

THE PALISADES PARKS CONSERVANCY, INC.

**Financial Statements
For the Years Ended
March 31, 2021
and
March 31, 2020**

Independent Auditor's Report

To the Board of Directors of
The Palisades Parks Conservancy, Inc.

We have audited the accompanying financial statements of The Palisades Parks Conservancy, Inc. (the "Conservancy"), which comprise the statement of financial position as of March 31, 2021 and March 31, 2020 and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of The Palisades Parks Conservancy, Inc. as of March 31, 2021 and March 31, 2020 and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Carole O'Leary McGinty & Donnelly LLP

September 27, 2021

THE PALISADES PARKS CONSERVANCY, INC.

Statement of Financial Position

Assets

	March 31	
	2021	2020
Current assets		
Cash and cash equivalents	\$ 122,532	\$ 95,394
Contributions receivable	-	66,748
Accrued interest receivable	1,702	1,546
Total current assets	124,234	163,688
Investments, at fair value	411,568	398,625
Total assets	\$ 535,802	\$ 562,313

Liabilities and Net Assets

Current liabilities		
Accounts payable	\$ 6,040	\$ 3,219
Accrued expenses	6,755	65,850
PPP loan	26,400	-
Total current liabilities	39,195	69,069
Net assets		
Without donor restrictions	253,379	266,471
With donor restrictions	243,228	226,773
Total net assets	496,607	493,244
Total liabilities and net assets	\$ 535,802	\$ 562,313

See notes to financial statements.

THE PALISADES PARKS CONSERVANCY, INC.

Statement of Activities
Year Ended March 31, 2021
(with summarized comparative information for 2020)

	<u>2021</u>			<u>2020</u>
	<u>Without</u> <u>Donor</u> <u>Restrictions</u>	<u>With</u> <u>Donor</u> <u>Restrictions</u>	<u>Total</u>	
Public support and revenue				
Contributions	\$ 37,504	\$ 88,748	\$ 126,252	\$ 119,215
Grants	9,202	-	9,202	103,475
In-kind contributions	40,148	-	40,148	40,000
Special events, net	111,805	-	111,805	105,685
Investment return, net	6,332	-	6,332	8,716
Net unrealized and realized gain on investments	755	-	755	15,377
Other	239	-	239	1,309
Net assets released from restrictions	<u>72,293</u>	<u>(72,293)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>278,278</u>	<u>16,455</u>	<u>294,733</u>	<u>393,777</u>
Expenses				
Program services	118,066	-	118,066	268,810
Supporting activities				
Management and general	111,863	-	111,863	127,662
Fundraising	<u>61,441</u>	<u>-</u>	<u>61,441</u>	<u>63,362</u>
Total expenses	<u>291,370</u>	<u>-</u>	<u>291,370</u>	<u>459,834</u>
Increase (decrease) in net assets	(13,092)	16,455	3,363	(66,057)
Net assets, beginning of year	<u>266,471</u>	<u>226,773</u>	<u>493,244</u>	<u>559,301</u>
Net assets, end of year	<u>\$ 253,379</u>	<u>\$ 243,228</u>	<u>\$ 496,607</u>	<u>\$ 493,244</u>

See notes to financial statements.

THE PALISADES PARKS CONSERVANCY, INC.

**Statement of Activities
Year Ended March 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue			
Contributions	\$ 86,415	\$ 32,800	\$ 119,215
Grants	103,475	-	103,475
In-kind contributions	40,000	-	40,000
Special events, net	105,685	-	105,685
Investment return, net	8,716	-	8,716
Unrealized gain on investments	15,377	-	15,377
Other	1,309	-	1,309
Net assets released from restrictions	<u>300,333</u>	<u>(300,333)</u>	<u>-</u>
Total public support and revenue	<u>661,310</u>	<u>(267,533)</u>	<u>393,777</u>
Expenses			
Program services	268,810	-	268,810
Supporting activities			
Management and general	127,662	-	127,662
Fundraising	<u>63,362</u>	<u>-</u>	<u>63,362</u>
Total expenses	<u>459,834</u>	<u>-</u>	<u>459,834</u>
Increase (decrease) in net assets	201,476	(267,533)	(66,057)
Net assets, beginning of year	<u>64,995</u>	<u>494,306</u>	<u>559,301</u>
Net assets, end of year	<u>\$ 266,471</u>	<u>\$ 226,773</u>	<u>\$ 493,244</u>

See notes to financial statements.

