OPEN SPACE INSTITUTE, INC.
AND
CONSOLIDATED ENTITY

OPEN SPACE
INSTITUTE

Consolidated Financial Statements
and Supplementary Information
(Together with Independent Auditors' Report)

For the Year Ended December 31, 2023
(With Comparative Totals for December 31, 2022)

OPEN SPACE INSTITUTE, INC. AND CONSOLIDATED ENTITY

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
(Together with Independent Auditors' Report)

FOR THE YEAR ENDED DECEMBER 31, 2023
(With Comparative Totals for December 31, 2022)

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees of
Open Space Institute, Inc. and Consolidated Entity
New York, New York

Opinion

We have audited the consolidated financial statements of Open Space Institute, Inc. and Consolidated Entity (collectively, the “Organization”), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2023, 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 Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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.

Prior Period Summarized Comparative Information

We have previously audited the Organization’s December 31, 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated August 4, 2023.

2022 Financial Statements Restated

As discussed in Note 16 to the consolidated financial statements, the 2022 consolidated financial statements have been restated to correct two misstatements. Our opinion is not modified with respect to this matter.

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 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 Organization’s ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Mayer Hoffman McCann CPAs
The New York Practice of Mayer Hoffman McCann P.C.
An Independent CPA Firm

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New York, NY 10017

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Auditors' 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 auditors' 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 consolidated 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 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 Organization'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 Organization'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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of individual analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual entities. The supplementary information is not a required part of the consolidated 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Mayer Hoffman McCann CPAs

New York, NY
July 2, 2024

OPEN SPACE INSTITUTE, INC. AND CONSOLIDATED ENTITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023
(With Comparative Totals as of December 31, 2022)

	2023	As Restated 2022
ASSETS		
Cash and cash equivalents (Notes 2D and 10)	$ 63,623,114	$ 49,666,829
Investments, at fair value (Notes 2G, 2H, 4 and 10)	201,147,015	186,192,512
Contributions and grants receivable (Notes 2E and 5)	6,169,442	5,855,235
Accounts receivable (Note 2N)	768,062	873,580
Conservation lending receivable, net (Notes 2F and 6)	4,604,500	4,331,515
Investment - Limited Liability Company (Note 4)	1,580,258	159,798
Land and easement holdings, net (Notes 2I and 7)	150,792,091	88,758,619
Property, furniture and equipment, net (Notes 2J and 8)	831,959	607,799
Operating lease assets (Notes 2K and 9)	10,179,489	1,269,818
Other assets	1,936,901	4,952,489
TOTAL ASSETS	$ 441,632,831	$ 342,668,194
LIABILITIES		
Accounts payable and accrued expenses	$ 2,950,151	$ 2,203,346
Deferred revenue (Notes 2N and 5)	29,555,980	3,021,254
Conservation borrowing (Notes 2F and 12)	42,628,465	41,594,515
Grants payable (Note 7)	51,408,154	10,691,802
Operating lease liabilities (Notes 2K and 9)	10,292,904	1,411,297
Other liabilities	1,722,298	1,751,424
TOTAL LIABILITIES	138,557,952	60,673,638
COMMITMENTS AND CONTINGENCIES (Note 14)		
NET ASSETS (Note 2B)		
Without donor restrictions		
Operating net assets	82,538,408	76,936,799
Board designated - easement enforcement fund	1,118,832	982,452
Board designated - land and parks improvement	1,104,770	1,799,516
Total net assets without donor restrictions	84,762,010	79,718,767
With donor restrictions (Note 11)		
Endowment	161,201,030	149,476,726
Other net assets with donor restrictions	57,111,839	52,799,063
With donor restrictions	218,312,869	202,275,789
TOTAL NET ASSETS	303,074,879	281,994,556
TOTAL LIABILITIES AND NET ASSETS	$ 441,632,831	$ 342,668,194

OPEN SPACE INSTITUTE, INC. AND CONSOLIDATED ENTITY
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	For the Year Ended December 31, 2023			As Restated
	Without Donor Restrictions	With Donor Restrictions	Total 2023	Total 2022
OPERATING REVENUES AND SUPPORT:				
Contributions and grants (Note 2E)	$ 2,968,052	$ 40,252,617	$ 43,220,669	$ 36,101,081
Donated land (Note 2L)	267,000	19,513,751	19,780,751	30,000
Conservation lending program interest income (Note 2F)	218,824	-	218,824	181,983
Project revenues (Note 2N)	5,190,794	98,555	5,289,349	3,122,736
Investment income and appreciation utilized (Note 11)	10,026,600	-	10,026,600	8,049,502
Revenue recovery (Note 2N)	1,732,598	-	1,732,598	2,334,712
Gain on real estate activity	2,462,306	-	2,462,306	1,753
Miscellaneous income (Note 2N)	1,412,313	1,113,647	2,525,960	853,042
Net assets released from restrictions (Note 11)	56,939,699	(56,939,699)	-	-
Total Operating Revenues and Support	81,218,186	4,038,871	85,257,057	50,674,809
OPERATING EXPENSES (Note 2O):				
Program services:				
Land conservation operations	56,099,581	-	56,099,581	23,129,000
Stewardship	1,462,836	-	1,462,836	1,642,368
Conservation capital	5,132,512	-	5,132,512	6,071,765
Conservation communities	1,788,788	-	1,788,788	1,214,851
Parks and public policy	8,226,196	-	8,226,196	5,659,381
Total program services	72,709,913	-	72,709,913	37,717,365
Supporting services:				
Management and administration	4,848,250	-	4,848,250	4,168,415
Fundraising	1,639,552	-	1,639,552	1,211,493
Total supporting services	6,487,802	-	6,487,802	5,379,908
Total Operating Expenses	79,197,715	-	79,197,715	43,097,273
CHANGES IN NET ASSETS FROM OPERATIONS (Note 2M)	2,020,471	4,038,871	6,059,342	7,577,536
NON-OPERATING ACTIVITIES:				
Investment activity (Note 4)	4,787,810	20,259,771	25,047,581	(42,426,431)
Investment appreciation utilized	(1,810,000)	(8,216,600)	(10,026,600)	(8,049,502)
Transfers of net assets (Note 11)	44,962	(44,962)	-	-
NET NON-OPERATING ACTIVITIES	3,022,772	11,998,209	15,020,981	(50,475,933)
CHANGES IN TOTAL NET ASSETS	5,043,243	16,037,080	21,080,323	(42,898,397)
NET ASSETS - BEGINNING OF YEAR	79,718,767	202,275,789	281,994,556	324,892,953
NET ASSETS - END OF YEAR	$ 84,762,010	$ 218,312,869	$ 303,074,879	$ 281,994,556

The accompanying notes are an integral part of these consolidated financial statements.

OPEN SPACE INSTITUTE, INC. AND CONSOLIDATED ENTITY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	For the Year Ended December 31, 2023									
	Land Conservation Operations	**Stewardship**	**Conservation Capital**	**Conservation Communities**	**Parks and Public Policy**	**Total Program Services**	**Management and Administration**	**Fundraising**	**Total 2023**	**As Restated Total 2022**
Salaries and employee benefits (Note 13)	$ 3,224,773	$ 560,876	$ 1,220,298	$ 771,102	$ 2,112,219	$ 7,889,268	$ 2,849,326	$ 1,274,812	$ 12,013,406	$ 11,067,478
Professional fees	730,060	9,124	174,398	387,916	860,390	2,161,888	656,277	116,174	2,934,339	3,091,535
Public recreation additions	32,450	-	-	-	2,962,149	2,994,599	-	-	2,994,599	2,989,288
Grants	49,660,037	2,123	3,502,377	239,647	1,751,949	55,156,133	66,477	-	55,222,610	20,407,293
Real estate conservation loss (Note 7)	147,586	-	-	-	-	147,586	-	-	147,586	351,000
Cost of easements and options	-	-	-	-	-	-	-	-	-	2
Real estate taxes	-	366,971	-	-	-	366,971	-	-	366,971	371,812
Occupancy and related expenses	493,570	263,965	157,424	207,908	286,844	1,409,711	731,185	117,710	2,258,606	1,868,395
Depreciation and amortization	145,702	99,490	35,589	38,638	68,205	387,624	90,742	23,332	501,698	378,386
Property maintenance	1,351	130,103	-	44,340	42,566	218,360	-	240	218,600	494,817
Travel and meetings	80,961	7,904	22,590	80,683	101,307	293,445	243,948	6,132	543,525	477,545
Interest	1,506,209	-	5,447	-	2,600	1,514,256	-	-	1,514,256	1,080,464
Pledge and loan loss reserve expense	-	-	-	-	-	-	81,380	-	81,380	96,892
Public relations and communications	70,847	22,280	14,388	16,323	33,951	157,789	50,292	55,571	263,652	332,318
Miscellaneous	6,035	-	1	2,231	4,016	12,283	78,623	45,581	136,487	90,048
TOTAL	$ 56,099,581	$ 1,462,836	$ 5,132,512	$ 1,788,788	$ 8,226,196	$ 72,709,913	$ 4,848,250	$ 1,639,552	$ 79,197,715	$ 43,097,273
TOTAL - 2022	$ 23,129,000	$ 1,642,368	$ 6,071,765	$ 1,214,851	$ 5,659,381	$ 37,717,365	$ 4,168,415	$ 1,211,493	$ 43,097,273	

The accompanying notes are an integral part of these consolidated financial statements.

