

Sierra Foothill Conservancy | Mariposa, CA

Consolidated Financial Statements

For the Years Ended June 30, 2024 and 2023



PRICE PAIGE & COMPANY
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Sierra Foothill Conservancy
Mariposa, California

Opinion

We have audited the accompanying consolidated financial statements of Sierra Foothill Conservancy, a nonprofit organization, and affiliates (the Conservancy), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Conservancy and affiliates as of June 30, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits 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 Consolidated Financial Statements section of our report. We are required to be independent of the Conservancy 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 opinions.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conservancy's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Conservancy'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conservancy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position, activities, operating expenses, and cash flows on pages 27-30 for the year ended June 30, 2024 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Clovis, California
January 21, 2025

CONSOLIDATED FINANCIAL STATEMENTS

SIERRA FOOTHILL CONSERVANCY | JUNE 30, 2024 AND 2023
Consolidated Statements of Financial Position

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 2,865,435	\$ 2,572,566
Investments	21,900,193	19,302,577
Grants and other receivables	1,337,124	699,108
Prepaid expenses and other assets	40,378	14,334
Inventories	-	13,200
Property and equipment, net	456,361	524,571
Conserved land	9,599,416	9,599,416
Total assets	<u>\$ 36,198,907</u>	<u>\$ 32,725,772</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 118,436	\$ 54,471
Accrued expenses	107,319	90,116
Credit card payable	20,673	15,468
Other payable	20,240	60,233
Deferred revenue	118,100	117,304
Agency and trust fund	126,545	111,818
Total liabilities	<u>511,313</u>	<u>449,410</u>
Net assets:		
Net assets without donor restrictions	3,200,456	2,586,709
Net assets with donor restrictions	<u>32,487,138</u>	<u>29,689,653</u>
Total net assets	<u>35,687,594</u>	<u>32,276,362</u>
Total liabilities and net assets	<u>\$ 36,198,907</u>	<u>\$ 32,725,772</u>

See Independent Auditor's Report and Notes to the Consolidated Financial Statements.

SIERRA FOOTHILL CONSERVANCY | FOR THE YEAR ENDED JUNE 30, 2024

Consolidated Statement of Activities

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenues, gains and support:			
Grant income	\$ 574,912	\$ -	\$ 574,912
Investment income (loss), net	62,390	2,725,504	2,787,894
Contributions:			
Cash and other financial assets	1,448,652	376,805	1,825,457
Nonfinancial assets	5,930,000	-	5,930,000
Grazing fees	99,251	-	99,251
Fees for services	398,985	-	398,985
Gain on sale of property	-	-	-
Miscellaneous income	1,802	-	1,802
Rental income	11,200	-	11,200
Beef sales	33,032	-	33,032
Total revenues, gains and support before net assets released from restrictions	8,560,224	3,102,309	11,662,533
Net assets released from restrictions	304,824	(304,824)	-
Total revenues, gains and support after of net assets released from restrictions	8,865,048	2,797,485	11,662,533
Costs and expenses:			
Program services	7,629,317	-	7,629,317
Supporting Services	560,249	-	560,249
Sierra Lands Beef, LLC	61,735	-	61,735
Total costs and expenses	8,251,301	-	8,251,301
Changes in net assets	613,747	2,797,485	3,411,232
Net assets, beginning of year	2,586,709	29,689,653	32,276,362
Net assets, end of year	\$ 3,200,456	\$ 32,487,138	\$ 35,687,594

See Independent Auditor's Report and Notes to the Consolidated Financial Statements.

SIERRA FOOTHILL CONSERVANCY | FOR THE YEAR ENDED JUNE 30, 2023

Consolidated Statement of Activities

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenues, gains and support:			
Grant income	\$ 279,998	\$ -	\$ 279,998
Investment income (loss), net	41,653	1,783,170	1,824,823
Contributions:			
Cash and other financial assets	435,585	3,057	438,642
Nonfinancial assets	-	-	-
Grazing fees	46,589	-	46,589
Fees for services	261,336	-	261,336
Gain on sale of property	2,500	-	2,500
Miscellaneous income	1,288	-	1,288
Rental income	12,600	-	12,600
Beef sales	50,419	-	50,419
Total revenues, gains and support before net assets released from restrictions	1,131,968	1,786,227	2,918,195
Net assets released from restrictions	388,278	(388,278)	-
Total revenues, gains and support after of net assets released from restrictions	1,520,246	1,397,949	2,918,195
Costs and expenses:			
Program services	1,180,410	-	1,180,410
Supporting services	591,783	-	591,783
Sierra Lands Beef, LLC	77,594	-	77,594
Total costs and expenses	1,849,787	-	1,849,787
Changes in net assets	(329,541)	1,397,949	1,068,408
Net assets, beginning of year	2,916,250	28,291,704	31,207,954
Net assets, end of year	\$ 2,586,709	\$ 29,689,653	\$ 32,276,362

See Independent Auditor's Report and Notes to the Consolidated Financial Statements.