THE PALISADES PARKS CONSERVANCY, INC.

**Statement of Functional Expenses
Year Ended March 31, 2021
(with summarized comparative totals information for 2020)**

	<u>2021</u>				<u>2020</u> <u>Total</u>
	<u>Program Services</u>	<u>Supporting Activities</u>		<u>Total</u>	
		<u>Management and General</u>	<u>Fund- Raising</u>		
Salaries and wages	\$ 74,772	\$ 34,164	\$ 29,544	\$ 138,480	\$ 140,316
Payroll taxes and employee benefits	14,713	6,722	5,813	27,248	27,341
Grant to domestic organizations	7,259	-	-	7,259	199,992
Professional fees	-	53,314	4,310	57,624	28,129
Occupancy	13,600	13,200	13,200	40,000	40,000
Supplies	606	277	240	1,123	172
Telephone	355	162	140	657	1,205
Postage and shipping	91	26	275	392	1,211
Printing and copying	1,155	231	1,138	2,524	4,881
Travel	823	48	577	1,448	5,602
Training	-	-	1,195	1,195	-
Membership dues	860	-	1,290	2,150	585
Advertising	-	-	-	-	773
Other	-	-	-	-	-
	<u>3,832</u>	<u>3,719</u>	<u>3,719</u>	<u>11,270</u>	<u>9,627</u>
Total	\$ 118,066	\$ 111,863	\$ 61,441	\$ 291,370	\$ 459,834

See notes to financial statements.

THE PALISADES PARKS CONSERVANCY, INC.

**Statement of Functional Expenses
Year Ended March 31, 2020**

	<u>Program Services</u>	<u>Management and General</u>	<u>Supporting Activities Fund- Raising</u>	<u>Total</u>
Salaries and wages	\$ 38,620	\$ 66,029	\$ 35,667	\$ 140,316
Payroll taxes and employee benefits	7,525	12,866	6,950	27,341
Grant to domestic organizations	199,992	-	-	199,992
Professional fees	-	25,229	2,900	28,129
Occupancy	11,009	18,823	10,168	40,000
Supplies	47	81	44	172
Telephone	332	567	306	1,205
Postage and shipping	424	121	666	1,211
Printing and copying	2,441	488	1,952	4,881
Travel	4,762	280	560	5,602
Membership dues	78	-	507	585
Advertising	309	-	464	773
Other	3,271	3,178	3,178	9,627
Total	\$ 268,810	\$ 127,662	\$ 63,362	\$ 459,834

See notes to financial statements.

THE PALISADES PARKS CONSERVANCY, INC.

Statement of Cash Flows

	Year Ended	
	March 31	
	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$ 3,363	\$ (66,057)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities		
Net unrealized and realized (gain) on investments	(755)	(15,377)
(Increase) decrease in assets		
Contributions receivable	66,748	(66,242)
Accrued interest receivable	(156)	764
Increase (decrease) in liabilities		
Accounts payable	2,821	(419)
Accrued expenses	(59,095)	63,150
Deferred revenue	-	(1,697)
Net cash provided by (used in) operating activities	<u>12,926</u>	<u>(85,878)</u>
Cash flows from investing activities		
Proceeds from sale of investments	100,594	210,972
Purchase of investments	<u>(112,782)</u>	<u>(132,874)</u>
Net cash provided by (used in) investing activities	<u>(12,188)</u>	<u>78,098</u>
Cash flows from financing activities		
Proceeds from PPP loan	<u>26,400</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	27,138	(7,780)
Cash and cash equivalents, beginning of year	<u>95,394</u>	<u>103,174</u>
Cash and cash equivalents, end of year	<u>\$ 122,532</u>	<u>\$ 95,394</u>

See notes to financial statements.

THE PALISADES PARKS CONSERVANCY, INC.**Notes to Financial Statements
March 31, 2021 and March 31, 2020****Note 1 – Nature of Organization**

The Palisades Parks Conservancy, Inc. (the "Conservancy"), formerly Friends of the Palisades Interstate Park Commission, Inc. was formed in March 2001 in the State of New York. The Conservancy's mission is to preserve the Palisades Interstate Park's rich history and biodiversity, and protect America's first bi-state park system. The Conservancy is committed to supporting parks where all visitors can play, connect, and immerse themselves in nature and culture. The Conservancy achieves its mission by raising funds and delivering programs and projects that provide education and stewardship, environmental conservation and restoration, historic preservation, public access and recreation, and protection of natural and cultural resources, all benefiting the Palisades Interstate Park system. The Conservancy raises and administers funds that improve the facilities, preserve environmental and cultural sites and provides education within the Palisades Interstate Park system.