OPEN SPACE INSTITUTE, INC. AND CONSOLIDATED ENTITY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	2023	As Restated 2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	$ 21,080,323	$ (42,898,397)
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation and amortization	501,698	378,386
Net unrealized/realized (gain) loss on investments	(24,091,180)	42,889,857
Donated natural land areas and improvements	40,876,352	14,059,513
Donated land received	(19,780,751)	(30,000)
Pledge and loan loss reserves	(42,000)	(35,000)
In-kind interest expense	124,481	250,301
Gain on sale of land areas	(2,462,306)	(1,753)
Gain on investment in limited liability company	(1,420,460)	-
Real estate conservation gain	(164,552)	(1,983,712)
Subtotal	14,621,605	12,629,195
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Contributions, grants and accounts receivable	(208,689)	1,733,103
Operating lease assets	(8,909,671)	(1,269,818)
Other assets	3,015,588	(3,233,502)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	746,805	(225,093)
Deferred revenue	26,534,725	(4,892,193)
Grants payable	(160,000)	(180,599)
Operating lease liabilities	8,881,607	1,411,297
Other liabilities	(29,126)	(352,691)
Net Cash Provided by Operating Activities	44,492,844	5,619,699
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales or redemption of investments	51,659,185	61,142,894
Purchases of investments	(42,522,508)	(53,261,874)
Purchase of investment in Limited Liability Company	-	(98,243)
Distribution of investment in Limited Liability Company	-	1,925,000
Issuance of loans for conservation lending program	(284,500)	(6,420,470)
Payments received from conservation lending program	95,515	5,476,555
Purchases of property, furniture & equipment	(623,486)	(277,408)
Purchases of land and easement holdings	(80,577,466)	(30,952,334)
Proceeds from sales of land and easement holdings	40,849,232	2,597,548
Net Cash Used in Investing Activities	(31,404,028)	(19,868,332)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from conservation lending program payable	27,589,502	23,638,812
Repayments of conservation lending program payable	(26,722,033)	(6,026,502)
Net Cash Provided by Financing Activities	867,469	17,612,310
NET INCREASE IN CASH AND CASH EQUIVALENTS	13,956,285	3,363,677
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	49,666,829	46,303,152
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 63,623,114	$ 49,666,829
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest during the year	$ 1,389,775	$ 830,163
Operating ROU assets obtained in exchange for new operating lease liabilities	$ 9,852,838	$ -

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

A national conservation leader, Open Space Institute, Inc. ("OSI") has protected more than 2.5 million acres of the land that matters most for our families, our communities, and our planet. For 50 years, OSI has been protecting land throughout the eastern United States and southern Canada to support clean air and water; improve access to nature and the outdoors; secure wildlife habitat; and combat climate change, while curbing its devastating effects.

Because the benefits of conservation and improved access to the outdoors are universal, OSI has embedded diversity, equity, and inclusion principles throughout the organization, from its strategic plan and board charters to project selection and internal policies, OSI's equity values are defined and imbedded in all aspects of the organization.

OSI and its affiliated entity, as defined in Note 2A, (collectively, the "Organization") achieve this mission through the following programs:

Land Conservation Operations: Smart, strategic land conservation strengthens communities, ensures access to drinking water resources, provides recreational resources, curbs climate change, and protects habitats. Working throughout the eastern United States, with project concentrations in New York, New Jersey, South Carolina, and Georgia, OSI acquires land of ecological, recreational, and climate protection significance with the goal of conveying it to public agencies and conservation partners as permanent additions to publicly accessible lands. In 2023, Open Space Institute Land Trust, Inc. ("OSILT") protected 15,020 acres of land having a fair market value of $141 million.

Conservation Capital: Guided by science, with a focus on climate change, water protection, forests, and wildlife habitat, OSI works with foundations to design and administer re-grant programs, directing capital and low-cost loans to accelerate the rate and effectiveness of conservation. OSI also offers catalyst grants and technical assistance to conservation partners and public agencies to incorporate climate and watershed science into conservation planning and works directly with communities to foster resilience to climate impacts. In 2023, OSI made 22 capital grants totaling $2,733,690, protecting 14,303 acres in five states with a fair market value of $19,983,166. Further, OSI directly approved 14 grants for conservation planning totaling $227,610.

Parks and Public Policy: OSI is making nature and the outdoors more welcoming and enjoyable to all. Through park improvements, the creation of new trails and greenways public policy research, and advocacy for greater federal, state, and national investments in public lands, OSI works to improve accessibility and access to open space, promote community wellbeing, and create the next generation of conservationists. OSI also provides support services for the newly formed parks improvement group New City Parks, which aims to bring urban parks to neighborhoods.

Stewardship: Through its Stewardship work, OSI monitors and enforces conservation easements, oversees the management of properties conserved with third-party partners, and provides interim management for properties that will be conveyed to public agencies or other conservation partners.

Conservation Communities: OSI supports grassroots organizations and promotes the development of young environmental leaders to broaden representation within the field of conservation. Its Citizen Action initiative supports newly formed local environmental groups and urban parks; the Malcolm Gordon Charitable Fund awards grants to nonprofits in urban Hudson Valley communities; and the Barnabas McHenry Hudson River Valley Awards provide grants to students who are actively working to improve their local communities. Likewise, OSI's Conservation Diversity Fellowship is promoting greater diversity within the environmental field by providing recent students salaried fellowships to jumpstart their careers.

OSI and OSILT are not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and have been designated as organizations which are not private foundations. OSI and OSILT are incorporated under the laws of the State of New York (the "State") and are exempt from State and local income and sales taxes.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ***Basis of Accounting***

The Organization's consolidated financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”) as established by the Financial Accounting Standards Board (the “FASB”), and, in additional to OSI include the accounts and activities of the following entity for which OSI has control and an economic interest:

OSILT, is a 501(c)(3) supporting organization of OSI through which Land Operations, Stewardship, Conservation Capital and Parks and Public Policy operate. OSILT holds all of the Organization’s lands and all of the conservation easements.

All material inter-organizational accounts and transactions have been eliminated in consolidation.

B. ***Basis of Presentation***

The Organization reports information regarding its financial position and activities in two classes of net assets: without and with donor restrictions. Net assets without donor restrictions consist of amounts that can be spent at the discretion of the Organization and have no donor restrictions associated with them. Net assets without donor restrictions in the amount of $2,223,602 and $2,781,968 have been designated by the Board of Trustees for the Land Acquisition, Stewardship and Parks programs. As of December 31, 2023 and 2022, net assets with donor restrictions consist of contributions that are restricted by the donor for a specific time period or purpose. The Organization did not have any net assets with donor restrictions to be held in perpetuity as of December 31, 2023 and 2022.

C. ***Use of Estimates***

The preparation of consolidated financial statements in conformity with U.S. GAAP 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 consolidated financial statements and the reported amounts of support, revenue, expenses, and other changes in net assets during the reported period. The most significant assumptions and estimates relate to the determination of the allowance for uncollectible grants and accounts receivable, reserve for possible loan losses, valuation of investments in pooled investment funds, impairment of land and other long-lived assets, discount factor for multi-year receivables, imputed interest on loans receivable and payable, estimated useful lives of property and equipment, and functional allocation of expenses. Actual results could differ from those estimates.

D. ***Cash Equivalents***

The Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents, except for those short-term investments managed by the Organization’s investment managers as part of its long-term investment strategies. Approximately $49 million and $35 million of cash and cash equivalents at December 31, 2023 and 2022, respectively, were restricted for specific programs as required by certain funders.

E. ***Contributions, Grants and Net Assets Released from Restrictions***

All contributions and grants, whether or not restricted, are recognized as revenue at fair value when received or unconditionally promised to the Organization.