SIERRA FOOTHILL CONSERVANCY | FOR THE YEAR ENDED JUNE 30, 2024
Consolidated Statement of Functional Expenses

	Program Services	Supporting Services		Sierra Lands Beef, LLC	Total
		Fundraising	General and Administrative		
Costs and expenses:					
Personnel costs:					
Salaries and wages	\$ 684,272	\$ 101,515	\$ 241,311	\$ -	\$ 1,027,098
Employee benefits	68,749	10,199	24,244	-	103,192
Payroll taxes	<u>51,473</u>	<u>7,636</u>	<u>18,152</u>	<u>-</u>	<u>77,261</u>
Total personnel costs	<u>804,494</u>	<u>119,350</u>	<u>283,707</u>	<u>-</u>	<u>1,207,551</u>
Other costs and expenses:					
Advertising and promotion	-	-	-	-	-
Auto expenses	15,528	2,304	5,476	6,030	29,338
Bank and finance charges	1,266	3,072	660	458	5,456
Community education	3,207	476	1,131	-	4,814
Conference expenses	7,410	1,099	2,613	-	11,122
Conservation easements	5,932,600	-	-	-	5,932,600
Contracted services	406,407	2,650	6,425	9,465	424,947
Cost of cattle sold	-	-	-	32,992	32,992
Dues and subscriptions	10,973	1,628	3,870	-	16,471
Feed supplements	-	-	-	4,027	4,027
Grazing fees	-	-	-	1,185	1,185
Insurance	45,358	6,729	15,996	1,442	69,525
License and permits	9,676	1,436	3,412	-	14,524
Program materials and supplies	26,944	1,922	57	-	28,923
Miscellaneous	67	10	24	175	276
Office expense	10,928	1,621	3,854	484	16,887
Postage and delivery	64	1,839	604	-	2,507
Printing and copying	4,196	12,563	3,494	-	20,253
Professional fees	184,625	6,485	10,320	350	201,780
Property taxes	929	138	328	-	1,395
Rent and related	13,564	2,012	4,783	-	20,359
Repairs and maintenance	57,125	-	283	3,438	60,846
Taxes and licenses	-	-	-	800	800
Travel	23,887	2,032	10,741	889	37,549
Utilities	<u>21,482</u>	<u>3,187</u>	<u>7,576</u>	<u>-</u>	<u>32,245</u>
Total other costs and expenses	<u>6,776,236</u>	<u>51,203</u>	<u>81,647</u>	<u>61,735</u>	<u>6,970,821</u>
Subtotal	7,580,730	170,553	365,354	61,735	8,178,372
Depreciation	<u>48,587</u>	<u>7,208</u>	<u>17,134</u>	<u>-</u>	<u>72,929</u>
Total costs and expenses	<u>\$ 7,629,317</u>	<u>\$ 177,761</u>	<u>\$ 382,488</u>	<u>\$ 61,735</u>	<u>\$ 8,251,301</u>

See Independent Auditor's Report and Notes to the Consolidated Financial Statements.

SIERRA FOOTHILL CONSERVANCY | FOR THE YEAR ENDED JUNE 30, 2023

Consolidated Statement of Functional Expenses

	Program Services	Supporting Services		Sierra Lands Beef, LLC	Total
		Fundraising	General and Administrative		
Costs and expenses:					
Personnel costs:					
Salaries and wages	\$ 601,841	\$ 88,743	\$ 234,389	\$ -	\$ 924,973
Employee benefits	62,913	9,277	24,502	-	96,692
Payroll taxes	45,740	6,744	17,813	-	70,297
Total personnel costs	<u>710,494</u>	<u>104,764</u>	<u>276,704</u>	<u>-</u>	<u>1,091,962</u>
Other costs and expenses:					
Advertising and promotion	-	-	-	2,883	2,883
Auto expenses	13,233	1,951	5,153	4,501	24,838
Bank and finance charges	866	3,578	572	1,060	6,076
Community education	15,414	2,273	6,003	-	23,690
Conference expenses	7,536	1,111	2,935	-	11,582
Conservation easements	1,100	-	-	-	1,100
Contracted services	153,449	15,712	24,895	15,694	209,750
Cost of cattle sold	-	-	-	36,900	36,900
Dues and subscriptions	20,887	3,080	8,135	70	32,172
Feed supplements	-	-	-	1,187	1,187
Grazing fees	-	-	-	10,000	10,000
Insurance	38,218	5,636	14,885	-	58,739
License and permits	2,595	383	1,011	-	3,989
Program materials and supplies	4,184	5,810	330	-	10,324
Miscellaneous	-	42	112	10	164
Office expense	6,991	1,031	2,723	361	11,106
Postage and delivery	550	2,654	317	105	3,626
Printing and copying	1,215	19,683	2,939	-	23,837
Professional fees	68,952	2,968	8,038	201	80,159
Property taxes	-	-	-	-	-
Rent and related	13,117	1,934	5,109	-	20,160
Repairs and maintenance	20,100	630	173	3,326	24,229
Taxes and licenses	-	-	-	800	800
Travel	15,009	1,688	10,378	496	27,571
Utilities	22,440	3,309	8,739	-	34,488
Total other costs and expenses	<u>405,856</u>	<u>73,473</u>	<u>102,447</u>	<u>77,594</u>	<u>659,370</u>
Subtotal	1,116,350	178,237	379,151	77,594	1,751,332
Depreciation	<u>64,060</u>	<u>9,446</u>	<u>24,949</u>	<u>-</u>	<u>98,455</u>
Total costs and expenses	<u>\$ 1,180,410</u>	<u>\$ 187,683</u>	<u>\$ 404,100</u>	<u>\$ 77,594</u>	<u>\$ 1,849,787</u>

See Independent Auditor's Report and Notes to the Consolidated Financial Statements.

