

Financial Statements

Idaho Conservation League, Inc.
(a nonprofit organization)
Years Ended September 30, 2022 and 2021



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Idaho Conservation League, Inc.
Boise, Idaho

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Idaho Conservation League, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Idaho Conservation League, Inc. as of September 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Idaho Conservation League, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Idaho Conservation League, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.





Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Idaho Conservation League, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Idaho Conservation League, Inc.'s ability to continue as a going concern for a reasonable period of time.

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



Report on Summarized Comparative Information

We have previously audited the Idaho Conservation League, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 26, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Harris CPA

Meridian, Idaho
January 21, 2023



IDAHO CONSERVATION LEAGUE, INC.
STATEMENTS OF FINANCIAL POSITION
September 30, 2022
With Comparative Totals as of September 30, 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 500,075	\$ 378,488
Investments	2,590,843	2,982,307
Unconditional promises to give	36,148	84,309
Grants receivable	227,405	177,005
Prepaid expenses and other assets	<u>13,793</u>	<u>27,877</u>
Total Current Assets	3,368,264	3,649,986
Other Assets		
Endowment		
Investments		
With donor restrictions	2,295,279	2,295,779
Board designated	<u>1,019,998</u>	<u>2,254,895</u>
Total Investments	3,315,277	4,550,674
Cash and cash equivalents, board designated	601,852	205,380
Accrued interest, board designated	5,310	4,766
Unconditional promises to give, net -		
With donor restrictions	<u>23,400</u>	<u>22,900</u>
Total Endowment	3,945,839	4,783,720
Unconditional promises to give, net	0	4,026
Security deposits	3,622	3,622
Property and equipment, net	<u>525,040</u>	<u>456,657</u>
Total Other Assets	<u>4,474,501</u>	<u>5,248,025</u>
Total Assets	<u>\$ 7,842,765</u>	<u>\$ 8,898,011</u>

See notes to financial statements.

IDAHO CONSERVATION LEAGUE, INC.
STATEMENTS OF FINANCIAL POSITION (Continued)
September 30, 2022
With Comparative Totals as of September 30, 2021

	<u>2022</u>	<u>2021</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 39,204	\$ 29,584
Accrued and withheld payroll costs	103,660	76,755
Refundable advance	<u>0</u>	<u>290,575</u>
Total Current Liabilities	142,864	396,914
Net Assets		
Without donor restrictions	5,059,202	6,016,149
With donor restrictions	<u>2,640,699</u>	<u>2,484,948</u>
Total Net Assets	<u>7,699,901</u>	<u>8,501,097</u>
Total Liabilities and Net Assets	<u>\$ 7,842,765</u>	<u>\$ 8,898,011</u>

See notes to financial statements.

IDAHO CONSERVATION LEAGUE, INC.
STATEMENTS OF ACTIVITIES
For the Year Ended September 30, 2022
With Comparative Totals for the Year Ended September 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2022 Total</u>	<u>2021 Total</u>
Revenues and Other Support				
Contributions	\$ 1,415,766	\$ 225,000	\$ 1,640,766	\$ 1,389,776
Climate campaign contributions	235,119		235,119	101,528
Grants	235,000	843,020	1,078,020	1,077,739
Special events, net	66,345		66,345	6,311
Investment income (loss)	(1,134,191)		(1,134,191)	922,059
CARES Act income	290,575		290,575	280,000
Miscellaneous income	<u>0</u>		<u>0</u>	<u>7,509</u>
	1,108,614	1,068,020	2,176,634	3,784,922
Net assets released from restrictions	<u>912,269</u>	<u>(912,269)</u>	<u>0</u>	<u>0</u>
Total Revenue And Support	2,020,883	155,751	2,176,634	3,784,922
Expenses				
Program services				
Public lands	777,043		777,043	511,513
Climate	500,948		500,948	350,536
Snake river	295,204		295,204	234,988
Salmon/Steelhead	478,436		478,436	346,021
Other programs	<u>328,952</u>		<u>328,952</u>	<u>389,052</u>
Total Program Services	2,380,583		2,380,583	1,832,110
Supporting services				
Administrative	268,184		268,184	225,843
Fundraising	<u>329,063</u>		<u>329,063</u>	<u>231,097</u>
Total Supporting Services	<u>597,247</u>	<u>0</u>	<u>597,247</u>	<u>456,940</u>
Total Expenses	<u>2,977,830</u>	<u>0</u>	<u>2,977,830</u>	<u>2,289,050</u>
Change in Net Assets	(956,947)	155,751	(801,196)	1,495,872
Net Assets				
Beginning of Year	<u>6,016,149</u>	<u>2,484,948</u>	<u>8,501,097</u>	<u>7,005,225</u>
End of Year	<u>\$ 5,059,202</u>	<u>\$ 2,640,699</u>	<u>\$ 7,699,901</u>	<u>\$ 8,501,097</u>