The Organization classifies contributions as with donor restrictions if received with donor stipulations that limit the use of the contributions. When such donor stipulations expire, that is, when stipulated or implied time restrictions end or purpose restrictions are accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statement of activities and changes in net assets as net assets released from restrictions.

Contributions of property are recorded at fair value on the date of contribution. Fair value is determined by an appraisal report, management estimate or quoted market prices when available.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants receivable represent amounts unconditionally committed by donors, foundations and agencies that have not yet been received by the Organization. Grant and contract receipts in excess of revenue recognized are presented as deferred revenue.

F. ***Conservation Lending Receivable and Payable***

This program provides program-related loans primarily to nonprofit organizations to expand land conservation. Funding for these loans is obtained by the Organization in the form of loans, grants and credit lines from various organizations.

The Organization reports conservation loans at their outstanding principal balances, reduced by reserves for possible loan losses. The Organization estimates possible lending losses based on factors related to a specific borrower's financial position and ability to pay, loan collateral and current economic trends. The Organization reports conservation loans payable at their outstanding principal balances.

For loans receivable and payable that are interest-free or that have below-market interest rates, a contribution (income or expense) is recorded as the difference between the interest at fair market rates at its inception and at its stated rate annually. See Notes 6 and 12 for additional discussion.

G. ***Investments***

Investments are carried at estimated fair value in the consolidated statement of financial position (See Note 4). The consolidated statement of activities and changes in net assets includes net return on investments consisting of interest and dividend income, realized and unrealized gains and losses, as well as management and custodial fees. Interest income is recorded on the accrual basis. Purchases and sales of securities are recorded on a trade-date basis.

H. ***Fair Value Measurements***

Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 4.

I. ***Land and Easement Holdings***

Land purchased is recorded at the lower of cost, market or conservation value. Improvements on land are valued at cost and depreciated over the estimated life of the asset unless deemed not to add to market value. Consistent with its conservation mission, the Organization will conserve all lands acquired and the market value may be impaired to reflect its conserved value. In many cases, the Organization purchases unencumbered property and then sells the property with a conservation easement restricting development rights. The Organization regularly reviews land held for sale for impairment and whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. If it is determined to be impaired, the carrying value is reduced to its current estimated fair value based on the best information available at date of issuance of the consolidated financial statements. Realized gains and losses on natural land areas and improvements, if any, are recorded upon disposition.

Easements that have a resale value are recorded at the lower of cost or market. Easements that are determined to have no resale value are recorded at one dollar.

J. ***Property, Furniture and Equipment***

Purchases of property and equipment in excess of $10,000 and an estimated useful life of greater than one year are recorded at cost. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets ranging from five to forty years. Leasehold improvements are amortized over the shorter of the term of the lease or the life of the asset.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. ***Leases***

The Organization determines if an arrangement is or contains a lease at inception. The leases include right-of-use ("ROU") assets and lease liabilities in the consolidated statements of financial position. The ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term.

L. ***Donated Land***

Nonfinancial assets that are donated to OSI are recognized in the consolidated financial statements at fair value. For the year ended December 31, 2023, there was $19,780,751 of donated real property to be used for program activities, of which $19,513,751 is donor restricted. In addition, $115,751 of real property was donated subject to a split interest agreement, which will be sold at fair value when the terms of the agreement are satisfied. For the year ended December 31, 2022, there was $30,000 of donated real property to be used for program activities. All donations of real property were appraised to determine fair value. Donated services are recognized if the non-financial contributions enhance or require specialized skills, provided the individuals possess those skills and would typically need to be purchased, if not provided by donation. There were no donated services in 2023 or 2022.

In cases where a formal agreement exists to donate a parcel of land from OSI to a conservation agency, grant expense is accrued in the year of the agreement, even if the donation will occur in future years. This may occur when there are contributions or service revenue such as timber sales or mitigation revenue received that is subject to an agreement to reduce the sale price or donate the land to a conservation agency.

M. ***Operating and Non-Operating Activities***

The Organization includes all revenues and expenses that are an integral part of its programs and supporting activities in its definition of operations, including an authorized investment income allocation (see Note 11) and all contributions.

N. ***Project Revenues, Revenue Recovery and Miscellaneous Income***

The Organization recognizes revenue through the five-step model described by the FASB in the Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers*: (1) identification of the contract with a customer; (2) identification of the performance obligations in the contracts; (3) determination of the transaction price; (4) allocation of the transaction price to the performance obligations in the contracts; and (5) recognition of revenue when a performance obligation is met.

Project revenues consist primarily of income received from revenues related to services provided by the Organization.

Recovery revenue relates to the reversal of prior year accruals, reserves and impairments that are recovered in the current year.

Miscellaneous income is composed of various income items including management fee income, security settlements and rental income.

These line items may be restricted if the revenue is related to funds that were donor restricted at inception and have not yet been released.

The timing of billings, cash collections and revenue recognition results in accounts receivable and deferred revenue on the accompanying consolidated statements of financial position. The beginning and ending contract balances related were as follows as of:

	December 31, 2023	December 31, 2022	January 1, 2022
Accounts receivable, net	$ 768,062	$ 873,580	$ 3,409,549
Deferred revenue	$ 29,555,980	$ 3,021,254	$ 7,913,447

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. *Functional Allocation of Expenses*

The costs of program and supporting service activities have been summarized on a functional basis in the consolidated statement of functional expenses. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation and amortization, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance and miscellaneous, which are allocated on the basis of estimates of time and effort.

P. *Summarized Comparative Information*

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset class or the natural classification of functional expenses. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization’s consolidated financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Q. *Recently Adopted Accounting Standards*

FASB ASU No. 2016-13 *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* was adopted for the year ended December 31, 2023. This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the CECL methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts. Financial assets held by the Organization that are subject to the guidance in ASU 2016-03 include receivables from accounts receivable and conservative lending receivable (see Note 6).

NOTE 3 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following as of December 31:

	2023	2022
Cash and cash equivalents	$ 63,623,114	$ 49,666,829
Current portion of contributions and grants receivable	3,962,121	3,980,016
Current portion of accounts receivable	391,019	243,330
Current portion of conservation lending program receivable	1,904,500	1,673,515
Redeemable investments	182,127,475	168,821,553
Total financial assets	252,008,229	224,385,243
Donor and other imposed restrictions:		
Subject to specified purpose or passage of time	(205,955,886)	(168,323,960)
Available portion of donor-restricted endowments for use over next fiscal year	4,094,548	4,108,300
Cash collateral related to letter of credit	(765,458)	(138,744)
Investment collateral related to lines of credit	(20,771,739)	(24,416,441)
Net board designated funds for land purchases and trail building	(2,157,286)	(2,775,773)
Financial assets available to meet cash needs for general expenditures within one year	$ 26,452,408	$ 32,838,625

As part of the Organization's liquidity management plan, the Organization invests excess cash beyond expected operating needs in U.S. government debt, common stock, common trust funds and hedge funds.

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

As noted in Note 2G, investments are reported at fair value. FASB guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under FASB ASC Topic 820, "Fair Value Measurement," as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy under ASC Topic 820 are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly. Investments in this category generally include corporate debt and less liquid securities such as securities traded on certain foreign exchanges. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3: Inputs that are unobservable for the asset or liability and that include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation. Investments in this category generally include equity and debt positions in private companies.

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The Organization assesses the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer in accordance with its accounting policy regarding the recognition of transfers between levels of the fair value hierarchy.

All assets carried at fair value have been valued using a market approach. There were no changes in the valuation techniques during the current year. The following are the valuation techniques used by the Organization, some of which are obtained from the investment fund managers in the absence of readily determinable market values to measure different financial instruments at fair value and the level within the fair value hierarchy in which the financial instrument is categorized:

- Investments in securities traded on a national securities exchange are stated at the last reported sales price on the day of valuation. These financial instruments are classified as Level 1 in the fair value hierarchy.
- Investments in pooled investment funds are classified as level 3 or by net asset value, and are valued at fair value based on the applicable percentage ownership of the investment funds' net assets as of the measurement date, as reported to the Organization by the investment fund. The majority of investment funds value the funds' securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the investment funds, which may include private placements and other securities for which prices are not readily available, are determined by the management or sponsor of the respective investment funds and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized.

Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The fair value of the Organization's investments in investment funds generally represents the amount the Organization would expect to receive if it were to liquidate its investment in the investment fund, excluding any redemption charges that may apply.