SIERRA FOOTHILL CONSERVANCY | FOR THE YEARS ENDED JUNE 30, 2024 AND 2023
Consolidated Statements of Cash Flows

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 3,411,232	\$ 1,068,408
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	72,929	98,455
Unrealized investment (gains) losses	(2,229,864)	(1,401,425)
Change in operating assets and liabilities:		
Grants and other receivable	(594,442)	420,428
Prepaid expenses and other assets	(26,044)	9,831
Inventories	13,200	2,400
Accounts payable	20,391	(4,562)
Accrued expenses	17,203	(9,052)
Credit card and other payables	(34,788)	75,701
Agency, trust fund and deferred revenue	15,523	58,377
Net cash provided by (used in) operating activities	<u>665,340</u>	<u>318,561</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, equipment and breeding cattle	(4,719)	(7,823)
Proceeds from sale of investment securities	6,223,929	40,710
Purchase of investment securities	<u>(6,591,681)</u>	<u>(128,551)</u>
Net cash provided by (used in) investing activities	<u>(372,471)</u>	<u>(95,664)</u>
Net increase (decrease) in cash and cash equivalents	292,869	222,897
Cash and cash equivalents, beginning of year	<u>2,572,566</u>	<u>2,349,669</u>
Cash and cash equivalents, end of year	<u>\$ 2,865,435</u>	<u>\$ 2,572,566</u>
Supplemental disclosures of cash flow information:		
Taxes paid	<u>\$ 800</u>	<u>\$ 800</u>
Interest paid	<u>\$ 747</u>	<u>\$ 3,057</u>

See Independent Auditor's Report and Notes to the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND OPERATIONS

The Sierra Foothill Conservancy (the Conservancy) is a California non-profit corporation formed in 1996 to protect, manage, administer, and preserve land and wildlife in the Central California area. The Conservancy protects foothill land through land acquisition, conservation easements, public programs and education and scientific research. The Conservancy's primary sources of revenue are contributions from the general public, grants, including gifts of land and conservation easements, fees for service and investment earnings.

During November 2010, the Conservancy established a wholly-owned subsidiary, Sierra Lands Beef, Limited Liability Company (the LLC) under the laws of the State of California. The primary purpose of the LLC is to raise and sell grass-fed beef. The LLC's primary source of revenue is from the sale of grass-fed beef. All of the activities of the LLC have been recorded and reflected in the consolidated financial statements of the Conservancy.

The Conservancy is managed by its Board of Directors who are elected in accordance with its by-laws. While the Conservancy solicits "members" on an annual basis, it is not managed by such members.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidated Financial Statements

The consolidated financial statements are presented on the accrual basis of accounting and include all accounts of the Conservancy and LLC. All significant intercompany transactions have been eliminated.

New Accounting Pronouncements

In June 2016, the FASB issued guidance (FASB ASU 2016-13) *Financial Instruments – Credit Losses* which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through change in net assets or net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing the Conservancy's exposure to credit risk and the measurement of credit losses. Financial assets held by the Conservancy that are subject to the guidance in FASB ASU 2016-13 were grants and other receivables. The Conservancy adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new and enhanced disclosures only.

Classification of Net Assets

The consolidated financial statements of the Conservancy have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Conservancy 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 Conservancy. These net assets may be used at the discretion of the Conservancy'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 Conservancy or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund and Endowment Investment Spending Policies

The Conservancy has adopted investment and spending policies for its net assets with donor restrictions (endowment assets) whose goal is to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the Endowment Assets. The Conservancy's spending and investment policies are expected to work together to achieve this objective. The investment policy establishes return objectives with diversification of asset classes. The Conservancy's current long-term return objective is to earn 5% annually. Actual returns in any given year may vary from this amount.

To satisfy its long-term return objectives, the Conservancy relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Conservancy targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The spending policy calculates the amount of money to be annually distributed from the Conservancy's various endowed funds, for conservation and/or administration. At June 30, 2024 and 2023, the current spending policy is to distribute an amount up to 5% of the prior three fiscal years' average fund balances. However, the individual endowment fund's spending policy may also be dependent upon individual agreements with the donors.

Fair Value of Certain Financial Instruments

Due to the short-term nature of cash and cash equivalents, grants and other receivables, prepaid expense and other assets, accounts payable, and accrued expenses, their fair values approximate their carrying values.

Cash and Cash Equivalents

Cash and cash equivalents consist of various demand and interest-bearing accounts on deposit with insured financial and brokerage institutions. The Conservancy considers all investments with an original maturity of three months or less to be cash equivalents.

Investments

All of the Conservancy's investments are available for sale. Investment income, including unrealized gains and losses, interest, dividends and related items are recognized in the Consolidated Statements of Activities as they are incurred. Investments are stated at their estimated fair value based on quoted closing prices or other information provided by the Conservancy's professional investment advisors.

Inventories

Inventory comprises packaged beef available for sale and grass-fed livestock cattle raised for the sale of meat and by-products. The cost of packaged beef meat is generally determined using the specific identification of the cattle, including all necessary expenses for preparation and sale. Livestock cattle are generally valued at cost and include appropriate allocations of cost for feed, supplements, grazing, veterinary and other expenses.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are comprised of autos, improvements, equipment and livestock cattle used for breeding purposes. Amounts are stated at cost or, if donated, at the asset's estimated fair value at the date of donation. All assets acquired by the Conservancy whose initial value or cost exceeds \$1,000 are capitalized and depreciated. Routine repairs and maintenance, including planned major maintenance activities are expensed when incurred. Depreciation is recorded using the straight-line method over estimated useful lives of 5 to 40 years.

Conserved Land, Conservation Easements and Acquisition Costs

The Conservancy records conserved land at cost, if purchased, or at its appraised fair market value if received as a contribution.

