

*Financial Statements*

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**UPPER SACO VALLEY LAND TRUST, INC.**

**FOR THE YEARS ENDED  
DECEMBER 31, 2017 (REVIEWED) AND 2016 (AUDITED)  
AND  
INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

**UPPER SACO VALLEY LAND TRUST, INC.**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2017 (REVIEWED) AND 2016 (AUDITED)**

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To the Board of Directors  
Upper Saco Valley Land Trust, Inc.  
North Conway, New Hampshire

## **INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

We have reviewed the accompanying financial statements of Upper Saco Valley Land Trust, Inc. (a New Hampshire nonprofit corporation), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **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 misstatements whether due to fraud or error.

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Summarized Comparative Information**

The 2016 financial statements were audited by other auditors, and they expressed an unmodified opinion on them in their report dated July 7, 2017. They have not performed any auditing procedures since that date. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2016, for it to be consistent with the audited financial statements from which it has been derived.

*Leone, McDonnell & Roberts*  
*Professional Association*

November 13, 2018  
North Conway, New Hampshire

**UPPER SACO VALLEY LAND TRUST, INC.**

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2017  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>UNRESTRICTED</u>	<u>BOARD DESIGNATED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>Reviewed 2017 TOTALS</u>	<u>Audited 2016 TOTALS</u>
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 118,820	\$ 213,257	\$ 138,485	\$ -	\$ 470,562	\$ 476,071
Pledges receivable	-	-	402,500	-	402,500	20,000
Prepaid expenses	5,224	-	-	-	5,224	1,700
Total current assets	124,044	213,257	540,985	-	878,286	497,771
<b>PROPERTY</b>						
Conservation easements	-	-	-	50	50	47
Land	5,000	-	-	1,130,812	1,135,812	1,130,812
Furniture and equipment	22,166	-	-	-	22,166	19,679
Total property	27,166	-	-	1,130,862	1,158,028	1,150,538
Less accumulated depreciation	15,232	-	-	-	15,232	12,910
Property, net	11,934	-	-	1,130,862	1,142,796	1,137,628
<b>OTHER ASSETS</b>						
Beneficial interest in assets held by others	-	-	197,536	-	197,536	176,703
Total other assets	-	-	197,536	-	197,536	176,703
Total assets	\$ 135,978	\$ 213,257	\$ 738,521	\$ 1,130,862	\$ 2,218,618	\$ 1,812,102
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts payable and accrued expenses	\$ 14,764	\$ -	\$ -	\$ -	\$ 14,764	\$ 9,566
Deferred income	6,000	-	-	-	6,000	-
Total liabilities	20,764	-	-	-	20,764	9,566
<b>NET ASSETS</b>						
Unrestricted	115,214	-	-	-	115,214	74,931
Unrestricted, board designated	-	213,257	-	-	213,257	207,050
Temporarily restricted	-	-	738,521	-	738,521	389,696
Permanently restricted	-	-	-	1,130,862	1,130,862	1,130,859
Total net assets	115,214	213,257	738,521	1,130,862	2,197,854	1,802,536
Total	\$ 135,978	\$ 213,257	\$ 738,521	\$ 1,130,862	\$ 2,218,618	\$ 1,812,102