The following table presents the Organization's fair value hierarchy for those assets measured at fair value as of December 31, 2023:

	2023 Fair Value Measurements Using			
Description	Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Total
Cash equivalents	$ 6,949,530	$ -	$ -	$ 6,949,530
U.S. government debt	11,140,627	-	-	11,140,627
Common Stock	15,085,386	-	-	15,085,386
Common /collective trust fund	47,289,071	-	-	47,289,071
Pooled investment funds				
Multi-strategy	-	255,674	-	255,674
Private equity	-	16,595	-	16,595
Real assets	-	18,747,271	-	18,747,271
Investments measured at net asset value	-	-	101,662,861	101,662,861
Total	$ 80,464,614	$ 19,019,540	$ 101,662,861	$ 201,147,015

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Certain investments that are measured at fair market value, using the net asset value per share (or its equivalent) practical expedient, have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

The following table reconciles all Level 3 assets measured at fair value for the year ended December 31, 2023:

	Pooled Investment Funds				
	Long/Short Equities (Directional Hedge)	Multi-Strategy	Private Equity	Real Assets	2023 Total
Balance, beginning of year	$ -	$ 263,208	$ 45,848	$ 17,061,902	$ 17,370,958
Net change in unrealized appreciation	-	(3,402)	(9,555)	(1,940,762)	(1,953,719)
Purchases of investments	-	-	-	4,821,992	4,821,992
Sales and redemptions	-	(4,132)	(19,698)	(1,195,861)	(1,219,691)
Balance, end of year	$ -	$ 255,674	$ 16,595	$ 18,747,271	$ 19,019,540

The following table summarizes the Organization’s investments in pooled investment funds at December 31, 2023:

Investment Objective	Fair Value	Unfunded Commitments	Redemption Frequency (if currently permitted)	Redemption Notice Period
Long/short equities (directional hedge)	$ -	$ -		
Multi-strategy (1)	255,674	-	Illiquid	
Private equity (2)	16,595	81,731	Illiquid	
Real assets (2)	18,747,271	9,231,091	Illiquid	
Total	$ 19,019,540	$ 9,312,822		

(1) Fund managers of OSI's investments in multi-strategy funds employ a variety of techniques, including event driven, debt and equity portfolios designed to provide above average returns while preserving capital.

(2) The Organization's investments in funds that hold private equity and real assets are primarily invested in illiquid investments for extended time periods measured in years. Due to the nature of the underlying investments, distributions and redemptions prior to the scheduled fund termination dates are at the sole discretion of these funds. Typically, distributions are made by the funds as the underlying investments are sold or otherwise liquidated.

In addition, investments measured at net asset value totaling $101,662,861 and $106,528,309 as of December 31, 2023 and 2022, respectively, are redeemable on a monthly, quarterly or annual basis at the Organization’s request.

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

The following table presents the Organization's fair value hierarchy for those assets measured at fair value as of December 31, 2022:

	2022 Fair Value Measurements Using			
Description	Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Total
Cash equivalents	$ 10,967,353	$ -	$ -	$ 10,967,353
U.S. government debt	10,677,971	-	-	10,677,971
Common Stock	13,992,667	-	-	13,992,667
Common /collective trust fund	26,655,254	-	-	26,655,254
Pooled investment funds				
Long/short equities (directional hedge)	-	-	-	-
Multi-strategy	-	263,208	-	263,208
Private equity	-	45,848	-	45,848
Real assets	-	17,061,902	-	17,061,902
Investments measured at net asset value	-	-	106,528,309	106,528,309
Total	$ 62,293,245	$ 17,370,958	$ 106,528,309	$ 186,192,512

Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

The following table reconciles all Level 3 assets measured at fair value for the year ended December 31, 2022:

	Pooled Investment Funds				
	Long/Short Equities (Directional Hedge)	Multi-Strategy	Private Equity	Real Assets	2022 Total
Balance, beginning of year	$ -	$ 1,012,077	$ 234,846	$ 15,237,046	$ 16,483,969
Net change in unrealized appreciation	-	(2,500)	(40,566)	1,930,320	1,887,254
Purchases of investments	-	-	-	3,312,247	3,312,247
Sales and redemptions	-	(746,369)	(148,432)	(3,417,711)	(4,312,512)
Balance, end of year	$ -	$ 263,208	$ 45,848	$ 17,061,902	$ 17,370,958

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

The following table summarizes the Organization's investments in pooled investment funds at December 31, 2022:

Investment Objective	Fair Value	Unfunded Commitments	Redemption Frequency (if currently permitted)	Redemption Notice Period
Multi-strategy (1)	$ 263,208	$ -	Illiquid	
Private equity (2)	45,848	81,731	Illiquid	
Real assets (2)	17,061,902	15,007,124	Illiquid	
Total	$ 17,370,958	$ 15,088,855		

The net change in unrealized appreciation of investments in investment funds, which is included in investment activity in the consolidated statement of activities and changes in net assets, is applicable to investments still in position at December 31, 2023 and 2022.

The Organization's investments in certain funds have liquidity restraints or lock-up periods that range from one to two years. The aggregate fair value of these investments subject to lock-ups was $11,055,126 and $17,862,089 as of December 31, 2023 and 2022, respectively. Additionally, several of the investments in investment funds have "side pocket" investments in illiquid assets, the redemption of which is dependent on the eventual sale of the underlying investments. The aggregate fair value of these investments held in side pockets was $55,572 and $68,333 as of December 31, 2023 and 2022, respectively.

The components of the net return on investments, including Level 3 investments, as reported in the accompanying consolidated statement of activities and changes in net assets included the following for the years ended December 31:

	2023		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Interest and dividends	$ 265,248	$ 1,113,651	$ 1,378,899
Realized gain on investments	131,137	548,930	680,067
Unrealized loss on investments	4,472,940	18,938,173	23,411,113
Investment fees	(55,337)	(231,817)	(287,154)
Investment UBIT	(26,178)	(109,166)	(135,344)
Net investment loss	$ 4,787,810	$ 20,259,771	$ 25,047,581

	2022		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Interest and dividends	$ 196,250	$ 842,621	$ 1,038,871
Realized gain on investments	3,359,430	14,452,814	17,812,244
Unrealized loss on investments	(11,308,880)	(49,393,221)	(60,702,101)
Investment fees	(62,622)	(271,454)	(334,076)
Investment UBIT	(45,763)	(195,606)	(241,369)
Net investment loss	$ (7,861,585)	$ (34,564,846)	$ (42,426,431)

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Certain securities held in investment accounts are pledged as collateral for the Organization's lines of credit. The Organization is only at risk for the outstanding loan balance, which amounted to $19,275,978 and $22,373,975 as of December 31, 2023 and 2022 (see Note 12).

In October of 2017, OSILT formed a South Carolina Limited Liability Company (the "LLC") that is operating exclusively in furtherance of charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The purpose of the LLC is to acquire real estate, primarily in the state of South Carolina, that has high conservation value, and to hold, improve, restore and preserve such properties. The properties will then be sold to governmental agencies or conservation buyers subject to appropriate restrictions protecting the conservation value of such properties. OSILT has also entered into an operating agreement with an unrelated private foundation. Both organizations are 50% members of the LLC, valued using the equity method of accounting, with OSILT acting as manager of the LLC. As manager, OSILT is entitled to certain property placement fees and property maintenance fees. Condensed financial information for the LLC as of and for the years ended December 31, 2023 and 2022 is as follows:

Summary of statements of financial position

	2023	2022
Assets		
Cash	$ 3,164,183	$ 385,883
Accounts receivable	3,725	-
Natural land	4,165,318	4,540,318
Prepaid expenses	1,329	8,714
Total Assets	$ 7,334,555	$ 4,934,915
Liabilities and Members' Capital		
Accounts payable	$ 8,721	$ -
Grants payable	4,165,318	4,615,318
Total Liabilities	4,174,039	4,615,318
Members' Capital	3,160,516	319,597
Total Liabilities and Members' Capital	$ 7,334,555	$ 4,934,915

Summary of Statements of Operations

	2023	2022
Service income	$ 386,887	$ 8,609
Interest Income	-	53,650
Gain on Sale of RE	2,500,000	277,500
Total Income	2,886,887	339,759
Grant expense	-	75,000
Property placement and management fees	2,450	28,496
Insurance	13,468	13,830
Professional fees	19,107	18,258
Real estate taxes	10,943	7,688
Total expenses	45,968	143,272
Net Income	$ 2,840,919	$ 196,487

NOTE 4 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

The investment in the LLC consists of the following as of December 31:

	2023	2022
Opening Balance	$ 319,597	$ 3,973,110
Capital distribution – OSILT	-	(1,925,000)
Capital distribution – Second Partner	-	(1,925,000)
Net income	2,840,920	196,487
Total investment in LLC	$ 3,160,517	$ 319,597
OSILT investment in LLC	$ 1,580,258	$ 159,798

NOTE 5 – CONTRIBUTIONS AND GRANTS RECEIVABLE

Grants receivable consisted of the following as of December 31:

	2023	2022
Amounts due from foundations	$ 4,022,738	$ 3,501,760
Pledges and other receivables	2,146,704	2,353,475
Total	$ 6,169,442	$ 5,855,235

Contributions and grants receivable were due to be collected as of December 31 as follows:

	2023	2022
Less than one year	$ 3,962,121	$ 3,980,016
Due within one to five years	2,207,321	1,875,219
Total contributions and grants receivable	$ 6,169,442	$ 5,855,235

The Organization determines whether an allowance for uncollectible grants and accounts receivable should be provided based on prior years' experience and management's analysis of specific pledges made. The Organization determined that no allowance was necessary as of both December 31, 2023 and 2022.