The Conservancy capitalizes certain fees incurred in connection with the acquisition of conserved land and conservation easements. Legal and appraisal fees that are directly related to the potential acquisition of property are capitalized and included in the total value of the acquired land or conservation easement. Costs capitalized in connection with a potential acquisition that is unsuccessful are expensed in the period in which management believes, more likely than not, the ultimate acquisition of the property will not be completed.

Contributions, or purchases, of conservation easements are recorded as program service expenses when acquired as, in the opinion of management, they represent contributions by the Conservancy to the Sierra Foothill and Central San Joaquin Valley communities.

Agency and Trust Fund

The Conservancy may serve as a fiscal agent for third party donors to conduct various community programs. As a fiscal agent the Conservancy may receive funds with donor-imposed restrictions for which it does not have either 1) a unilateral right to redirect the funds to other uses (variance power) or 2) significant involvement in the determination of specific beneficiaries. Such funds are not considered to be contributions and are recorded as Agency and Trust Fund liabilities.

Changes in the Agency and Trust Fund liabilities are reported separately and are not included in the Conservancy's Consolidated Statement of Activities.

Use of Estimates

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Conservancy recognizes revenue from service fees at a point in time when the services are performed. Grazing fees represent fees charged to customers for cattle grazing on the Conservancy's property and recognized as revenue at a point in time. The Conservancy also has cattle and beef sales which is recognized at a point in time. Additionally, the Conservancy charges rent to tenants on Conservancy property and revenue is recognized at a point in time.

The Conservancy records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

The Conservancy recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets with donor restrictions and net assets released from restriction if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. 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 Consolidated Statements of Activities as net assets released from restrictions.

Contributed Nonfinancial Assets

The Conservancy recognized contributed nonfinancial assets within revenue, including donated land, assets, property, equipment, and professional services. Contributed nonfinancial assets are recognized as contributions if they have ascertainable fair values and are able to be realized in cash or other liquid assets.

Contributions of land, land interests and conservation easements, and donations of other property are recorded when the donor makes an unconditional and enforceable promise to give and are considered unrestricted unless received with donor-imposed stipulations that limit their use. Such contributions are stated at the fair market value at the date of donation, generally based on independent appraisals obtained by the donor.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising and Promotion

The Conservancy expenses all advertising and promotion costs as incurred. Total advertising expense for the years ended June 30, 2024 and 2023, was \$0 and \$2,883, respectively.

Tax Exempt Status

The Conservancy has qualified as a non-profit organization and has been granted tax-exempt status pursuant to the Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701(d). The Conservancy and its LLC are subject to taxation on any unrelated business income, primarily related to the sale of grass-fed beef. The LLC is subject to the State of California's minimum entity tax.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Conservancy's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

Functional Allocation of Expenses

The costs of providing the various programs and supporting activities of the Conservancy have been summarized on a functional basis in the Consolidated Statements of Functional Expenses. Accordingly, certain costs have been allocated among the program services and supporting activities (fundraising and general and administrative) based on management's estimate of the actual personnel and facilities utilized in such activities.

Allocated expenses include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and wages	Time and effort
Employee benefits	Time and effort
Payroll taxes	Time and effort
Auto expense	Time and effort
Community education	Time and effort
Conference expenses	Time and effort
Dues and subscriptions	Time and effort
Insurance	Time and effort
Interest expense	Time and effort
Licenses and permits	Time and effort
Miscellaneous	Time and effort
Office expense	Time and effort
Property taxes	Time and effort
Rent	Time and effort
Utilities	Time and effort
Depreciation	Time and effort

NOTE 3 – AVAILABILITY AND LIQUIDITY

Financial assets available for general expenditure within one year consisted of the following at June 30:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,865,435	\$ 2,572,566
Investments	21,900,193	19,302,577
Grants and other receivables	<u>1,337,124</u>	<u>699,108</u>
Subtotal	26,102,752	22,574,251
Less amounts not available to be used within one year:		
Donor-restricted with liquidity horizons greater than one year	<u>(23,503,975)</u>	<u>(21,157,297)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 2,598,777</u>	<u>\$ 1,416,954</u>

The Conservancy's goal is generally to maintain financial assets to meet 180 days of operating expenses. As part of the Conservancy's liquidity management plan, cash in excess of daily requirements is maintained in cash and cash equivalent accounts for immediate access should those funds be needed. Funds in excess of daily cash requirements may be used to meet unexpected liquidity needs.

NOTE 4 – INVESTMENTS

The fair value of investment securities consisted of the following at June 30:

	<u>2024</u>	<u>2023</u>
Equity securities	\$ 14,358,169	\$ 12,510,645
Bond mutual funds	7,470,996	6,706,480
Unit investment trusts	<u>71,028</u>	<u>85,452</u>
Total investments	<u>\$ 21,900,193</u>	<u>\$ 19,302,577</u>

The Conservancy maintains all of its investment funds at Vanguard Financial Corporation. At June 30, 2024 and 2023, investments held at Vanguard Financial Corporation had an approximate value of \$21,900,193 and \$19,302,577 respectively.

The Conservancy's investment activities consisted of the following at June 30:

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 604,984	\$ 464,108
Realized and unrealized gains (losses)	2,229,864	1,401,425
Investment fees	<u>(46,954)</u>	<u>(40,710)</u>
Total investment income, net	<u>\$ 2,787,894</u>	<u>\$ 1,824,823</u>

Investment securities are subject to various risks such as interest rate, market, and credit risks. Due to the level of risks associated with certain investment securities, it is likely that changes in the values of investment securities will occur in the near term and such changes could materially affect the Conservancy's account balances and amounts reported in the Consolidated Statements of Activities.