See Independent Accountants' Review Report  
and  
Notes to Financial Statements

**UPPER SACO VALLEY LAND TRUST, INC.**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>UNRESTRICTED</b>		<b>TEMPORARILY RESTRICTED</b>	<b>PERMANENTLY RESTRICTED</b>	<b>Reviewed 2017 TOTALS</b>	<b>Audited 2016 TOTALS</b>
	<b>UNDESIGNATED</b>	<b>BOARD DESIGNATED</b>				
<b>REVENUE AND SUPPORT</b>						
Gifts, grants and contributions	\$ 176,776	\$ 6,000	\$ -	\$ -	\$ 182,776	\$ 172,172
Net investment	26,063	207	257	-	26,527	12,043
Special events, net of direct costs of \$16,059	11,741	-	-	-	11,741	6,225
 Total revenues, gains and other support	 214,580	 6,207	 257	 -	 221,044	 190,440
<b>NET ASSETS TRANSFERS</b>						
Net assets released from donor-imposed restrictions	47,068	-	(47,068)	-	-	-
<b>EXPENSES</b>						
Program services	155,238	-	-	-	155,238	87,032
Management and general	33,961	-	-	-	33,961	64,269
Fundraising	32,166	-	-	-	32,166	13,362
 Total expenses	 221,365	 -	 -	 -	 221,365	 164,663
 Net operating increase (decrease)	 40,283	 6,207	 (46,811)	 -	 (321)	 25,777
<b>SPECIAL PROJECTS</b>						
Special projects income	-	-	799,986	1	799,986	240,350
Special projects, land, non-cash	-	-	-	-	-	20,000
Special projects conservation easement, non-cash	-	-	-	2	2	2
Special projects (expense)	-	-	(404,350)	-	(404,350)	(310,926)
 Net increase (decrease) on special projects	 -	 -	 395,636	 3	 395,639	 (50,574)
 <b>CHANGE IN NET ASSETS</b>	 40,283	 6,207	 348,825	 3	 395,318	 (24,797)
 <b>NET ASSETS, BEGINNING OF YEAR</b>	 74,931	 207,050	 389,696	 1,130,859	 1,802,536	 1,827,333
 <b>NET ASSETS, END OF YEAR</b>	 \$ 115,214	 \$ 213,257	 \$ 738,521	 \$ 1,130,862	 \$ 2,197,854	 \$ 1,802,536

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**UPPER SACO VALLEY LAND TRUST, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<b>Reviewed <u>2017</u></b>	<b>Audited <u>2016</u></b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 395,318	\$ (24,797)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Non-cash land and conservation easement contributions	(2)	(20,002)
Net change on beneficial interest in assets held by others	(20,833)	(12,511)
Depreciation	2,322	2,176
Change in restricted cash	54,508	(100,141)
(Increase) decrease in assets:		
Grants receivable	-	217,000
Pledges receivable	(382,500)	(10,000)
Prepaid expenses	(3,524)	(77)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	5,198	2,015
Deferred income	<u>6,000</u>	<u>-</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>56,487</u>	<u>53,663</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net transfers to beneficial interest in assets held by others	-	(2,993)
Easement purchases	(1)	(1)
Purchase of property	<u>(7,487)</u>	<u>(777)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(7,488)</u>	<u>(3,771)</u>
<b>NET CHANGE IN UNRESTRICTED CASH</b>	48,999	49,892
<b>UNRESTRICTED CASH, BEGINNING OF YEAR</b>	<u>283,078</u>	<u>233,186</u>
<b>UNRESTRICTED CASH, END OF YEAR</b>	<u>\$ 332,077</u>	<u>\$ 283,078</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Non-cash donations of land and conservation easements	<u>\$ 2</u>	<u>\$ 20,002</u>

