quoted prices in active markets (all Level 3 Measurements) consist of equities, fixed income holdings and cash and cash equivalents.

Listed below are fair value measurements as of June 30:

	2023	
	Cost	Fair Value
Pooled Investments at Foundations	\$4,355,218	\$4,665,484
	2022	
	Cost	Fair Value
Pooled Investments at Foundations	\$4,794,098	\$4,279,549

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 4 – INVESTMENTS (Continued)

The Association has adopted investment and spending policies for the Endowments that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The target minimum rate of return is the Consumer Price Index plus 5 percent on an annual basis. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). All the funds are invested to seek growth of principal over time.

Additionally, the Association received separate donations of 5,000 shares in 2012 and 2020 of stock in a privately held corporation. Due to the nature of the stock and the lack of observable inputs, management has deemed the fair value of the stock to be zero.

NOTE 5 – INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATIONS

The Association has established endowment funds at three local community foundations as follows:

The Glen Helen Association Endowment Fund (the Dayton Fund) was established for the purpose of providing annual unrestricted operating revenue for Glen Helen Association. The investments are held at the Dayton Foundation, Inc. The Glen Helen Association has transferred all rights, title and interest to the assets donated to establish the Fund and to all future donations of the fund. The net income only of the Dayton Fund will be made available to Glen Helen Association. Net income from the Dayton Fund is distributed not less than annually, and Glen Helen Association may choose to reinvest into principal of the Dayton Fund. In the event of an extreme financial emergency, the governing board of the Glen Helen Association may request a distribution of principal from the Dayton Fund, which is subject to approval by the Foundation's Governing Board. In the event that the Governing Board of the Foundation finds that circumstances and conditions shall exist such as to render it unnecessary, undesirable, impractical or impossible to comply with the above use of Dayton Fund assets, any money or property in the Dayton Fund at that time shall be devoted by the Governing Board of the Foundation for charitable purposes as most nearly approximates the purposes of the Dayton Fund as contained in the Endowment agreement.

The Glen Helen Association Building Maintenance Fund (the Building Fund) was established for providing support to Glen Helen Association for building maintenance, which can include but not limited to, building repairs, aesthetic upkeep and improvement, renovations, and other building improvements. The investments are held at The Dayton Foundation, Inc. The Glen Helen Association has transferred all rights, title and interest to the assets donated to establish this Fund and to all future donations of the fund. The net income only of the Fund will be made available to Glen Helen Association. Net income from the Building Fund is distributed when requested by the Treasurer of the Association, and Glen Helen Association may choose to reinvest into principal of the Fund. In the event that the Governing Board of the Foundation finds that circumstances and conditions shall exist such as to render it unnecessary, undesirable, impractical or impossible to comply with the above use of Building Fund assets, any money or property in the Fund at that time shall be devoted by the

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 5 – INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATIONS (Continued)

Governing Board of the Foundation for charitable purposes as most nearly approximates the purposes of the Building Fund as contained in the Endowment agreement.

The Glen Helen Association Land Stewardship Fund was established for the purpose of providing annual operating revenue for Glen Helen Association, restricted to land stewardship activity in Glen Helen. The investments are held at The Dayton Foundation, Inc. The Foundation has ultimate authority and control over all property in the Land Stewardship Fund, and the income derived from there. Distributions from the fund will take place annually, or as designated by the Dayton Foundation, and Glen Helen Association may elect to request fund principal in addition to income and appreciated growth. Variance power gives the Dayton Foundation unilateral power to change the charitable purpose of a fund if circumstances have sufficiently changed to make the original restriction inappropriate; or in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served.

The Glen Helen Association Endowment Fund (the Springfield Fund) was established for the purpose of providing annual unrestricted operating revenue for Glen Helen Association. The investments are held at the Springfield Foundation, Inc. The Foundation has ultimate authority and control over all property in the Springfield Fund, and the income derived there from. Distributions of income from the fund will take place at least annually, and Glen Helen Association may elect to transfer to principal any or the entire distribution amount. Variance power gives the Community Foundation unilateral power to change the charitable purpose of a fund if circumstances have sufficiently changed to make the original restriction inappropriate; or in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served.