NOTE 5 – MITIGATION RECEIVABLE

Total mitigation receivable at June 30, 2024 was \$430,000, which was received subsequent to year-end.

NOTE 6 – PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of the following at June 30:

	2024	2023
Autos and trucks	\$ 197,199	\$ 197,199
Structures and improvements	1,081,845	1,081,845
Office equipment	30,719	26,000
Maintenance equipment	97,405	97,405
Breeding cattle and horses	18,500	18,500
Subtotal	1,425,668	1,420,949
Less accumulated depreciation and amortization	(969,307)	(896,378)
Total property and equipment, net	<u>\$ 456,361</u>	<u>\$ 524,571</u>

Depreciation expense for the years ended June 30, 2024 and 2023 was \$72,929 and \$98,455, respectively.

NOTE 7 – CONSERVATION EASEMENTS

During the year ended June 30, 2024, the Conservancy acquired conservation easements valued at approximately \$5,930,000 on 12,025 acres of land. During the year ended June 30, 2023, the Conservancy did not acquire any conservation easements. As of June 30, 2024, the Conservancy acquired conservation easements, either through donations, purchases, or transfers, on approximately 53,632 acres of land throughout the Central California area.

NOTE 8 – CONSERVED LAND

Conserved land consisted of the following at June 30:

	<u>2024</u>	<u>2023</u>
Tivy Mountain Preserve:		
Tivy Mountain Preserve	\$ 164,000	\$ 164,000
DeLeon Property	100,000	100,000
Franklin Property	140,000	140,000
Carter Property	59,000	59,000
Beach Property	135,000	135,000
Morrison Property	<u>156,601</u>	<u>156,601</u>
Total Tivy Mountain Preserve	<u>754,601</u>	<u>754,601</u>
Black Mountain Miller Preserve:		
Miller Preserve	142,000	142,000
Black Mountain Ridge	190,000	190,000
Ferrell Property	364,000	364,000
Staebler Property	67,891	67,891
Kneeland/Shows Property	<u>1,186,435</u>	<u>1,186,435</u>
Total Black Mountain Miller Preserve	<u>1,950,326</u>	<u>1,950,326</u>
Other preserves:		
Table Mountain Preserve	592,000	592,000
Fine Gold Creek	2,793,260	2,793,260
Haslett Basin Property	75,325	75,325
Feliciana Mountain Preserve	110,000	110,000
Bean Creek	203,000	203,000
Martin Preserve	785,380	785,380
Mastin Preserve	1,624,704	1,624,704
Stookey Preserve	<u>710,820</u>	<u>710,820</u>
Total other preserves	<u>6,894,489</u>	<u>6,894,489</u>
Total conserved land	<u>\$ 9,599,416</u>	<u>\$ 9,599,416</u>

At June 30, 2024, the Conservancy owns a fee title in approximately 7,666 acres of foothill land preserved and protected within the Central California area. The value of conserved land that has been subject to restrictions in perpetuity by the donors totaled approximately \$8,983,164 for both years ended June 30, 2024 and 2023, respectively.

NOTE 9 – LONG-TERM DEBT

LLC Intercompany Note

The LLC had a commercial loan with CVCB during the year ended June 30, 2014 which was paid by the Conservancy. Concurrent with the principal payment to CVCB by the Conservancy during the year ended June 30, 2014, a promissory note was established with the LLC for repayment in the amount of \$232,391. Terms of the note require repayment by the LLC at a rate of \$2,087 per month including interest accruing at a rate of 5.50% annually. At June 30, 2024 and 2023, the balance remaining on the promissory note was \$0 and \$43,574, respectively. Total interest paid to the Conservancy by the LLC for the years ended June 30, 2024 and 2023 was \$747 and \$3,057, respectively and was eliminated as an inter-company transaction during consolidation of the financial statements.

NOTE 10 – CONCENTRATION OF CREDIT RISK

The Conservancy maintains balances in various accounts with banks and brokerage institutions. At June 30, 2024 and 2023, there were approximately \$125,000 and \$528,000, respectively, in excess of insurance provided by FDIC, SIPC and brokerage private insurance for cash and cash equivalents or investment securities, respectively.

Accounts maintained at Vanguard are protected in accordance with the Securities Investor Protection Corporation (SIPC) up to \$500,000. The \$500,000 total amount of SIPC protection is inclusive of up to \$250,000 protection for claims for cash.

NOTE 11 – FAIR VALUE MEASUREMENTS

In accordance with generally accepted accounting principles, fair value is defined as the price that the entity would receive upon selling an asset or pay to transfer a liability at the reporting date. Generally accepted accounting principles establishes a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing an asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing an asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are those that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the asset or liability developed based on the best information available.

The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, and fair value is determined through the use of other valuation methodologies.

Level 3 – Valuations based on inputs that are not observable and significant to the overall fair value measurement, including the entity's own assumptions in determining the fair value of assets or liabilities.