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**UPPER SACO VALLEY LAND TRUST, INC**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2017  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Land Protection</u>	<u>Outreach</u>	<u>Total Program Services</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	<u>Reviewed 2017 TOTALS</u>	<u>Audited 2016 TOTALS</u>
Salaries and wages	\$ 117,138	\$ -	\$ 117,138	\$ -	\$ 27,568	\$ 144,706	\$ 103,219
Payroll taxes	8,938	-	8,938	-	2,249	11,187	7,943
Benefits	<u>7,237</u>	<u>-</u>	<u>7,237</u>	<u>-</u>	<u>-</u>	<u>7,237</u>	<u>2,648</u>
Total salaries and related expenses	133,313	-	133,313	-	29,817	163,130	113,810
Depreciation	-	-	-	2,322	-	2,322	2,176
Dues and subscriptions	-	-	-	2,200	-	2,200	1,559
Fees and permits	-	-	-	350	-	350	196
Insurance	-	-	-	5,067	-	5,067	4,817
Annual meeting and membership	39	-	39	-	-	39	400
Miscellaneous	7,678	209	7,887	1,128	19	9,034	3,392
Office expenses	-	-	-	4,513	-	4,513	3,553
Printing and postage	-	5,100	5,100	958	1,344	7,402	7,574
Professional fees	3,199	-	3,199	8,014	-	11,213	9,783
Rent - office	-	-	-	6,424	-	6,424	6,337
Stewardship costs	2,503	-	2,503	-	-	2,503	2,956
Telephone and internet	-	-	-	1,964	-	1,964	1,809
Travel and conferences	405	108	513	207	-	720	2,619
Investment fees	2,639	-	2,639	-	-	2,639	1,372
Marketing and publicity	45	-	45	-	986	1,031	1,462
Utilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>814</u>	<u>-</u>	<u>814</u>	<u>848</u>
Total operating expenses	149,821	5,417	155,238	33,961	32,166	221,365	164,663
Special projects	<u>404,350</u>	<u>-</u>	<u>404,350</u>	<u>-</u>	<u>-</u>	<u>404,350</u>	<u>310,926</u>
Total expenses	<u>\$ 554,171</u>	<u>\$ 5,417</u>	<u>\$ 559,588</u>	<u>\$ 33,961</u>	<u>\$ 32,166</u>	<u>\$ 625,715</u>	<u>\$ 475,589</u>

See Independent Accountants' Review Report  
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Notes to Financial Statements

**UPPER SACO VALLEY LAND TRUST, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 1      NATURE OF ORGANIZATION**

The Upper Saco Valley Land Trust, Inc. (the Organization) is a New Hampshire nonprofit conservation corporation dedicated to preserving natural resources and promoting education and awareness of the protection of natural resources. The Organization conducts its activities predominantly in Central New Hampshire and Western Maine.

The Organization's primary sources of revenue are contributions from the public (including gifts of land), investment income, government grants as well as revenue from special events undertaken for fundraising.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Upper Saco Valley Land Trust, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

**Basis of Presentation**

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions.

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted: Net assets whose use is limited by donor-imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Organization. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Absent explicit donor stipulations about how long long-lived assets must be maintained or the manner of their disposition, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. The Organization reports expirations of continuing donor restrictions regarding use or disposition of long-lived assets over the assets' expected useful lives.



**Permanently Restricted:** Net assets that are subject to donor-imposed stipulations that they be maintained permanently by the Organization. In addition, all protected properties are classified as permanently restricted net assets. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

As of December 31, 2017 and 2016, the Organization had unrestricted, temporarily restricted and permanently restricted net assets.

### **Accounting 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.

### **Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

### **Cash and Cash Equivalents**

For purposes of reporting cash flows, the Organization considers all highly liquid debt instruments with an initial maturity of three months or less to be cash equivalents, excluding amounts the use of which is limited by restriction. As of December 31, 2017 and 2016 the Organization had cash equivalents of \$1,036 and \$1,035, respectively.

### **Property and Depreciation**

Property and equipment are recorded at cost or, if contributed, at estimated fair value at the date of contribution, with the exception of conservation easements discussed elsewhere in Note 2. Material assets with a useful life in excess of one year are capitalized. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Office Equipment	3 – 7 years
Furniture and Fixtures	5 – 10 years

Costs for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Depreciation expense totaled \$2,322 and \$2,176 for the years ended December 31, 2017 and 2016, respectively.

### **Advertising**

The Organization expenses advertising costs as incurred.