Note 2 – Summary of significant accounting policiesNet assets

The Conservancy reports information regarding its financial position and activities into two classes of net assets as follows:

Without donor restrictions

Net assets that are not subject to donor imposed restrictions and are available for operations.

With donor restrictionsTemporary donor restrictions

Net assets that are subject to specific donor imposed restrictions that are expected to be satisfied by passage of time or performance of activities.

Cash equivalents

The Conservancy considers highly liquid assets with original maturities of 90 days or less to be cash equivalents.

Investments

The fair value of the investments is based on publicly quoted prices. The cost of investments sold is determined on an average cost basis.

THE PALISADES PARKS CONSERVANCY, INC.**Notes to Financial Statements (continued)
March 31, 2021 and March 31, 2020****Note 2 – Summary of significant accounting policies (continued)**Fair value measurements

For assets measured at fair value on a recurring basis as of March 31, 2021 and March 31, 2020, accounting principles generally accepted in the United States of America require quantitative disclosures about the fair value measurements separately for each major class of assets. The Conservancy's investments have all been classified in the highest level of hierarchy (Level 1). Its quoted prices are in active markets for identical assets.

Allowance for doubtful accounts

As of March 31, 2021 and March 31, 2020, the Conservancy has determined that its contribution receivables are all collectible and an allowance for any possible uncollectible receivables is not necessary. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Contributions receivable

Contributions including unconditional promises to give ("pledges") are recognized as revenue in the period received and when the conditions on which they depend have been substantially met.

Contributions

Contributions and grants received including unconditional promises to give, are recorded as support without donor restrictions or with donor restrictions, depending on the existence or absence of donor restrictions, at the time of receipt or promise. Donor-restricted contributions that have their restriction met within the fiscal year are reported as support without donor restrictions. Restrictions that are not met are reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

In-kind contributions

In-kind contributions are estimated at their fair value and reported as both support and expenses in the period in which they are used. In-kind contributions 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 Conservancy. Certain individuals volunteer their time and perform a variety of tasks that assist the Conservancy. These services do not meet the criteria to be recorded and have not been included in the financial statements.

For the fiscal years ended March 31, 2021 and March 31, 2020, the Conservancy received donated office space of \$40,000 and \$40,000, respectively.

THE PALISADES PARKS CONSERVANCY, INC.**Notes to Financial Statements (continued)
March 31, 2021 and March 31, 2020****Note 2 – Summary of significant accounting policies (continued)**Functional expenses

The cost of providing the various programs and other activities has been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting activities benefited. Expenses attributable to more than one functional category are allocated using a variety of cost allocation techniques primarily consisting of salaries and wages and time and effort reporting.

Use of estimates

The preparation of financial statements in conformity with the United States of America generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of credit risk

The Conservancy's financial instruments that are potentially exposed to concentrations of credit risk consist of cash, cash equivalents, receivables and investments. The Conservancy places its cash and cash equivalents with what it believes to be quality financial institutions. At times, cash balances were in excess of the FDIC insurance limit. However, the Conservancy has not experienced any losses in these accounts to date. The Conservancy closely monitors the collectability of its receivables. The Conservancy's investments are subject to various risks such as interest rate, market volatility, liquidity and credit. 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 at March 31, 2021. The Conservancy routinely assesses the financial strength and diversification of its investment portfolio. As a result, management believes concentrations of credit risk are limited.

Risks and uncertainties

On March 13, 2020, a national emergency was declared due to extraordinary circumstances resulting from the coronavirus pandemic. The economic impact of the coronavirus on the Conservancy's future financial operations is not readily determinable.

Subsequent events

The Conservancy has evaluated subsequent events and transactions for potential recognition and disclosure in the financial statements through September 27, 2021, the date which these financial statements were available to be issued.

THE PALISADES PARKS CONSERVANCY, INC.

Notes to Financial Statements (continued)
March 31, 2021 and March 31, 2020

Note 3 – Liquidity and availability of financial assets

The Conservancy's working capital and cash flows vary due to timing of payments received for contributions, grants and special events.