See notes to financial statements.

IDAHO CONSERVATION LEAGUE, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2022
With Comparative Totals for the Year Ended September 30, 2021

	Program Services							2022 Total	2021 Total
	Public Lands	Climate	Snake River	Salmon / Steelhead	Other Program Work	Administration	Fundraising		
Salaries and wages	\$ 440,423	\$ 304,908	\$ 169,393	\$ 210,387	\$ 213,436	\$ 111,460	\$ 243,926	\$ 1,693,933	\$ 1,322,690
Employee benefits and taxes	97,131	67,244	37,358	46,398	47,070	24,582	53,796	373,579	288,695
Program and events	82,504	50,130	28,272	94,822	29,642	3,348	7,626	296,344	218,698
Professional services	49,451	20,372	20,041	28,807	6,885	44,689	21,186	191,431	166,915
Printing and publications	30,065	19,054	12,012	23,469	11,452	102		96,154	77,199
Advertising	10,882	3,755	9,742	28,186	2,084	270		54,919	33,348
Travel and meetings	16,899	10,593	3,554	15,225	3,537	2,062	1,121	52,991	22,745
Depreciation						33,659		33,659	25,558
Postage	7,907	4,748	3,230	6,421	2,939	58	174	25,477	29,575
Utilities	7,009	4,239	2,498	3,975	2,679	1,926		22,326	18,790
Supplies	5,765	3,652	1,792	3,699	1,922	3,410		20,240	9,557
Insurance						15,820		15,820	11,786
Credit card fees	4,569	2,574	1,517	2,413	1,626	827	20	13,546	14,979
Food and beverages	624	435	240	664	202	2,862	547	5,574	4,069
Equipment costs	3,593	39	154	36	25			3,847	4,720
Other	20,221	9,205	5,401	13,934	5,453	23,109	667	77,990	39,726
Total Expenses	<u>\$ 777,043</u>	<u>\$ 500,948</u>	<u>\$ 295,204</u>	<u>\$ 478,436</u>	<u>\$ 328,952</u>	<u>\$ 268,184</u>	<u>\$ 329,063</u>	<u>\$ 2,977,830</u>	<u>\$ 2,289,050</u>

See notes to financial statements.

IDAHO CONSERVATION LEAGUE, INC.
STATEMENTS OF CASH FLOWS
For the Year Ended September 30, 2022
With Comparative Totals for the Year Ended September 30, 2021

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities		
Change in net assets	\$ (801,196)	\$ 1,495,872
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	33,659	25,558
Loss on disposal of assets	147	272
Realized loss (gain) on sale of investments	(147,147)	(159,581)
Unrealized loss (gain) on investments	1,361,109	(699,846)
Donations to endowment	0	(136,048)
Changes in operating assets and liabilities:		
Unconditional promises to give	1,787	(146,363)
Prepaid expenses and other assets	14,084	4,496
Accounts payable	9,616	20,673
Accrued and withheld payroll costs	26,905	(40,582)
Other accrued liabilities	4	(226)
Funds held in custody for others	0	(81,985)
Security deposits	0	(3,622)
Refundable advance	<u>(290,575)</u>	<u>10,575</u>
Net Cash Provided (Used) by Operating Activities	208,393	289,193
Cash Flows From Investing Activities		
Purchase of property and equipment	(102,189)	(3,828)
Purchase of investments	(1,541,074)	(1,889,427)
Proceeds from sale of investments	<u>1,952,929</u>	<u>879,293</u>
Net Cash Provided (Used) by Investing Activities	309,666	(1,013,962)
Cash Flows From Financing Activities		
Donations to endowment	<u>0</u>	<u>136,048</u>
Net Change in Cash and Cash Equivalents	518,059	(588,721)
Cash and Cash Equivalents - Beginning of Year	<u>583,868</u>	<u>1,172,589</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,101,927</u>	<u>\$ 583,868</u>

See notes to financial statements.