### **Functional Allocation of Expenses**

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

**Land Protection:** This program includes the permanent protection of new property and associated natural resources through the donation or purchase of conservation easements and land, as well as stewardship and management of those lands and easements once acquired. These activities are conducted by staff, volunteers and contracted professionals and include the evaluation, negotiation and completion of new land acquisition projects; and conducting natural resource inventories, boundary maintenance, habitat management, and easement monitoring site visits on lands and easements already acquired.

**Outreach:** This program is focused on educating members of the Upper Saco Valley Land Trust, the general public, and community leaders on land conservation options and natural resources through field trips, seminars, presentations and special events.

### **Conservation Easements**

In conformity with the practice followed by many land trusts, conservation easements purchased or donated are recorded as assets on the statement of financial position at the nominal value of \$1. All easements acquired by purchase are recorded as conservation activities expenses in the statement of activities and changes in net assets. In addition, costs incurred in obtaining the easements are recorded as current period expenses.

### **Income Taxes**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation.

Management has evaluated the Organization's tax positions and concluded that the Organization has maintained its tax-exempt status and has taken no uncertain tax positions that would require adjustment to the financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the United States Federal or State tax authorities prior to 2014.

### **Donations of Long-Lived Assets**

The Organization records donations of services and materials which increase long-lived assets at their fair values and recognizes these revenues as increases in unrestricted net assets.

## **NOTE 3**

### **UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give represent promises to give, which have been made by donors but have not yet been received by the Organization. Pledges, which will not be received in the subsequent year, have been discounted using an estimated rate of return, which could be earned if such contributions had been made in the current year. The Organization considers unconditional promises to give fully collectible; accordingly, no

allowance for uncollectible promises to give have been recorded. Promises to give that are due in more than one year are discounted at 3%. The Organization expects to collect all promises to give within one year and therefore has provided for no discount for each of the years ended December 31, 2017 and 2016.

The Organization believes all contributions to be collectable, and therefore, has recorded no allowance for uncollectable amounts as of December 31, 2017 and 2016.

**NOTE 4** **CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances that, at times, may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for the years ended December 31, 2017 and 2016. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts. At December 31, 2017 and 2016, cash balances in excess of FDIC coverage aggregated \$219,776 and \$228,730, respectively.

**NOTE 5** **BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (MAINE COMMUNITY FOUNDATION)**

The Organization transfers certain gifts and grants to the Maine Community Foundation (MCF) in an irrevocable designated fund of MCF, the income of which will be provided to the Organization to use in programs and operations.

MCF maintains investments in a pooled investment account and, using a unitary allocation system, allocates a distribution of income to the Organization each calendar year based on a percentage of the average balance of the fund principle over a specified period. Activity in the account was as follows for the years ended December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Balance at January 1	\$ 176,703	\$ 161,199
Contributions	3,890	11,250
Distributions	(6,460)	(7,492)
Fees	(2,639)	(765)
Net investment gain (loss)	<u>26,042</u>	<u>12,511</u>
Balance at December 31	<u>\$ 197,536</u>	<u>\$ 176,703</u>

**NOTE 6** **CONTINGENCIES**

The Organization holds 50 conservation easements covering 7,846 acres of land. There may be future costs associated with maintaining these properties in accordance with the conservation commitment the easements and properties were acquired to uphold. Because there is no reasonable basis for estimating the potential future cost of defending these easements and properties no liability has been recognized in these financial reports.

**NOTE 7****SPECIAL PROJECTS, EASEMENT ACQUISITIONS**

Special project expenses consisted of the following during the year ended December 31, 2017:

Easements Acquired by donation:	
Easement, Hatches Orchard, 50 acres	\$ 1
Easement, Dannies III, 77 acres	<u>1</u>
Total easements acquired by donation	<u>\$ 2</u>
Other Project expenses:	
Easement, Bald Hill Road, 91 acres	\$ 274,999
Other expenses related to current year projects:	85,050
Expenses related to future year projects:	<u>44,301</u>
Total special project expense	<u>\$ 404,350</u>