NOTE 11 – FAIR VALUE MEASUREMENTS (Continued)

The following is a summary of the inputs used as of June 30 in valuing the Conservancy's financial assets carried at fair value:

	2024			
	Level 1	Level 2	Level 3	Total
Types of investments:				
Equity securities	\$ 14,358,169	\$ -	\$ -	\$ 14,358,169
Bond mutual funds	7,470,996	-	-	7,470,996
Unit investment trusts	71,028	-	-	71,028
Total investment securities	<u>\$ 21,900,193</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,900,193</u>
	2023			
	Level 1	Level 2	Level 3	Total
Types of investments:				
Equity securities	\$ 12,510,645	\$ -	\$ -	\$ 12,510,645
Bond mutual funds	6,706,480	-	-	6,706,480
Unit investment trusts	85,452	-	-	85,452
Total investment securities	<u>\$ 19,302,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,302,577</u>

NOTE 12 – BOARD-DESIGNATED NET ASSETS

Board-designated net assets are net assets without donor restrictions in which the Board of the Conservancy has designated for specific purposes. Board-designated net assets consisted of the following at June 30:

	2024	2023
Black Mountain Ridge	\$ 190,000	\$ 190,000
Franklin Property	140,000	140,000
Morrison Property	156,601	156,601
Reed Property	12,865	10,418
Martin Fund	16,800	12,600
June Gill IRA	188,012	188,012
Knoblock	51,999	51,999
Warner	44,164	-
Kemp	267,704	-
Total board-designated net assets	<u>\$ 1,068,145</u>	<u>\$ 749,630</u>

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30:

	2024	2023
Conserved Land:		
Tivy Mountain Preserve:		
Tivy Mountain Preserve	\$ 164,000	\$ 164,000
DeLeon Property	100,000	100,000
Carter Property	59,000	59,000
Beach Property	135,000	135,000
Total Tivy Mountain Preserve	<u>458,000</u>	<u>458,000</u>
Black Mountain Miller Preserve:		
Miller Preserve	142,000	142,000
Ferrell Property	364,000	364,000
Kneeland/Shows Property	1,130,000	1,130,000
Total Black Mountain Miller Preserve	<u>1,636,000</u>	<u>1,636,000</u>
Other Preserves:		
Table Mountain Preserve	592,000	592,000
Fine Gold Creek	2,793,260	2,793,260
Haslett Basin Property	70,000	70,000
Feliciana Mountain Preserve	110,000	110,000
Bean Creek	203,000	203,000
Martin Preserve	785,380	785,380
Mastin Preserve	1,624,704	1,624,704
Stookey Preserve	710,820	710,820
Total other preserves	<u>6,889,164</u>	<u>6,889,164</u>
Endowment funds:		
Kennedy Table Endowment	299,353	264,569
Fine Gold Endowment	293,355	260,151
Feliciana Mountain Endowment	294,897	264,626
Campos Endowment	934,510	821,544
Lower Jamison Endowment	4,241,931	3,768,604
Upper Jamison Endowment	3,379,691	2,946,695
Tivy E. Endowment	220,013	193,417
Tivy W. Endowment	220,013	193,417
McKenzie/MQ2 Endowment	171,934	151,150
North Shore Endowment	2,310,980	2,116,026
Fenston Ranch Endowment	3,191,132	2,805,379
Tesoro Viejo Endowment	2,456,779	2,159,797
Total endowment funds	<u>18,014,588</u>	<u>15,945,375</u>

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

	2024	2023
Other funds:		
McKenzie Trust	1,200,901	1,084,314
Conservation Easement Monitoring Fund	917,895	515,600
Conservation Easement Defense Fund	488,730	392,448
Stewardship Council Fund	834,890	737,452
Campos Fund	10,145	19,367
Martin Interim Fund	358,994	328,564
Upper Jamison Interim	23,319	58,258
Tivy E. Interim	89,349	82,204
Tivy W. Interim	91,518	84,373
Bohna Interim Fund	4,484	7,456
Bohna Long Term Fund	279,128	245,386
Stewardship Funds - Mastin Preserve	22,025	22,025
Fenston Ranch Interim Fund	92,363	156,692
Tesoro Viejo Interim Fund	134,467	165,688
Hornitos Ranch Stewardship Fund	125,430	110,268
June Gill Trust	280,274	280,274
Stookey Preserve Long Term Fund	535,474	470,745
Total other funds	<u>5,489,386</u>	<u>4,761,114</u>
 Total net assets with donor restrictions	 <u>\$ 32,487,138</u>	 <u>\$ 29,689,653</u>

Net assets with donor restrictions classified between time and purpose restrictions were as follows at June 30:

	2024	2023
Time restrictions:		
Mitigation receivable	\$ 315,000	\$ 430,000
Total time restrictions	<u>315,000</u>	<u>430,000</u>
Program restrictions:		
Stewardship	2,718,720	2,424,804
Conservation easement monitoring	2,001,662	1,663,588
Conservation easement defense	488,730	392,448
Other	280,274	280,274
Total program restrictions	<u>5,489,386</u>	<u>4,761,114</u>
Endowments:		
Endowments funds and assets to be held in perpetuity	20,017,330	19,902,330
Endowments income and appreciation	6,665,422	4,596,209
Total endowments	<u>26,682,752</u>	<u>24,498,539</u>
 Total net assets with donor restrictions	 <u>\$ 32,487,138</u>	 <u>\$ 29,689,653</u>

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Interpretation of Relevant Law

The Board of Directors of the Conservancy has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) to require classification, as Endowment Net Assets (a component of net assets with donor restrictions), 1) the fair value of a gift of net assets with donor restrictions in which principal is to be maintained in perpetuity, 2) the original value of any subsequent such gifts, and 3) any non-spendable accumulations on such gifts.