The Glen Helen Association Raptor Center Endowment Fund (the Raptor Center) was established for the purpose of providing annual unrestricted operating revenue to the benefit of the Raptor Center of the Glen Helen Ecological Institute. The investments are held at the Springfield Foundation, Inc. The Foundation has ultimate authority and control over all property in the Fund, and the income derived there from. Distributions of income from the fund will take place at least annually, and Glen Helen Association may elect to transfer to principal any or the entire distribution amount. Variance power gives the Community Foundation unilateral power to change the charitable purpose of a fund if circumstances have sufficiently changed to make the original restriction inappropriate; or in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served.

The Glen Helen Fund Endowment (the YS Fund) was designed to provide a permanent fund, the income from which will produce a source of revenue to benefit Glen Helen and the educational programs of Glen Helen. Glen Helen Association is the beneficiary of the fund. The investments are held at the Yellow Springs Community Foundation. All money placed in the endowment fund becomes the property of the Foundation. Income of the fund is distributed to Glen Helen Association. Glen Helen Association may choose to return the income of the fund to become part of the principle of the fund.

The Glen Helen Association Fund for the Raptor Center (the Raptor Center Fund) was designed by the Association and the Yellow Springs Community Foundation (YSCF) to provide a permanent fund, the income from which will produce a source of revenue to the benefit of the Raptor Center of the Glen Helen Ecological Institute. The investments are held at the Yellow Springs Community

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 5 – INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATIONS (Continued)

Foundation. All money placed in the endowment fund becomes the property of the Foundation. Distribution of the income produced will be made annually to Glen Helen Association. If, in the judgment of the Trustees of YSCF, the Raptor Center of the Glen Helen Ecological Institute has substantially ceased to exist, the YSCF Trustees may merge the Glen Helen Association Fund for the Raptor Center with the Glen Helen Fund Endowment, supporting Glen Helen Association. If, in the judgment of the Trustees of the YSCF, the Association has substantially ceased to exist, the YSCF Trustees may declare the fund supporting the Association to be an unrestricted fund and the YSCF is free to use the income from this fund to benefit Glen Helen or another Association whose mission the trustees of YSCF deem similar to that of the Association.

The Village Natural Area Endowment Fund was designated by the Village of Yellow Springs and is held at the Yellow Springs Community Foundation (YSCF), for benefit of the Glen Helen Association. Its purpose is to provide a permanent fund, the income from which will produce a source of revenue to fund ongoing land stewardship activities in the Yellow Springs Creek watershed.

The Antioch Environmental Education Center Agency Endowment (the AOEC Fund) was designed to provide a permanent fund, the income from which will produce a source of revenue to benefit the Glen Helen Environmental Education Center. The Glen Helen Association acquired control of the fund with the September 2020 acquisition of Glen Helen. The investments are held at the Yellow Springs Community Foundation. All money placed in the endowment fund becomes the property of the Foundation. Income of the fund is distributed to Glen Helen Association. Glen Helen Association may choose to return the income of the fund to become part of the principle of the fund.

The Glen Helen Acquisition Fund (the Acquisition Fund) was established April 2021 as a term fund to provide a source of revenue toward the mortgage obligation for the 2020 purchase of Glen Helen. The investments are held at the Yellow Springs Community Foundation. All money placed in the endowment fund becomes the property of the Foundation. The Glen Helen Association may request up to \$50,000 in appreciated income or principal, annual through 2030, and may access the remaining balance in 2031 to finance any remaining balloon payment.