IDAHO CONSERVATION LEAGUE, INC.
STATEMENTS OF CASH FLOWS (Continued)
For the Year Ended September 30, 2022
With Comparative Totals for the Year Ended September 30, 2021

	<u>2022</u>	<u>2021</u>
Reconciliation of Cash and Restricted Cash Balances:		
Cash	\$ 500,075	\$ 378,488
Endowment – Restricted Cash	<u>601,852</u>	<u>205,380</u>
 Total Cash and Restricted Cash Balance	 <u>\$ 1,101,927</u>	 <u>\$ 583,868</u>

See notes to financial statements.

IDAHO CONSERVATION LEAGUE, INC.

NOTES TO FINANCIAL STATEMENTS

Note A – Significant Accounting Policies

Nature of Organization

Idaho Conservation League, Inc. (League) is a not-for-profit corporation. The League's purpose is to preserve Idaho's clean water, wilderness and quality of life through a network of local citizens and advocacy. The League maintains four offices in Idaho including one in Boise, Ketchum, Sandpoint, and McCall. The League's support comes from grants from private foundations, members' dues, patron support, and other donations.

Basis of Accounting

The financial statements of the League have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The League reports net assets and revenues, expenses, gains and losses are classified according to two classes of net assets: with donor restrictions and without donor restrictions. Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net asset with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

Cash Equivalents

The League considers all unrestricted, short term, highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk

Financial instruments that potentially subject the League to significant concentrations of credit risk consist principally of cash investments. Accounts at these financial institutions are insured by the Federal Deposit Insurance Corporation for up to \$250,000 and the Securities Investor Protection Corporation for up to \$500,000. At September 30, 2022 and 2021, the League's uninsured balances total \$6,039,336 and \$7,714,652, respectively.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

IDAHO CONSERVATION LEAGUE, INC.

NOTES TO FINANCIAL STATEMENTS

Note A – Significant Accounting Policies (Continued)

Promises to Give

Campaign contributions are generally available for unrestricted use in the year raised unless specifically restricted by the donor. Unconditional promises to give are recorded when pledged. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using the League's expected borrowing rate applicable to the years in which the promises are received to discount the amounts. An allowance for uncollectible promises is provided based on management's evaluation of potentially uncollectible promises receivable at year end.

Fair Value

The League defines fair value and establishes a hierarchy for reporting the reliability of input measurements used to assess fair value for all assets and liabilities. Fair value is defined as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. The hierarchy established prioritizes fair value measurements based on the types of inputs used in the valuation technique. Certain financial instruments are carried at cost on the statements of financial position, which approximates fair value due to their short term, highly liquid nature.

Property and Equipment

Property and equipment is stated at cost, or if donated, at the estimated fair market value at the date of donation. Expenditures for major renewals and betterments that extend the useful lives of property and equipment that cost over \$2,500 are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to thirty-five years.

Compensated Absences

Accrued liabilities include amounts for vacation days, which are earned ratably during the year based upon length of employment.

Contributions and Donor Imposed Restrictions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as contributions with donor restrictions that increases that net asset class. When donor restrictions expire, that is, when a time restriction ends and/or a purpose restriction is fulfilled, 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 restriction.

IDAHO CONSERVATION LEAGUE, INC.

NOTES TO FINANCIAL STATEMENTS

Note A – Significant Accounting Policies (Continued)

Contributed Services

A number of volunteers have contributed their time to the League's programs and activities. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition.

Advertising

The League expenses advertising costs as incurred. Total advertising expense was \$54,919 and \$33,348 for the years ended September 30, 2022 and 2021, respectively.

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 and in the statement of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are salaries and wages, which are allocated on the basis of estimates of time and effort; and supplies and telephone costs, which are allocated based on usage studies conducted annually. General and administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the League.

Presentation of Certain Taxes

The League collects various taxes from customers and remits these amounts to applicable taxing authorities. The League's accounting policy is to exclude these taxes from revenues and cost of sales.