As of December 31, 2023 and 2022, the Organization received conditional grants and contracts that are accounted for under FASB *Accounting Standards Update* ("ASU") 2018-08. Such grants have not been recognized in the accompanying consolidated financial statements as they are for future periods and will be recognized when contract barriers are overcome. Such barriers include expending these funds in accordance with their budgets and agreements. If such services are not provided, the governmental entities are not obligated to disburse the funds allotted under the grants and contracts and the Organization may be required to return the funds already remitted.

Such amounts are reflected as deferred revenue in the accompanying consolidated statement of financial position.

For the years ended December 31, 2023 and 2022, the Organization was awarded conditional grants and contract in the aggregate amounts of $1,922,857 and $1,518,233, respectively, that have not been recorded in the consolidated financial statements, as they have not yet been earned.

NOTE 6 – CONSERVATION LENDING PROGRAM RECEIVABLE

This program provides program-related loans primarily to nonprofit organizations to expand land conservation. Funding for these loans is obtained by the Organization in the form of loans, grants and credit lines from various organizations.

Conservation lending program receivable consisted of the following at December 31:

	2023	2022
Loans and mortgage notes receivable	$ 4,604,500	$ 4,373,515
Less: reserve for possible loan losses	-	(42,000)
	$ 4,604,500	$ 4,331,515

These loans carry interest rates ranging from 1.0% to 7.3104% depending on the source of funding and other applicable lending guidelines set by the Organization. Certain loans have collateral requirements as specified in the loan agreements. The Organization performs ongoing credit evaluations of its borrowers and maintains a reserve for possible loan losses. The loan loss reserve as of December 31, 2023 represents donor funds that are conditional on actual loan losses. In the event that a loan loss occurs, the conditional amount will be recognized as contribution revenue to offset recognition of the loss. As of December 31, 2023 and 2022, none of the program-related investments receivable were impaired or past due.

The following table reconciles the reserve for possible loan losses for the years ended December 31:

	2023	2022
Balance, beginning of year	$ 42,000	$ 77,000
(Decrease) increase in loan loss reserve	(42,000)	(35,000)
	$ -	$ 42,000

The conservation lending program receivables were due to be collected for the years ended December 31, as follows:

	2023	2022
Less than one year	$ 1,904,500	$ 1,673,515
Due within one to five years	-	-
Due after five years	2,700,000	2,700,000
	$ 4,604,500	$ 4,373,515

The Organization determines whether an allowance for credit losses should be provided for program lending receivables. Such estimate is based on management's assessment of the aged basis of its receivables, creditworthiness of its donors, historical experience and collections subsequent to year end. The Organization determine no allowance was necessary as of December 31, 2023 and 2022. The Organization measures current expected credit loss ("CECL") methodology in 2023 based on management's assessment of the agreed basis of its funding sources, customers, current economic conditions and historical information.

NOTE 7 – LAND AND EASEMENT HOLDINGS, NET

Land and easement holdings, net, consisted of the following as of December 31:

	2023	2022
Natural land areas	$ 145,580,907	$ 84,100,506
Buildings	4,550,845	3,895,602
Improvements	201,295	201,295
Conservation easements	2,413,086	2,438,083
Total	152,746,133	90,635,486
Less: Accumulated depreciation and amortization	(1,954,042)	(1,876,867)
Net book value	$150,792,091	$ 88,758,619

The changes in land and easement holdings, net, consisted of the following for the year ended December 31, 2023:

	Balance at January 1, 2023	Additions	Deaccession	Impairments / Write-Offs	Balance at December 31, 2023
Natural land areas	$ 84,100,506	$ 100,629,952	$ (39,149,551)	$ -	$ 145,580,907
Buildings	3,895,602	1,121,244	(466,001)	-	4,550,845
Improvements	201,295	-	-	-	201,295
Conservation easements	2,438,083	3	-	(25,000)	2,413,086
	90,635,486	101,751,199	(39,615,552)	(25,000)	152,746,133
Less: accumulated depreciation and amortization	(1,876,867)	(102,372)	25,197	-	(1,954,042)
	$ 88,758,619	$ 101,648,827	$ (39,590,355)	$ (25,000)	$ 150,792,091

The changes in land and easement holdings, net, consisted of the following for the year ended December 31, 2022:

	Balance at January 1, 2022	Additions	Deaccession	Impairments / Write-Offs	Balance at December 31, 2022
Natural land areas	$ 60,873,756	$ 30,766,332	$ (7,539,582)	$ -	$ 84,100,506
Buildings	3,919,601	216,002	(240,001)	-	3,895,602
Improvements	209,795	-	(8,500)	-	201,295
Conservation easements	2,789,085	-	(2)	(351,000)	2,438,083
	67,792,237	30,982,334	(7,788,085)	(351,000)	90,635,486
Less: accumulated depreciation and amortization	(1,783,125)	(107,333)	13,591	-	(1,876,867)
	$ 66,009,112	$ 30,875,001	$ (7,774,494)	$ (351,000)	$ 88,758,619

Depreciation expense on buildings and improvements amounted to $102,372 and $107,333 for the years ended December 31, 2023 and 2022, respectively.

NOTE 7 – LAND AND EASEMENT HOLDINGS, NET (Continued)

Included in natural land areas at December 31, 2023 are certain parcels of land with a carrying value of $4,178,873 that are contracted for sale mostly to state conservation agencies for $4,852,119. In addition, $51,408,154 and $10,531,802 of restricted land is expected to be donated to a state conservation agency as of December 31, 2023 and 2022, respectively. The restricted land donation is recorded as a liability in grants payable. In 2023, the Organization adopted a policy change to accrue grants payable for land that will be donated to conservation agencies per funding agreements that reference such donations at the time of acquisition rather than donation.

As of December 31, 2023, the Organization had contracts or options to acquire natural land areas and conservation easements amounting to $32,959,500 that are not included in the consolidated financial statements.

During the years ended December 31, 2023 and 2022, the Organization identified several properties which were deemed to have book values in excess of their market values. The real estate reserve expense for these properties amounted to $25,000 and $351,000, respectively, and related primarily to approximately 3,287 acres and 7,632 acres, respectively, of conserved land or easements to be sold or donated to conservation buyers. As of December 31, 2023 and 2022, the cumulative real estate reserve amounted to $10,941,006 and $12,461,186, respectively.

NOTE 8 – PROPERTY, FURNITURE AND EQUIPMENT, NET

Property, furniture and equipment, net consisted of the following as of December 31:

	2023	2022
Office and other equipment	$ 701,268	$ 519,082
Furniture and fixtures	680,083	394,864
Leasehold improvements	3,452,352	3,296,271
Total cost	4,833,703	4,210,217
Less: Accumulated depreciation and amortization	(4,001,744)	(3,602,418)
Net book value	$ 831,959	$ 607,799

Depreciation and amortization expenses on property, furniture and equipment amounted to $399,326 and $271,053 for the years ended December 31, 2023 and 2022, respectively.

NOTE 9 – OPERATING LEASES

The Organization leases office space and copiers under four operating leases, with varying end dates between 2024 and 2040. In addition to base rent, the Organization is obligated to pay an additional amount based upon increases in real estate taxes, maintenance and utility costs. The Organization assesses whether an arrangement qualifies as a lease at inception and only reassesses its determination if the terms and conditions of the arrangement are changed.