The Glen Helen Permanent Endowment Fund 1894 (the Dayton Permanent Fund 1894) was established for the purpose of providing annual unrestricted operating revenue for Glen Helen Association. This fund became an agency endowment of the Glen Helen Association through the acquisition of Glen Helen from Antioch College. The investments are held at The Dayton Foundation, Inc. The Glen Helen Association has transferred all rights, title and interest to the assets donated to establish this Fund and to all future donations of the fund. The net income only of the Dayton Fund will be made available to Glen Helen Association. Net income from the Dayton Fund is distributed not less than annually, and Glen Helen Association may choose to reinvest into principal of the Dayton Fund. In the event of an extreme financial emergency, the governing board of the Glen Helen Association may request a distribution of principal from the Dayton Fund, which is subject to approval by the Foundation's Governing Board. In the event that the Governing Board of the Foundation finds that circumstances and conditions shall exist such as to render it unnecessary, undesirable, impractical or impossible to comply with the above use of Dayton Fund assets, any money or property in the Dayton Fund at that time shall be devoted by the Governing Board of the Foundation for charitable purposes as most nearly approximates the purposes of the Dayton Fund as contained in the Endowment agreement.

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 5 – INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATIONS (Continued)

The following summarizes the values of the interests in assets held by community foundations on June 30:

Interest in Assets held at:	<u>2023</u>	<u>2022</u>
The Dayton Foundation:		
Dayton Fund	\$ 222,560	\$ 218,430
Building Fund	33,622	32,433
Glen Helen Association Land Stewardship Fund	211,029	196,085
Glen Helen Association Permanent Endowment Fund	2,756,159	2,662,072
The Springfield Foundation:		
Springfield Fund	161,766	168,699
Raptor Endowment Fund	62,330	62,295
The Yellow Springs Community Foundation:		
YS Fund	254,011	242,712
Raptor Center Fund	258,513	247,710
Village Natural Area Endowment Fund	21,365	20,484
AOEC Fund	217,924	208,783
Acquisition Fund	466,205	219,846
	<u>\$ 4,665,484</u>	<u>\$ 4,279,549</u>

Interest in Assets held at Community Foundation:	<u>2023</u>	<u>2022</u>
Without Donor Restrictions	\$ 3,428,120	\$ 3,324,347
With Donor Restriction for a Purpose	677,232	415,931
With Donor Restriction for Perpetuity	560,132	539,271
	<u>1,237,364</u>	<u>955,202</u>
	<u>\$ 4,665,484</u>	<u>\$ 4,279,549</u>

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 5 – INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATIONS (Continued)

The following summarizes the changes in the interests in assets held by community foundations for the years ended June 30, 2023 and 2022:

	Total
Interest in assets held by community foundations, July 1, 2022	\$4,279,549
Contributions	202,113
Transfers	(171,140)
Net change in market value	312,376
Investment income	80,756
Fees	<u>(38,170)</u>
Interest in assets held by community foundations, June 30, 2023	<u>\$ 4,665,484</u>
Interest in assets held by community foundations, July 1, 2021	\$1,759,663
Contributions	2,977,028
Transfers	(74,772)
Net change in market value	(514,549)
Investment income	143,971
Fees	<u>(11,792)</u>
Interest in assets held by community foundations, June 30, 2022	<u>\$ 4,279,549</u>

NOTE 6 – PROMISSORY NOTE PAYABLE

During the year ended June 30, 2021, the Association entered into a loan for the purchase of Glen Helen Nature Preserve dated September 4, 2020, in the amount of \$2,500,000 from Antioch College (the College). The loan is for 11 years with the following terms.

Beginning on September 4, 2021 and continuing on September 4 in each year thereafter until the outstanding principal of the Note is paid in full, the Association directs the College to retain the mandatory yearly distributions from the Birch Endowment to be made on such date as payment of interest on this Note.

Unless payments are earlier received or credited in accordance with the other provisions of this Note, the principal amount outstanding under this Note shall be payable as follows. Upon the College's receipt of the Term Endowment Proceeds, the amount thereof shall be credited to the principal balance of this note. Thereafter, on September 4, 2021 and continuing on September 4 in each of the next nine years through and including September 4, 2031, the Association shall pay to the College the sum of Fifty thousand dollars (\$50,000). On September 4, 2031, the Association shall pay to the College the then remaining outstanding principal balance of this Note. The balance on the Note Payable totaled \$1,857,336 and \$1,907,336 as of June 30, 2023 and 2022, respectively.