Income Tax Status

The League is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and comparable state law. Accordingly, no provision for income taxes is made in the financial statements. The League is not a private foundation.

IDAHO CONSERVATION LEAGUE, INC.

NOTES TO FINANCIAL STATEMENTS

Note A – Significant Accounting Policies (Continued)

Uncertain Tax Positions

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the League may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal years 2022 or 2021.

The League files Form 990 in the U.S. federal jurisdiction. The League is generally no longer subject to examination by the Internal Revenue Service for years before 2018.

Use of Estimates

The League uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Prior Year Comparative Totals

The financial statements include certain 2021 summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a complete presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the 2021 financial statements from which the summarized information was derived.

Subsequent Events

The Company has evaluated subsequent events through January 21, 2023, which is the date the financial statements were available to be issued.

IDAHO CONSERVATION LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS

Note B – Liquidity and Availability of Resources

The League’s financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$ 1,101,927
Grants and contributions receivable	263,553
Investments	2,590,843
Investments – endowment	3,315,277
Interest receivable	<u>7,299</u>
Total financial assets available within one year	7,278,899
Less amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with purpose restrictions	(2,640,699)
Board designations	<u>(1,627,160)</u>
Total amounts unavailable for general expenditures within one year	<u>(4,267,859)</u>
Total financial assets available within one year after restriction	<u>\$ 3,011,040</u>

As part of the League’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. At September 30, 2022, all net assets without donor restrictions are available for payment of (any major expenditures incurred), except for contributions and grants receivable which are available when the receivable is collected which is expected within the next year and the expenditure is incurred. Board designated amounts could be drawn upon to meet immediate cash needs by vote of the board of directors.

IDAHO CONSERVATION LEAGUE, INC.

NOTES TO FINANCIAL STATEMENTS

Note C – Fair Value of Assets and Liabilities

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- | | |
|---------|--|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets. |
| Level 2 | Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value instrument. |

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The League's investments are actively traded and measured on a daily basis using Level 1 inputs.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the League believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

IDAHO CONSERVATION LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS

Note C – Fair Value of Assets and Liabilities (Continued)

The following table sets forth by level, within the fair value hierarchy, the League’s investments at fair value measured on a recurring basis as of September 30, 2022:

	<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity securities	\$ 1,794,000	\$ 1,794,000	\$ 0	\$ 0
Mutual funds	222,245	222,245		
Bond funds	1,942,045	1,942,045		
Fixed income	<u>1,947,830</u>	<u>1,947,830</u>		
	<u>\$ 5,906,120</u>	<u>\$ 5,906,120</u>	<u>\$ 0</u>	<u>\$ 0</u>

The following table sets forth by level, within the fair value hierarchy, the League’s investments at fair value measured on a recurring basis as of September 30, 2021:

	<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity securities	\$ 2,555,215	\$ 2,555,215	\$ 0	\$ 0
Mutual funds	569,512	569,512		
Bond funds	2,135,795	2,135,795		
Fixed income	<u>2,272,459</u>	<u>2,272,459</u>		
	<u>\$ 7,532,981</u>	<u>\$ 7,532,981</u>	<u>\$ 0</u>	<u>\$ 0</u>

Note D – Investments

Investments as of September 30 are summarized as follows:

	<u>2022</u>	<u>2021</u>
Cost	\$ 5,360,514	\$ 5,626,266
Unrealized gain	<u>545,606</u>	<u>1,906,715</u>
Fair value	<u>\$ 5,906,120</u>	<u>\$ 7,532,981</u>

IDAHO CONSERVATION LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS

Note D – Investments (Continued)

Investment income consists of the following for the years ended September 30:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 119,539	\$ 102,372
Realized gain	147,147	159,581
Unrealized gain (loss)	(1,361,109)	699,846
Investment expense	<u>(39,768)</u>	<u>(39,740)</u>
	<u>\$ (1,134,191)</u>	<u>\$ 922,059</u>

Note E – Unconditional Promises to Give

Unconditional promises to give as of September 30 are as follows:

	<u>2022</u>	<u>2021</u>
Receivable in less than one year	\$ 66,164	\$ 97,309
Receivable in one to five years	<u>0</u>	<u>21,655</u>
Total unconditional promises to give	66,164	118,964
Less discounts to net present value	0	(833)
Less allowance for uncollectible promises	<u>(6,616)</u>	<u>(6,896)</u>
Net unconditional promises to give	59,548	111,235
Less portion included in the endowment	(23,400)	(22,900)
Less current unconditional promises to give	<u>(36,148)</u>	<u>(84,309)</u>
Long-term unconditional promises to give	<u>\$ 0</u>	<u>\$ 4,026</u>

The discount rate used on long-term promises to give was 4%.