As of March 31, 2021 and March 31, 2020, financial assets and liquidity resources available within one year of the statement of financial position date for general expenditures were as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 122,532	\$ 95,394
Receivables	<u>1,702</u>	<u>68,294</u>
Total	<u>\$ 124,234</u>	<u>\$ 163,688</u>

Note 4 – Investments

The following is a summary of the investments, at fair value, held by the Conservancy, as of March 31, 2021 and March 31, 2020:

	<u>2021</u>	<u>2020</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Fixed income		
U.S. Government bonds	\$ 197,153	\$ 214,992
Municipal bonds	20,601	10,442
Agency securities	10,787	10,611
Corporate bonds	82,527	49,771
Asset backed	5,173	19,392
Other fixed income	-	177
Bond funds	<u>95,327</u>	<u>93,240</u>
Total	<u>\$ 411,568</u>	<u>\$ 398,625</u>

Investment return for the years ended March 31, 2021 and March 31, 2020 is comprised of the following:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 7,127	\$ 9,584
Less: fees	<u>(795)</u>	<u>(868)</u>
Investment return, net	<u>\$ 6,332</u>	<u>\$ 8,716</u>

THE PALISADES PARKS CONSERVANCY, INC.

Notes to Financial Statements (continued)

March 31, 2021 and March 31, 2020

Note 5 – Net assets without donor restrictions

Temporary donor restrictions

The following summarizes the changes in net assets with temporary donor restrictions for the year ended March 31, 2021:

	Balance		Net assets		Balance
	<u>March 31, 2020</u>	<u>Contributions</u>	<u>Released from</u>	<u>Restrictions</u>	<u>March 31, 2021</u>
Trailside Museum and Zoo	\$ 66,819	\$ -	\$ -		\$ 66,819
Regional Museum Endowment	50,000	-	-		50,000
Fort Lee Historic Park	34,800	-	-		34,800
Golden Winged Warbler Program	32,500	-	-		32,500
Bear Mountain Projects	31,493	-	-		31,493
National Park Services	-	22,500	(8,000)		14,500
Senate House Exhibits	7,931	-	-		7,931
Patagonia	-	3,500	-		3,500
Gift for Zoo Habitat Project	1,000	-	-		1,000
Signage at Schunnemunk	685	-	-		685
US Fish and Wildlife Service	-	60,015	(60,015)		-
Greenway Heritage Conservancy	-	2,183	(2,183)		-
National Purple Heart Hall of Honor	1,545	-	(1,545)		-
The Sterling Center – Protect Sterling Forest	-	500	(500)		-
Vajra Kilgour – money for signage to wear masks	-	50	(50)		-
Total	<u>\$ 226,773</u>	<u>\$ 88,748</u>	<u>\$ (72,293)</u>		<u>\$ 243,228</u>

Note 6 – Simple IRA Plan

The Conservancy maintains a SIMPLE IRA Plan (the “Plan”). The Conservancy’s expense was \$3,600 and \$3,827 for 2021 and 2020 fiscal years, respectively.

THE PALISADES PARKS CONSERVANCY, INC.**Notes to Financial Statements (continued)
March 31, 2021 and March 31, 2020****Note 7 – PPP Loan**

In April 2021, the Conservancy received a \$26,400 term note under the Paycheck Protection Program (the “PPP”). The PPP was created as part of the relief efforts related to COVID-19 and is administered by the SBA. The Conservancy has elected to record the proceeds as a liability until the PPP loan is, in part or wholly, forgiven and the Conservancy is legally released. As disclosed in the PPP loan documents, principal and interest payments are deferred for the first six months. During the deferral period, interest on the outstanding principal will accrue at a fixed rate of .98% per annum. The PPP loan matures on April 2022, when all outstanding principal plus accrued interest will be due and payable. The Conservancy is eligible for forgiveness of up to 100% of the PPP loan, upon meeting certain requirements as disclosed in the PPP loan documents. The Conservancy will record the forgiveness as government contribution revenue in the statement of activities once the SBA notifies that the forgiveness amount has been authorized. The Conservancy believes it has expended all of the proceeds in accordance with the PPP loan program and expects to have the loan forgiven during fiscal 2022.

Note 8 – Tax status

The Conservancy is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, the Conservancy has been determined by the Internal Revenue Service to be a publicly supported organization, and not a private foundation, within the meaning of Section 509(a)(1) of the Code.