



**Adirondack Foundation  
d/b/a Adirondack Community Foundation**

Financial Statements  
June 30, 2025 and 2024

**Adirondack Foundation**  
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Financial Statements  
June 30, 2025 and 2024

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## Independent Auditor's Report

Board of Trustees  
Adirondack Foundation d/b/a Adirondack Community Foundation

### Opinion

We have audited the financial statements of Adirondack Foundation d/b/a Adirondack Community Foundation (Foundation) (a New York not-for-profit corporation), which comprise the statements of financial position as of June 30, 2025 and 2024, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits 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 the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 the Foundation'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 the Foundation'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.

BST+Co. CPAs, LLP

Latham, New York  
October 6, 2025



**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Statements of Financial Position

	June 30,	
	2025	2024
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,684,516	\$ 2,255,190
Investments	113,254,293	97,085,400
Notes receivable	771,625	835,701
Promises to give, net	816,355	1,300,211
Property and equipment, net	234,945	245,597
Other assets	38,069	44,595
	<b>\$ 117,799,803</b>	<b>\$ 101,766,694</b>
<b>LIABILITIES</b>		
Accounts payable and other current liabilities	\$ 57,423	\$ 32,995
Funds held as organization endowments	9,996,968	9,173,716
Funds held for supporting organizations	19,258,307	17,840,486
Total liabilities	29,312,698	27,047,197
<b>COMMITMENTS</b>		
<b>NET ASSETS</b>		
Without donor restrictions	87,463,251	73,219,173
With donor restrictions	1,023,854	1,500,324
Total net assets	88,487,105	74,719,497
	<b>\$ 117,799,803</b>	<b>\$ 101,766,694</b>

See accompanying Notes to Financial Statements.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Statement of Activities

	Year Ended June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Totals
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Contributions	\$ 15,416,922	\$ -	\$ 15,416,922
Investment return, net	9,479,944	25,157	9,505,101
Supporting fees	159,909	-	159,909
Contributed office space	-	17,727	17,727
Net assets released from restrictions	519,354	(519,354)	-
Total revenues, gains, and other support	25,576,129	(476,470)	25,099,659
<b>EXPENSES</b>			
Program services	10,283,893	-	10,283,893
Management and general	517,078	-	517,078
Development	531,080	-	531,080
Total expenses	11,332,051	-	11,332,051
<b>Change in net assets</b>	<b>14,244,078</b>	<b>(476,470)</b>	<b>13,767,608</b>
<b>NET ASSETS, <i>beginning of year</i></b>	73,219,173	1,500,324	74,719,497
<b>NET ASSETS, <i>end of year</i></b>	<b>\$ 87,463,251</b>	<b>\$ 1,023,854</b>	<b>\$ 88,487,105</b>

See accompanying Notes to Financial Statements.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Statement of Activities

	Year Ended June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Totals
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Contributions	\$ 9,200,421	\$ 1,463,519	\$ 10,663,940
Investment return, net	7,879,060	23,828	7,902,888
Supporting fees	137,481	-	137,481
Contributed office space	-	18,787	18,787
Net assets released from restrictions	615,556	(615,556)	-
Total revenues, gains, and other support	17,832,518	890,578	18,723,096
<b>EXPENSES</b>			
Program services	7,171,503	-	7,171,503
Management and general	465,566	-	465,566
Development	385,430	-	385,430
Total expenses	8,022,499	-	8,022,499
<b>Change in net assets</b>	<b>9,810,019</b>	<b>890,578</b>	<b>10,700,597</b>
<b>NET ASSETS, <i>beginning of year</i></b>	63,409,154	609,746	64,018,900
<b>NET ASSETS, <i>end of year</i></b>	<b>\$ 73,219,173</b>	<b>\$ 1,500,324</b>	<b>\$ 74,719,497</b>

See accompanying Notes to Financial Statements.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Statement of Functional Expenses