IDAHO CONSERVATION LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS

Note F – Property and Equipment

At September 30, property and equipment consists of the following:

	<u>2022</u>	<u>2021</u>
Land	\$ 100,000	\$ 100,000
Buildings and improvements	686,599	678,191
Furniture and equipment	<u>137,713</u>	<u>61,791</u>
	924,312	839,982
Less accumulated depreciation	<u>399,272</u>	<u>383,325</u>
	<u>\$ 525,040</u>	<u>\$ 456,657</u>

Note G – Refundable Advance

On April 12, 2020, the League received loan proceeds in the amount of \$280,000 under the Paycheck Protection Program (“PPP”) administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The League is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The League has initially recorded the loan as a refundable advance and will record the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right to return of the PPP loan or when such conditions are explicitly waived. Proceeds from the loan are eligible for forgiveness if the League maintains employment levels during its 24-week covered period and uses the funds for certain payroll, rent, and utility expenses. On February 8, 2021 the League was notified by their bank that the SBA had granted forgiveness on the PPP loan and accrued interest and was recognized in income for year ended September 30, 2021.

On February 26, 2021, the League received a second loan with proceeds in the amount of \$290,575 under the Paycheck Protection Program (“PPP”) administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The loan bears interest at 1% and is due February 2026. The League is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. Proceeds from the loan are eligible for forgiveness if the League maintains employment levels during its 24-week covered period and uses the funds for certain payroll, rent, and utility expenses. The League initially recorded the loan as a refundable advance in accordance with guidance for conditional contributions. On May 20, 2022, the League was notified by their bank that the SBA had granted forgiveness on the PPP loan and accrued interest and was recognized in income for year ended September 30, 2022.

IDAHO CONSERVATION LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS

Note H – Net Assets

The detail of the League’s net asset categories at September 30, is as follows:

	<u>2022</u>	<u>2021</u>
Without donor restrictions:		
Invested in property and equipment	\$ 525,040	\$ 456,657
Board designated for endowment	1,627,160	2,465,041
Undesignated surplus	<u>2,907,002</u>	<u>3,094,451</u>
Total without donor restrictions	5,059,202	6,016,149
With donor restrictions:		
Net assets with purpose restrictions:		
Public lands	222,020	120,435
Snake river	50,000	0
Wildlife program	25,000	0
50 th anniversary	25,000	0
Salmon/Steelhead	0	0
Climate	0	45,834
Endowment funds	<u>2,318,679</u>	<u>2,318,679</u>
Total with donor restrictions	<u>2,640,699</u>	<u>2,484,948</u>
Total net assets	<u>\$ 7,699,901</u>	<u>\$ 8,501,097</u>

Note I – Endowment

The League’s endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments established for the purpose of providing income to support the League’s activities. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The League classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment.

Donor restricted endowment funds are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the League in a manner consistent with the standard of prudence described by the Idaho Uniform Prudent Management of Institutional Funds Act (UPMIFA). In accordance with UPMIFA, the organization considers the investment policy of the League in making a determination to appropriate or accumulate donor-restricted endowment funds.