Special project expenses consisted of the following during the year ended December 31, 2016:

Easements Acquired by donation:	
Easement, Hastings-Smart Hill, 111 acres	\$ 1
Easement, Hayes Farm, 80 acres	<u>1</u>
Total easements acquired by donation	<u>\$ 2</u>
Other Project expenses:	
Expenses related to current year projects:	\$ 299,548
Expenses related to future year projects:	<u>11,378</u>
Total special project expense	<u>\$ 310,926</u>

**NOTE 8****NON-CASH CONTRIBUTIONS, LAND AND EASEMENTS**

During the years ended December 31, 2017 and 2016, the Organization received the following non-cash contributions:

Noncash contributions 2017:	
Easement, Hatches Orchard, 50 acres	\$ 1
Easement, Dannies III, 77 acres	<u>1</u>
Total noncash contributions	<u>\$ 2</u>
Noncash contributions 2016:	
Land, Mt. Surprise, 38 acres	\$ 20,000
Easement, Hayes Farm, 80 acres	1
Easement, Hastings-Smart Hill, 111 acres	<u>1</u>
Total noncash contributions	<u>\$ 20,002</u>

**NOTE 9****LEASE COMMITMENT**

The Organization was a tenant under a two year lease from April 2015 to April 2017. In April 2017 the Organization signed a new one year lease expiring April 2018. The lease includes an escalation clause matched to the consumer price index. Monthly rent payments were \$539 and \$531 for the years ended December 31, 2017 and 2016, respectively. The annual rent expense for 2017 and 2016 was \$6,424 and \$6,337, respectively.

**NOTE 10****LINE OF CREDIT**

The Organization maintains a \$100,000 line of credit with an area bank. The interest rate is variable with a 2.0% margin over the Index, which is the Prime rate as published in the Wall Street Journal. The interest rate as of December 31, 2017 and 2016 was 6.50% and 5.75%, respectively. Interest payments are required monthly. The line of credit expired on August 21, 2017 and was renewed through September 2022. The Organization did not draw on the line of credit and there were no outstanding balances as of December 31, 2017 and 2016, respectively.

**NOTE 11****BOARD DESIGNATED FUNDS**

Certain unrestricted funds have been set aside by the board of directors for particular purposes based on a formula that accounts for expected staff time and probability of legal action, which is determined by the complexity of the document and other factors. As of December 31, 2017 and 2016 the board designated funds consisted of the following:

	<b><u>2017</u></b>	<b><u>2016</u></b>
Legal reserve	\$ 98,982	\$ 95,886
Operating reserve	79,657	76,580
Fee owned stewardship	29,507	29,478
Thorne Memorial	<u>5,111</u>	<u>5,106</u>
Total board designated funds	<u>\$ 213,257</u>	<u>\$ 207,050</u>

**NOTE 12****TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of the following as of December 31, 2017 and 2016:

	<b><u>2017</u></b>	<b><u>2016</u></b>
Easement support	\$ 494,660	\$ 138,268
Summer intern	2,026	7,082
Land action	27,579	27,552
Foundation pledge	-	20,000
General and other	15,110	20,091
MCF Fund	<u>199,146</u>	<u>176,703</u>
Total temporarily restricted net assets	<u>\$ 738,521</u>	<u>\$ 389,696</u>

Permanently restricted net assets consist of the following as of December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Land conservation	\$ 1,130,812	\$ 1,130,812
Easement conservation	<u>50</u>	<u>47</u>
Total permanently restricted net assets	<u>\$ 1,130,862</u>	<u>\$ 1,130,859</u>

**NOTE 13** **RECLASSIFICATIONS**

Certain reclassifications have been made to the prior year's financial statements to conform to the current year presentation. These reclassifications had no effect on the previously reported changes in net income, or net assets.

**NOTE 14** **SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through November 13, 2018, the date the December 31, 2017 financial statements were available for issuance.