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

The Association has classified its net assets in accordance with generally accepted accounting principles as to donor restrictions. The Association maintains net assets with donor restrictions balances as follows as of June 30:

Subject to expenditure for specified purpose:	<u>2023</u>	<u>2022</u>
Scholarship	\$ 25,330	\$ 24,770
Land Stewardship	224,784	209,141
Health Projects	3,620	3,620
Raptor Center	109,023	108,523
Save the Glen	822,914	818,594
	<u>\$ 1,185,670</u>	<u>\$ 1,164,648</u>
Subject to Restricted in Perpetuity		
Perpetuity trusts held by others	560,132	539,271
Total Net Assets with donor restrictions	<u>\$ 1,745,802</u>	<u>\$ 1,703,919</u>

NOTE 8 – CONTRIBUTED SERVICES

The Association pays for most services requiring specific expertise. However, many individuals donate their time in performing a variety of tasks, including assistance with the Nature Shop, fundraising events, and the general mission of the Association. The value of these contributed services has not been recorded on the accompanying financial statements as they do not qualify to be recorded under generally accepted accounting principles.

NOTE 9 – PROMISES TO GIVE

Promises to Give at June 30, 2023 are scheduled to be collected as follows for the year ending June 30,

2024	\$155,881
2025	81,693
2026	24,300
2027	8,400
2028	8,400
Thereafter	<u>20,426</u>
Total Promises to Give	299,100
Less Allowance	<u>(3,726)</u>
Total Promises to Give (Net of Allowance)	<u>\$ 295,374</u>

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 10 – LEASES

The Association recognizes and measures their leases in accordance with FASB ASC 842, Leases. The Association is a lessee in one operating lease and a lessor in several operating leases. The Association determines if an arrangement is a lease, or contains a lease, at inception of a contract or when the terms of an existing contract are changed. The Association recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is recognized based on present value of the future lease payments. Lease cost for the lease payments is recognized on a straight-line basis over the lease term. For any leases without a determined discount rate, the Association will elect to use the risk free rate as established by the U.S. Department of Treasury.

The Association has elected, for all underlying assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at commencement and are not expected to renew beyond that term.

The Association has one operating lease with lease terms greater than 12 months for property utilized by the nature preserve. Total lease expense under this contract for 2023 was \$3,300. The remaining lease liability at June 30, 2023 under this contract is \$13,200.

The Association’s operating lease for the property has a lease term of 60 months with a start date of July 1, 2022, and the option to renew at the end of the lease term.

The components of lease cost for the year ended June 30, 2023 are as follows:

	<u>2023</u>
Operating lease cost	\$ 3,300

Cash flows for amounts included in the measurement of lease liabilities are as follows:

	<u>2023</u>
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	3,300
Right-of-use assets obtained in exchange for new operating lease liabilities	16,500

Maturities of lease liabilities under the operating leases as of June 30, 2023 are as follows:

	<u>2023</u>
2024	\$ 3,300
2025	3,300
2026	3,300
2027	3,300
2028	-
Thereafter	-
	<u>\$ 13,200</u>

**GLEN HELEN ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 10 – LEASES (Continued)

The weighted-average remaining lease term and discount rate for operating leases are as follows:

	<u>2023</u>
Weighted-average remaining lease term	4.00 yrs
Weighted-average discount rate	2.88%

The Association has multiple operating leases for residential and recreational properties that provide rental income utilized by the business. The properties are recognized on the balance sheet as fixed assets that are depreciated over time based on their useful life. Total rental income earned under these contracts for 2023 was \$38,975.

The Association’s operating leases for properties have terms ranging from one month to 60 months with various start dates, and each with an option to renew at the end of the lease term.

The expected income from these operating leases are as follows:

	<u>2023</u>
2024	\$ 59,520
2025	54,420
2026	28,920
2027	24,870
2028	6,340
Thereafter	-
	<u>\$ 174,070</u>

NOTE 11 – SUBSEQUENT EVENTS

In conformity with the ASC standards, the Association has evaluated for disclosure all subsequent events and transactions through May 31, 2024, the date that the financial statements were available to be issued.