Endowment Net Assets

Endowment Net Assets by Composition consisted of the following at June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions			Total All Funds
		Original Gift	Accumulated Gains (Losses)	Total	
Board-designated funds	\$ -	\$ -	\$ -	\$ -	\$ -
Donor-restricted funds:					
Underwater	-	-	-	-	-
Other funds	-	20,017,328	6,665,424	26,682,752	26,682,752
Total endowment funds, June 30, 2024	\$ -	\$ 20,017,328	\$ 6,665,424	\$ 26,682,752	\$ 26,682,752

Endowment Net Assets by Composition consisted of the following at June 30, 2023:

	Without Donor Restrictions	With Donor Restrictions			Total All Funds
		Original Gift	Accumulated Gains (Losses)	Total	
Board-designated funds	\$ -	\$ -	\$ -	\$ -	\$ -
Donor-restricted funds:					
Underwater	-	-	-	-	-
Other funds	-	19,902,328	4,596,211	24,498,539	24,498,539
Total endowment funds, June 30, 2023	\$ -	\$ 19,902,328	\$ 4,596,211	\$ 24,498,539	\$ 24,498,539

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Changes in endowment net asset funds consisted of the following:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Endowment net assets, June 30, 2022	\$ -	\$ 23,181,622	\$ 23,181,622
Total investment return, net	-	1,429,229	1,429,229
Contributions and others	-	-	-
Appropriation of endowment assets for expenditure	-	(112,312)	(112,312)
Endowment net assets, June 30, 2023	-	24,498,539	24,498,539
Total investment return, net	-	2,171,447	2,171,447
Contributions and others	-	115,000	115,000
Appropriation of endowment assets for expenditure	-	(102,234)	(102,234)
Endowment net assets, June 30, 2024	\$ -	\$ 26,682,752	\$ 26,682,752

NOTE 14 – EMPLOYEE RETIREMENT PLAN

The Conservancy maintains a Savings Incentive Match Plan (5305-SIMPLE) covering eligible employees who meet certain minimum service requirements. The Conservancy provides a matching contribution equal to the employee's salary reduction contributions up to a percentage limit of the employee's annual compensation for the year. This percentage is determined by the Board of Directors annually. The current matching percentage is 6%. Contributions totaling \$51,597 and \$44,379 for the years ended June 30, 2024 and 2023, respectively, were made by the Conservancy, in addition to elective deferrals made by employees.

NOTE 15 – REVENUES FROM CONTRACTS WITH CUSTOMERS

Revenues from contracts with customers comprise of charges for services on various of the Conservancy's programs, including fee for services, grazing fees, rental income and beef sales. The total revenue earned from contracts with customers are as follows for the years ended June 30:

	2024	2023
Grazing fees	\$ 99,251	\$ 46,589
Fees for services	398,985	261,336
Rental income	11,200	12,600
Beef sales	33,032	50,419
Revenue from contracts with customers	\$ 542,468	\$ 370,944

Revenues from contracts with customers are all recognized at a point in time.

NOTE 16 – CONTRIBUTED NONFINANCIAL ASSETS

Contributed nonfinancial assets recognized within the Statements of Activities included the following at June 30:

	2024	2023
Conservation easements	\$ 5,930,000	\$ -
Total nonfinancial assets	<u>\$ 5,930,000</u>	<u>\$ -</u>

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated and concluded that there are no subsequent events that have occurred from June 30, 2024 through the date the consolidated financial statements were available to be issued on January 21, 2025 that would require disclosure or adjustment.

SUPPLEMENTARY INFORMATION

SIERRA FOOTHILL CONSERVANCY | JUNE 30, 2024
Consolidating Schedule, Statement of Financial Position

	Sierra Foothill Conservancy	Sierra Lands Beef, LLC	Eliminating Entries	Consolidated Balance
ASSETS				
Cash and cash equivalents	\$ 2,817,402	\$ 48,033	\$ -	\$ 2,865,435
Investments	21,900,193	-	-	21,900,193
Grants and other receivables	1,337,124	-	-	1,337,124
Prepaid expenses and other assets	40,378	-	-	40,378
Inventories	-	-	-	-
Property and equipment, net	444,213	12,148	-	456,361
Conserved land	9,599,416	-	-	9,599,416
Total assets	<u>\$ 36,138,726</u>	<u>\$ 60,181</u>	<u>\$ -</u>	<u>\$ 36,198,907</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 118,436	\$ -	\$ -	\$ 118,436
Accrued expenses	107,319	-	-	107,319
Credit card payable	20,673	-	-	20,673
Other payable	20,240	-	-	20,240
Deferred revenue	118,100	-	-	118,100
Agency and trust fund	126,545	-	-	126,545
Total liabilities	<u>511,313</u>	<u>-</u>	<u>-</u>	<u>511,313</u>
Net assets:				
Net assets without donor restrictions	3,140,275	60,181	-	3,200,456
Net assets with donor restrictions	32,487,138	-	-	32,487,138
Total net assets	<u>35,627,413</u>	<u>60,181</u>	<u>-</u>	<u>35,687,594</u>
Total liabilities and net assets	<u>\$ 36,138,726</u>	<u>\$ 60,181</u>	<u>\$ -</u>	<u>\$ 36,198,907</u>