As of December 31, 2023, the ROU asset had a balance of $10,179,489 as shown in the consolidated statement of financial position; the lease liability totaled $10,292,904 as shown in the consolidated statement of financial position. The lease liabilities were calculated utilizing the indicative fixed rates ranging from 2.85% - 6.50%, depending on the remaining life of the leases. The weighted average of the remaining leases are 190 months, and the weighted average interest rate of the remaining leases is 6.39%. Cash paid for amounts in lease liabilities amounted to $1,311,537 and $1,189,118 for the years ended December 31, 2023 and 2022, respectively.

Future minimum payments for non-cancelable operating leases for the next five years ending after December 31, 2023 and thereafter are as follows:

2024	$ 154,759
2025	1,075,784
2026	1,088,793
2027	1,035,212
2028	1,047,213
Thereafter	13,561,100
Total lease payments	17,962,861
Less: Present value discount	(7,669,957)
Present value of lease liabilities	$ 10,292,904

NOTE 10 – CONCENTRATION OF CREDIT RISK

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash and cash equivalents and investments in debt obligations.

The Organization places its cash and cash equivalents with quality financial institutions to mitigate this risk. At times, cash balances may be in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limit. The Organization has not experienced any losses on these accounts. As of December 31, 2023 and 2022, the Organization had cash accounts that exceeded the FDIC insurance limits by approximately $17,864,000 and $28,970,000, respectively.

In order to control market risk, the Organization has an investment committee that oversees its investment portfolio and engages the services of an independent investment consultant to perform due diligence services and ongoing evaluation of investment/fund managers. The Organization also routinely monitors the market risk of its investment portfolio via asset allocation formulas, confirmed values from its investment custodians and the review of general partner reports. The Organization invests in a portfolio that consists of common stocks of financially strong corporations, U.S. government and agency obligations, diversified funds and investment partnerships. As of December 31, 2023, the Organization's largest pooled investment was in one fund with a fair value of $14,490,977, or approximately 4.78% of its net assets. As of December 31, 2022, the Organization's largest pooled investment was in one fund with a fair value of $16,054,582, or approximately 5.69% of its net assets. The underlying portfolio of this fund for the years ended December 31, 2023 and 2022 consisted of a diversified portfolio of common stocks. The clearing and depository operations for the Organization's portfolio of investments held in managed accounts are provided principally by one broker. As of December 31, 2023 and 2022, 100.0%, of the fixed income and common stocks directly owned by the Organization were held at JP Morgan Chase Bank.

OPEN SPACE INSTITUTE, INC. AND CONSOLIDATED ENTITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023
(With Comparative Totals for December 31, 2022)

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

The following is a summary of the changes in net assets with donor restrictions during the year ended December 31, 2023:

	Endowment			Non-Endowment						
	Wallace Endowment	Malcolm Gordon Charitable Fund	Subtotal Endowment	Land	Stewardship	Conservation Capital	Parks and Public Policy	Conservation Communities	Subtotal Non-Endowment	Total
Balance, beginning of year	$ 148,333,308	$ 1,143,418	$ 149,476,726	$ 26,394,064	$ -	$ 20,774,128	$ 4,338,366	$ 1,292,506	$ 52,799,064	$ 202,275,790
Additions:										
Return on investments	19,935,446	151,193	20,086,639	80,281	-	-	-	92,851	173,132	20,259,771
Contributions	-	-	-	47,609,826	66,477	2,801,321	6,076,305	3,212,439	59,766,368	59,766,368
Other	-	-	-	(245,740)	-	1,071,220	257,792	98,555	1,181,827	1,181,827
Total Additions	19,935,446	151,193	20,086,639	47,444,367	66,477	3,872,541	6,334,097	3,403,845	61,121,327	81,207,966
Released from Wallace Endowment	(8,216,600)	-	(8,216,600)	-	-	-	-	-	-	(8,216,600)
Released from Restrictions/ Expenditure:										
Land Conservation and Operations	-	-	-	(46,036,778)	-	-	-	-	(46,036,778)	(46,036,778)
Stewardship	(66,477)	-	(66,477)	-	(66,477)	-	-	-	(66,477)	(132,954)
Conservation Capital	-	-	-	-	-	(4,424,040)	-	-	(4,424,040)	(4,424,040)
Parks and Public Policy	-	-	-	-	-	-	(5,242,460)	-	(5,242,460)	(5,242,460)
Conservation Communities	-	(79,258)	(79,258)	-	-	-	-	(993,835)	(993,835)	(1,073,093)
Total releases	(66,477)	(79,258)	(145,735)	(46,036,778)	(66,477)	(4,424,040)	(5,242,460)	(993,835)	(56,763,590)	(56,909,325)
Transfers to restricted	-	-	-	(19,762)	8,283	-	(33,283)	(200)	(44,962)	(44,962)
Net change during the year	11,652,369	71,935	11,724,304	1,387,827	8,283	(551,499)	1,058,354	2,409,810	4,312,775	16,037,079
Balance, end of year	$ 159,985,677	$ 1,215,353	$ 161,201,030	$ 27,781,891	$ 8,283	$ 20,222,629	$ 5,396,720	$ 3,702,316	$ 57,111,839	$ 218,312,869

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

The following is a summary of the changes in net assets with donor restrictions during the year ended December 31, 2022:

	Endowment			Non-Endowment						
	Wallace Endowment	Malcolm Gordon Charitable Fund	Subtotal Endowment	Land	Stewardship	Conservation Capital	Parks and Public Policy	Conservation Communities	Subtotal Non-Endowment	Total
Balance, beginning of year	$ 190,367,340	$ 1,493,502	$ 191,860,842	$ 27,520,711	$ -	$ 13,315,038	$ 1,005,733	$ 1,767,704	$ 43,609,186	$ 235,470,028
Additions:										
Return on investments	(33,952,063)	(263,639)	(34,215,702)	(194,672)	-	-	-	(154,472)	(349,144)	(34,564,846)
Contributions	-	-	-	13,767,994	70,000	12,444,964	6,959,234	301,929	33,544,121	33,544,121
Other	41,444	322	41,766	(98,213)	-	307,434	(3,388)	86,053	291,886	333,652
Total Additions	(33,910,619)	(263,317)	(34,173,936)	13,475,109	70,000	12,752,398	6,955,846	233,510	33,486,863	(687,073)
Released from Wallace Endowment	(8,049,502)	-	(8,049,502)	-	-	-	-	-	-	(8,049,502)
Released from Restrictions/ Expenditure:										
Land Conservation and Operations	-	-	-	(15,141,439)	-	-	-	-	(15,141,439)	(15,141,439)
Stewardship	(73,911)	-	(73,911)	-	(70,000)	-	-	-	(70,000)	(143,911)
Conservation Capital	-	-	-	-	-	(5,293,473)	-	-	(5,293,473)	(5,293,473)
Parks and Public Policy	-	-	-	-	-	-	(3,634,391)	-	(3,634,391)	(3,634,391)
Conservation Communities	-	(86,767)	(86,767)	-	-	-	-	(556,048)	(556,048)	(642,815)
Total releases	(73,911)	(86,767)	(160,678)	(15,141,439)	(70,000)	(5,293,473)	(3,634,391)	(556,048)	(24,695,351)	(24,856,029)
Transfers to restricted	-	-	-	539,683	-	165	11,178	(152,660)	398,366	398,366
Net change during the year	(42,034,032)	(350,084)	(42,384,116)	(1,126,647)	-	7,459,090	3,332,633	(475,198)	9,189,878	(33,194,238)
Balance, end of year	$ 148,333,308	$ 1,143,418	$ 149,476,726	$ 26,394,064	$ -	$ 20,774,128	$ 4,338,366	$ 1,292,506	$ 52,799,064	$ 202,275,790

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

The Organization recognizes the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). NYPMIFA applies to any funds that are not wholly-expendable on a current basis due to donor-imposed restrictions on appropriating for spending. The Lila Acheson and DeWitt Wallace Fund ("Wallace Endowment") and Malcolm Gordon Chartable Fund ("MGCF") qualify as endowment funds for purpose of NYPMIFA, even though they are treated as with donor restriction not held perpetuity for consolidated financial statement classification and disclosure.

In accordance with U.S. GAAP, organizations are required to disclose any deterioration of the fair value of assets associated with donor-restricted endowment funds that fall below the level the donor requires the Organization to retain in perpetuity. The Organization had no donor-restricted endowment funds required to be maintained in perpetuity as of December 31, 2023 and 2022.