IDAHO CONSERVATION LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS

Note I – Endowment (Continued)

Endowment Net Asset Composition by Type of Fund as of September 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 0	\$ 2,318,679	\$ 2,318,679
Board-designated endowment funds	<u>1,627,160</u>	<u>0</u>	<u>1,627,160</u>
	<u>\$ 1,627,160</u>	<u>\$ 2,318,679</u>	<u>\$ 3,945,839</u>

Changes in Endowment Net Assets for the Fiscal Year Ended September 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 2,465,041	\$ 2,318,679	\$ 4,783,720
Board authorized distribution to League	(69,000)		(69,000)
Interest income, net of investment expense	38,900		38,900
Net appreciation (realized and unrealized)	<u>(807,781)</u>	<u>0</u>	<u>(807,781)</u>
Change in Endowment	<u>(837,881)</u>	<u>0</u>	<u>(837,881)</u>
Endowment net assets, end of year	<u>\$ 1,627,160</u>	<u>\$ 2,318,679</u>	<u>\$ 3,945,839</u>

During the year ended September 30, 2022, the League received contributions totaling \$234,856 that the board of directors has designated for the endowment. The amount has been transferred into endowment net assets subsequent to year-end.

IDAHO CONSERVATION LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS

Note I – Endowment (Continued)

Endowment Net Asset Composition by Type of Fund as of September 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 0	\$ 2,318,679	\$ 2,318,679
Board-designated endowment funds	<u>2,465,041</u>	<u>0</u>	<u>2,465,041</u>
	<u>\$ 2,465,041</u>	<u>\$ 2,318,679</u>	<u>\$ 4,783,720</u>

Changes in Endowment Net Assets for the Fiscal Year Ended September 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 1,827,786	\$ 2,192,631	\$ 4,020,417
Board authorized distribution To League	(48,000)		(48,000)
Interest income, net of investment expense	31,165		31,165
Net appreciation (realized and unrealized)	644,090		644,090
Contributions	<u>10,000</u>	<u>126,048</u>	<u>136,048</u>
Change in Endowment	<u>637,255</u>	<u>126,048</u>	<u>763,303</u>
Endowment net assets, end of year	<u>\$ 2,465,041</u>	<u>\$ 2,318,679</u>	<u>\$ 4,783,720</u>

IDAHO CONSERVATION LEAGUE, INC.

NOTES TO FINANCIAL STATEMENTS

Note I – Endowment (Continued)

Funds With Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the League to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in net assets without donor restrictions. As of September 30, 2022 and 2021 there were no such deficiencies.

Return Objectives and Risk Parameters

The League has adopted investment and spending policies for endowment assets that attempt to preserve capital at the same time as providing a return from capital appreciation and current income. Endowment assets include those assets of donor-restricted funds that the League must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that preserve, to the extent possible, consistent with the endowment spending levels the inflation adjusted value of the Endowment assets over the long term. The League expects its endowment funds, over time, to provide an average rate of return of approximately 3% to 5% in excess of inflation annually. Actual returns in any given year may vary from this amount.

Strategies Employed For Achieving Objectives

To satisfy its long-term rate-of-return objectives, the League relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). The League targets a diversified asset allocation, preferably consisting of 60% equities and 40% fixed income and cash and cash equivalents to achieve its long-term return objectives with prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Each year, the League appropriates all endowment investment earnings into the board designated endowment fund. The League's board of directors will also appropriate distributions from the portion of the endowment without donor restrictions when considered necessary, and keeping in line with the League's objective to use investment returns to fund donor objectives and to provide additional real growth to endowment accounts through new gifts.

Note J – Retirement Plan

The League has a SIMPLE IRA. Full and part-time employees are eligible for the SIMPLE IRA after 30 days of employment if their gross pay is expected to be \$5,000 or more. The League matches employee contributions up to 3% of gross wages. Contributions by the League were \$45,538 and \$35,004 for the years ended September 30, 2022 and 2021, respectively.

IDAHO CONSERVATION LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS

Note K – Leases

The League leases their office in Sandpoint, Idaho and McCall, Idaho, as well as various pieces of office equipment under non-cancelable operating lease agreements expiring in various years through 2026. Operating lease expense for the years ended September 30, 2022 and 2021, was \$39,801 and \$28,761, respectively. Future minimum lease payments of September 30 are as follows:

2023	\$	18,864
2024		18,864
2025		18,273
2026		<u>13,750</u>
	\$	<u>69,751</u>

Note L – Fiscal Sponsorship

The League serves as the fiscal sponsor for United Payette, a McCall based conservation coalition. As of September 30, 2022, the United Payette fund balance was \$107,835. The League has the power to redirect the use of transferred assets to another beneficiary, as such, the amounts have been recognized in contributions revenue in the statement of activities for the year ended September 30, 2022.