SIERRA FOOTHILL CONSERVANCY | FOR THE YEAR ENDED JUNE 30, 2024

Consolidating Schedule, Statement of Activities

	Sierra Foothill Conservancy	Sierra Lands Beef, LLC	Eliminating Entries	Consolidated Balance
Revenues, gains and support:				
Grant income	\$ 574,912	\$ -	\$ -	\$ 574,912
Investment income, net	2,788,641	-	(747)	2,787,894
Contributions:				
Cash and other financial assets	1,825,457	-	-	1,825,457
Nonfinancial assets	5,930,000	-	-	5,930,000
Grazing fees	20,442	78,809	-	99,251
Fees for services	398,985	-	-	398,985
Gain on sale of property	-	-	-	-
Miscellaneous income	1,602	200	-	1,802
Rental income	11,200	-	-	11,200
Beef sales	-	33,032	-	33,032
Total revenues, gains and support	11,551,239	112,041	(747)	11,662,533
Total costs and expenses	8,189,566	62,482	(747)	8,251,301
Changes in net assets	3,361,673	49,559	-	3,411,232
Net assets, beginning of year	32,265,740	10,622	-	32,276,362
Net assets, end of year	\$ 35,627,413	\$ 60,181	\$ -	\$ 35,687,594

SIERRA FOOTHILL CONSERVANCY | FOR THE YEAR ENDED JUNE 30, 2024

Consolidating Schedule, Statement of Operating Expenses

	Sierra Foothill Conservancy	Sierra Lands Beef, LLC	Eliminating Entries	Consolidated Balance
Costs and expenses:				
Personnel costs:				
Salaries and wages	\$ 1,027,098	\$ -	\$ -	\$ 1,027,098
Employee benefits	103,192	-	-	103,192
Payroll taxes	77,261	-	-	77,261
Total personnel costs	<u>1,207,551</u>	<u>-</u>	<u>-</u>	<u>1,207,551</u>
Other costs and expenses:				
Auto expense	23,308	6,030	-	29,338
Bank and finance charges	4,998	458	-	5,456
Community education	4,814	-	-	4,814
Conference expenses	11,122	-	-	11,122
Conservation easement	5,932,600	-	-	5,932,600
Contracted services	415,482	9,465	-	424,947
Cost of cattle sold	-	32,992	-	32,992
Dues and subscriptions	16,471	-	-	16,471
Feed supplements	-	4,027	-	4,027
Grazing fees	-	1,185	-	1,185
Insurance	68,083	1,442	-	69,525
Interest expense	-	747	(747)	-
Licenses and permits	14,524	-	-	14,524
Member events	28,923	-	-	28,923
Miscellaneous	102	175	-	277
Office expense	16,403	484	-	16,887
Postage and delivery	2,507	-	-	2,507
Printing and copying	20,253	-	-	20,253
Professional fees	201,430	350	-	201,780
Property taxes	1,394	-	-	1,394
Rent and related	20,359	-	-	20,359
Repairs and maintenance	57,408	3,438	-	60,846
Taxes and licenses	-	800	-	800
Travel	36,660	889	-	37,549
Utilities	32,245	-	-	32,245
Total other costs and expenses	<u>6,909,086</u>	<u>62,482</u>	<u>(747)</u>	<u>6,970,821</u>
Subtotal	8,116,637	62,482	(747)	8,178,372
Depreciation	<u>72,929</u>	<u>-</u>	<u>-</u>	<u>72,929</u>
Total costs and expenses	<u>\$ 8,189,566</u>	<u>\$ 62,482</u>	<u>\$ (747)</u>	<u>\$ 8,251,301</u>

SIERRA FOOTHILL CONSERVANCY | FOR THE YEAR ENDED JUNE 30, 2024

Consolidating Schedule, Statement of Cash Flows

	Sierra Foothill Conservancy	Sierra Lands Beef, LLC	Eliminating Entries	Consolidated Balance
CASH FLOWS FROM OPERATING ACTIVITIES				
Changes in net assets	\$ 3,361,673	\$ 49,559	\$ -	\$ 3,411,232
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:				
Depreciation	72,929	-	-	72,929
Unrealized investment gains	(2,229,864)	-	-	(2,229,864)
Change in operating assets and liabilities:				
Grants and other receivable	(594,442)	-	-	(594,442)
Prepaid expenses and other assets	(26,044)	-	-	(26,044)
Inventories	-	13,200	-	13,200
Accounts payable	63,965	(43,574)	-	20,391
Accrued expenses	17,203	-	-	17,203
Credit card and other payable	(34,788)	-	-	(34,788)
Agency, trust fund and deferred revenue	15,523	-	-	15,523
Net cash provided by (used in) operating activities	<u>646,155</u>	<u>19,185</u>	<u>-</u>	<u>665,340</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, equipment and breeding cattle	(4,719)	-	-	(4,719)
Proceeds from sale of investment securities	6,223,929	-	-	6,223,929
Purchase of investment securities	<u>(6,591,681)</u>	<u>-</u>	<u>-</u>	<u>(6,591,681)</u>
Net cash provided by (used in) investing activities	<u>(372,471)</u>	<u>-</u>	<u>-</u>	<u>(372,471)</u>
Net increase (decrease) in cash and cash equivalents	273,684	19,185	-	292,869
Cash and cash equivalents, beginning of year	<u>2,543,718</u>	<u>28,848</u>	<u>-</u>	<u>2,572,566</u>
Cash and cash equivalents, end of year	<u>\$ 2,817,402</u>	<u>\$ 48,033</u>	<u>\$ -</u>	<u>\$ 2,865,435</u>
Supplemental disclosures of cash flow information:				
Taxes paid	\$ -	\$ 800	\$ -	\$ 800
Interest paid	\$ -	\$ 747	\$ -	\$ 747