The Wallace Funds represents substantially all of the Organization's endowment funds. Per the terms of the Wallace Fund agreement, the Fund is to be held in stewardship and will be used only for the acquisition of natural land areas, easements, stewardship and related expenses in certain geographic areas.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets subject to these policies include those assets of donor-restricted funds as well as board-designed funds without donor restrictions. Under this policy, as approved by the Board of Trustees, the endowment assets are invested to produce a 5% return plus inflation over time. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Organization 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 Organization targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

The Board of Trustees of the Organization determines at the end of each year how much of the Wallace Endowment is appropriate for distribution for the next succeeding year. For the year ended December 31, 2023, the Board elected to appropriate for distribution 5% of the investable assets' average fair value over the prior 12 quarters, which was higher than the September 30, 2022 spot rate. For the year ended December 31, 2022, the Board elected to appropriate for distribution 5% of the investable assets' average fair value over the prior 12 quarters, which was lower than the September 30, 2021 spot rate. In establish the annual spending rate policy, the Organization considered the long-term expected return on its endowment, Accordingly, over the long term, the Organization expects the spending policy that it adopts each year to allow its endowment to grow at not less than the rate of inflation, consistent with the Organization's objective to maintain the purchasing power of the endowment assets held. Funds appropriated for expenditure need not be spent immediately and are carried forward to future years. Such limitation. There were $1,462,760 and $129,741 unspent appropriated funds as of December 31, 2023 and 2022, respectively.

Based on a resolution of the Board of Trustees in December 2013, and amended in March 2014, a portion of the Wallace Endowment has been segregated into a Stewardship Fund in the amount of $1,385,652 and $1,216,748 as of December 31, 2023 and 2022, respectively. In March 2018, $1,400,000 was carved out of the Stewardship fund to provide for the 34 fee parcels and 154 conservation easements that were transferred to Beaverkill Valle Trust ("BVLT"). The fund held by OSI and BVLT will be entitled to a 5% yearly draw to pay for stewardship expenses. The balance of the BVLT stewardship fund as of December 31, 2023 and 2022 amounted to $1,439,868 and $1,327,931, respectively. Also, the Board of Trustees designated funds from the Wallace Endowment for the purpose of monitoring and enforcing certain conservation easements which the Organization has assigned to a local land trust which amounted to $86,681 and $76,115 as of December 31, 2023 and 2022, respectively.

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

In addition, a Conservation Easement Legal Defense Fund without donor restrictions was maintained in the amount of $1,118,832 and $982,452 as of December 31, 2023 and 2022, respectively. In addition, there are $1,104,770 and $1,799,516 as of December 31, 2023 and 2022, respectively of board designated funds for land purchases and trail building. However, because these funds are board designated and not donor restricted, they are not included in net assets with donor restrictions.

The Organization may make non-operating transfers between restricted and unrestricted funds after an evaluation of the nature and activity within the funds and the donors' intentions. During the years ended December 31, 2023 and 2022, the Organization made total non-operating transfers in the amounts of ($44,962) and $398,365, respectively.

NOTE 12 – CONSERVATION BORROWING AND LENDING PROGRAMS

The Organization borrows money to finance its own acquisitions and to relend to other not-for-profit conservation organizations as part of either its Land or Conservation Capital programs borrowings. In 2003, the Board of Trustees of the Organization authorized a $20 million credit facility that it obtained from JP Morgan Chase Bank secured by the securities of the Wallace Endowment. The Organization also obtained a $10 million line of credit that is collateralized solely with assets without donor restrictions. In May 2021, the Organization increased the $10 million line of credit to $25 million. The Organization's lines of credit are as follows at December 31:

	2023	2022
JP Morgan line of credit - used in the Organization's Stewardship loan program. The line is terminable by either party at any time, subject to the terms of the Note.	$ 20,000,000	$ 20,000,000
JP Morgan line of credit - used in the Organization's South Carolina land program. The line is terminable by either party at any time, subject to the terms of the Note.	25,000,000	25,000,000
JP Morgan letter of credit - used as security for the Organization's office lease. The current lease expires on June 30, 2040.	765,458	138,744
	$ 45,765,458	$ 45,138,744

Certain foundations lend funds to the Organization at below-market rates. The Organization records the imputed difference between the borrowing rate and the current market rate as contribution value of below-market loans payable. The Organization relends at rates that are higher, but still below what the not-for-profit conservation organization would be able to obtain commercially.

NOTE 12 – CONSERVATION BORROWING AND LENDING PROGRAMS (Continued)

Following is the composition of the liability at December 31:

	2023	2022
PRI loans from certain foundations with fixed interest rates ranging from 0% to 1.0%. The loans have varying maturity dates through 2027 (recourse).	$ 3,160,000	$ 1,668,000
Land related loans with fixed interest rates ranging from 0% to 2.0%. The loans have varying maturity dates through 2024 (non-recourse).	16,750,000	14,860,053
Land related loans with fixed interest rate of 0% to 1%. The loans have maturity dates through 2026 (recourse).	3,442,487	2,692,487
Outstanding balances on lines of credit:		
$25 million line, secured by the Organization's investment accounts custodied at the bank. Interest rates ranged between 5.750% and 7.350% in 2023 and 1.040% and 5.770% in 2022. Interest is payable monthly.	17,655,978	20,753,975
$20 million line, secured by the Organization's investment accounts custodied at the bank. Interest rates ranged between 5.750% and 7.350% in 2023 and 1.040% and 5.770% in 2022. Interest is payable monthly.	1,620,000	1,620,000
	$ 42,628,465	$ 41,594,515

Through the July 2, 2024 date of issuance, the Organization repaid $23,431,867 of the conservation borrowing balance as of December 31, 2023 and borrowed money for acquisition of $6,198,080. The following is a summary of the annual principal payments anticipated to be repaid or required to be repaid based on individual loan maturities:

2024	$ 38,218,465
2025	1,260,000
2026	1,000,000
2027	1,900,000
2028	250,000
	$ 42,628,465

NOTE 13 – DEFERRED REVENUE

Grant and contract receipts in excess of revenue recognized are presented as deferred revenue.

Deferred revenue consists of the following as of December 31,

	2023	2022
Grants with matching requirements	$ 1,683,109	$ 3,012,921
Deferred mitigation and other land revenue	27,872,871	8,333
Total deferred revenue	$ 29,555,980	$ 3,021,254

The Organization entered into an $11,433,000 grant agreement with a foundation which covers the period from February 1, 2018 through July 31, 2021 and was extended to December 15, 2024. The grant agreement provides for $2,433,000 for administration and outreach and up to $9,000,000 restricted for a capital fund. The $9,000,000 in capital funding is subject to a variety of matching conditions. If such services are not provided, the foundations and governmental entities are not obligated to expend the funds allotted under the grants and contracts and the Organization may be required to return the funds already remitted. Of the $11,433,000 received as of December 31, 2023, $9,749,891 has been recorded as revenue and $1,683,109 has been deferred, as the donor conditions have yet to be satisfied.

OSI has purchased several properties in South Carolina that will be used to mitigate other projects. OSI and partners will collaborate to protect property to preserve and restore mutually agreeable wetlands consistent with overall conservation goals in accordance with the mitigation requirements under Section 404 of the Clean Water Act and of the South Carolina Department of Health and Environmental Control. OSI entered into contracts with the partners to fund the mitigation projects, and committed to transfer the mitigated properties by donation to a governmental organization. Mitigation revenue is earned over a contracted period of years and recognized over that period. The amount received in advance of being earned is included as deferred revenue.

NOTE 14 – RETIREMENT PLAN

The Organization maintains a defined contribution retirement plan (the “Plan”) under section 403(b) of the Internal Revenue Code. The Plan covers all employees who normally work more than 20 hours per week. The Plan provides for voluntary salary deferrals with certain limits. The Organization provides matching employer contributions for eligible employees who contribute a certain minimum percentage of their compensation. The Plan also allows for a discretionary contribution based on salary. The Organization contributed $434,377 and $451,734 to the Plan for the years ended December 31, 2023 and 2022, respectively.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

A. ***Litigation***

The Organization is a party to various legal proceedings pertaining to enforcement of conservation easements and resolution of title issues relating to real property owned by OSILT. The Organization is also party to a personal injury lawsuit in which proceeding the Organization is being represented by its insurance carrier's selected counsel. While it is not feasible to predict or determine with certainty the outcome of each case, it is the opinion of management, in consultation with legal counsel, that the outcomes will not have a material adverse effect on the accompanying consolidated financial statements.

B. ***Contingencies for Future Audits by Government Agencies***

Government supported programs are subject to audit by the granting agency. The Organization expects that any changes that could result from the audits would not have a material impact on the consolidated financial statements.

C. ***Uncertainty in Income Taxes***

The Organization believes it had no uncertain tax positions as of December 31, 2023 and 2022 in accordance with FASB ASC Topic 740, "Income Taxes," which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 16 – PRIOR PERIOD ADJUSTMENTS

Based on a detailed review of the Organization's grant agreements and further clarification with a donor, the Organization made two restatements that affected the results for the year ended December 31, 2022.

A. Based on further review, the Organization determined that obligations to make donations of land that were acquired using grant funds are obligations resulting from the grant applications as referenced in the agreements. Therefore, the Organization determined that accruing for the grant obligations at the time of the land acquisition, as opposed to recording the grant expense at the time of disposition is appropriate. The result to the consolidated financial statements is an increase in grant expense of $6,546,102 in Land Conservation Operations during the year ended December 31, 2022 and the same increase in grants payable at December 31, 2022.

B. After further clarification with a donor, the Organization determined that the interpretation of the matching requirements on one of its grants would allow for the release of deferred revenue to be made available to fund the program. As a result, the Organization recognized $5,742,479 of contributions and grants revenue during the year ended December 31, 2022 and a decrease in the same amount in deferred revenue at December 31, 2022.

NOTE 16 – PRIOR PERIOD ADJUSTMENTS (Continued)

The cumulative effect decreases net assets, other net assets with donor restrictions, for 2022 by $803,623.

Transaction from page 29		As Previously Reported	Adjustment	Restated
	Liabilities:			
B	Deferred revenue	$ 8,763,733	$ (5,742,479)	$ 3,021,254
A	Grants payable	$ 4,145,700	$ 6,546,102	$ 10,691,802
A, B	Total Liabilities	$ 59,870,015	$ 803,623	$ 60,673,638
	Operating Revenues and Support:			
B	Contributions and grants	$ 30,358,602	$ 5,742,479	$ 36,101,081
B	Total Operating Revenues and Support	$ 44,932,330	$ 5,742,479	$ 50,674,809
	Operating Expenses:			
A	Program service, land conservation operations	$ 16,582,898	$ 6,546,102	$ 23,129,000
A	Total Operating Expenses	$ 36,551,171	$ 6,546,102	$ 43,097,273
A, B	Changes in Net Assets from Operations	$ 8,381,159	$ (803,623)	$ 7,577,536
A, B	Changes in Total Net Assets	$(42,094,774)	$ (803,623)	$(42,898,397)
	Net Assets: With donor restrictions			
A, B	Other net assets with donor restrictions	$ 53,602,686	$ (803,623)	$ 52,799,063

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through July 2, 2024, the date the consolidated financial statements were available to be issued.

OPEN SPACE INSTITUTE, INC. AND CONSOLIDATED ENTITY
SUPPLEMENTARY INFORMATION
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023

	Open Space Institute, Inc.	Open Space Institute Land Trust, Inc.	Consolidating Eliminations	Consolidated Total
ASSETS				
Cash and cash equivalents	$ 5,484,145	$ 58,138,969	$ -	$ 63,623,114
Investments, at fair value	1,963,512	199,183,503	-	201,147,015
Contributions and grants receivable	401,561	5,767,881	-	6,169,442
Accounts receivable	137,547	630,515	-	768,062
Conservation lending receivable, net	-	4,604,500	-	4,604,500
Investment - Limited Liability Company	-	1,580,258	-	1,580,258
Land and easement holdings, net	-	150,792,091	-	150,792,091
Property, furniture and equipment, net	818,600	13,359	-	831,959
Operating lease assets	10,179,489	-	-	10,179,489
Other assets	1,175,976	760,925	-	1,936,901
TOTAL ASSETS	$ 20,160,830	$ 421,472,001	$ -	$ 441,632,831
LIABILITIES				
Accounts payable and accrued expenses	$ 1,108,833	$ 1,841,318	$ -	$ 2,950,151
Deferred revenue	-	29,555,980	-	29,555,980
Conservation borrowing	-	42,628,465	-	42,628,465
Grants payable	-	51,408,154	-	51,408,154
Operating lease liabilities	10,292,904	-	-	10,292,904
Other liabilities	621,900	1,100,398	-	1,722,298
TOTAL LIABILITIES	12,023,637	126,534,315	-	138,557,952
NET ASSETS				
Without donor restrictions				
Operating net assets	3,219,523	79,318,885	-	82,538,408
Board designated - easement enforcement fund	-	1,118,832	-	1,118,832
Board designated - land and parks improvement	-	1,104,770	-	1,104,770
Total net assets without donor restrictions	3,219,523	81,542,487	-	84,762,010
With donor restrictions				
Endowment	1,215,353	159,985,677	-	161,201,030
Other net assets with donor restrictions	3,702,317	53,409,522	-	57,111,839
With donor restrictions	4,917,670	213,395,199	-	218,312,869
TOTAL NET ASSETS	8,137,193	294,937,686	-	303,074,879
TOTAL LIABILITIES AND NET ASSETS	$ 20,160,830	$ 421,472,001	$ -	$ 441,632,831

OPEN SPACE INSTITUTE, INC. AND CONSOLIDATED ENTITY
SUPPLEMENTARY INFORMATION
CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Open Space Institute, Inc.	Open Space Institute Land Trust, Inc.	Consolidating Eliminations	Consolidated Total
NET ASSET ACTIVITIES WITHOUT DONOR RESTRICTIONS				
OPERATING REVENUES AND SUPPORT:				
Contributions and grants	$ 1,935,048	$ 4,124,481	$ (3,091,477)	$ 2,968,052
Donated land	-	267,000	-	267,000
Conservation lending program interest income	-	218,824	-	218,824
Project revenues	6,450	5,184,344	-	5,190,794
Investment income and appreciation utilized	-	10,026,600	-	10,026,600
Revenue recovery	-	1,732,598	-	1,732,598
Gain on real estate activity	-	2,462,306	-	2,462,306
Miscellaneous income	539,255	1,191,579	(318,521)	1,412,313
Net assets released from restrictions	1,139,570	55,800,129	-	56,939,699
Total Operating Revenues and Support Without Donor Restrictions	3,620,323	81,007,861	(3,409,998)	81,218,186
OPERATING EXPENSES:				
Program services:				
Land conservation operations	-	56,124,581	(25,000)	56,099,581
Stewardship	66,477	1,462,836	(66,477)	1,462,836
Conservation capital	-	5,132,512	-	5,132,512
Conservation communities	2,052,204	-	(263,416)	1,788,788
Parks and public policy	-	8,281,301	(55,105)	8,226,196
Total program services	2,118,681	71,001,230	(409,998)	72,709,913
Supporting services:				
Management and general	3,564,870	4,283,380	(3,000,000)	4,848,250
Fundraising	490,446	1,149,106	-	1,639,552
Total supporting services	4,055,316	5,432,486	(3,000,000)	6,487,802
Total Operating Expenses	6,173,997	76,433,716	(3,409,998)	79,197,715
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS FROM OPERATIONS	(2,553,674)	4,574,145	-	2,020,471
NON-OPERATING ACTIVITIES:				
Investment activity	-	4,787,810	-	4,787,810
Investment appreciation utilized	-	(1,810,000)	-	(1,810,000)
Transfers of net assets	200	44,762	-	44,962
NET NON-OPERATING ACTIVITIES	200	3,022,572	-	3,022,772
Net change in without donor restrictions net assets	(2,553,474)	7,596,717	-	5,043,243
NET ASSET ACTIVITIES WITH DONOR RESTRICTIONS				
OPERATING REVENUES AND SUPPORT:				
Contributions and grants	3,278,916	36,973,701	-	40,252,617
Donated land	-	19,513,751	-	19,513,751
Project revenues	98,555	-	-	98,555
Miscellaneous income	-	1,113,647	-	1,113,647
Net assets released from restrictions	(1,139,570)	(55,800,129)	-	(56,939,699)
Subtotal	2,237,901	1,800,970	-	4,038,871
NON-OPERATING ACTIVITIES				
Investment activity	244,044	20,015,727	-	20,259,771
Investment appreciation utilized	-	(8,216,600)	-	(8,216,600)
Transfers of net assets	(200)	(44,762)	-	(44,962)
Total other deductions	243,844	11,754,365	-	11,998,209
Net change in net assets with donor restrictions	2,481,745	13,555,335	-	16,037,080
CHANGE IN TOTAL NET ASSETS	(71,729)	21,152,052	-	21,080,323
NET ASSETS - BEGINNING OF YEAR	8,208,922	273,785,634	-	281,994,556
NET ASSETS - END OF YEAR	$ 8,137,193	$ 294,937,686	$ -	$ 303,074,879