	Year Ended June 30, 2025			
	Program Services	Management and General	Development	Total
Salaries	\$ 559,745	\$ 323,180	\$ 310,566	\$ 1,193,491
Payroll-related costs and employee benefits	91,773	52,987	50,918	195,678
Grants	9,356,389	-	-	9,356,389
Accounting and legal	-	28,789	-	28,789
Advertising	41,615	11,343	12,687	65,645
Bank fees	-	1,200	8,358	9,558
Consulting	65,935	23,260	21,670	110,865
Depreciation	5,088	2,762	2,762	10,612
Dues and fees	7,930	5,956	4,423	18,309
Events	4,700	199	24,329	29,228
Insurance	3,132	1,700	1,700	6,532
Office supplies	9,505	5,158	5,158	19,821
Postage and shipping	4,031	620	1,551	6,202
Printing	31,135	-	10,378	41,513
Professional development	749	13,826	7,319	21,894
Rent	19,180	10,411	10,409	40,000
Technology	34,529	16,131	19,428	70,088
Telephone and utilities	4,658	2,529	2,528	9,715
Travel and meeting	7,755	6,585	9,522	23,862
Website	35,591	10,442	-	46,033
Miscellaneous	453	-	27,374	27,827
	<b>\$ 10,283,893</b>	<b>\$ 517,078</b>	<b>\$ 531,080</b>	<b>\$ 11,332,051</b>

See accompanying Notes to Financial Statements.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Statement of Functional Expenses

	Year Ended June 30, 2024			
	Program Services	Management and General	Development	Total
Salaries	\$ 461,635	\$ 290,578	\$ 264,478	\$ 1,016,691
Payroll-related costs and employee benefits	73,951	46,548	42,368	162,867
Grants	6,420,348	-	-	6,420,348
Accounting and legal	-	25,750	-	25,750
Advertising	47,476	-	1,060	48,536
Bank fees	-	9,858	-	9,858
Consulting	32,800	6,030	-	38,830
Depreciation	4,395	2,766	2,518	9,679
Dues and fees	-	18,093	50	18,143
Events	-	666	13,658	14,324
Insurance	1,293	3,049	741	5,083
Office supplies	10,112	6,313	5,898	22,323
Postage and shipping	717	2,236	3,362	6,315
Printing	30,424	-	7,962	38,386
Professional development	11,737	6,380	793	18,910
Rent	18,162	11,433	10,405	40,000
Technology	33,873	17,035	19,189	70,097
Telephone and utilities	3,993	2,513	2,288	8,794
Travel and meeting	18,276	14,438	4,143	36,857
Website	1,825	1,880	1,825	5,530
Miscellaneous	486	-	4,692	5,178
	<b>\$ 7,171,503</b>	<b>\$ 465,566</b>	<b>\$ 385,430</b>	<b>\$ 8,022,499</b>

See accompanying Notes to Financial Statements.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Statements of Cash Flows

	Years Ended June 30,	
	2025	2024
<b>CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Change in net assets	\$ 13,767,608	\$ 10,700,597
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	10,612	9,679
In-kind rent	40,000	40,000
Contributions of marketable securities	(9,092,798)	(2,580,835)
Unrealized gains	(5,042,453)	(5,676,263)
Realized gains	(1,105,748)	(194,030)
Reinvested interest on investments	(3,179,095)	(1,944,590)
New promises to give, net	477,143	584,263
Discount on contributions receivable	(33,247)	(45,212)
(Increase) decrease in		
Other assets	6,526	(10,874)
Increase (decrease) in		
Accounts payable and other current liabilities	24,428	12,817
Grants payable	-	(110,250)
Funds held as organization endowments and for supporting organizations	(1,204,010)	(767,409)
	(5,331,034)	17,893
<b>CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	6,877,096	11,013,141
Purchase of investments	(1,165,439)	(10,344,430)
New notes receivable	(166,667)	(100,000)
Repayment of note receivable	215,370	-
Purchase of property and equipment	-	(14,000)
	5,760,360	554,711
<b>Net increase in cash and cash equivalents</b>	<b>429,326</b>	<b>572,604</b>
<b>CASH AND CASH EQUIVALENTS, <i>beginning of year</i></b>	2,255,190	1,682,586
<b>CASH AND CASH EQUIVALENTS, <i>end of year</i></b>	<b>\$ 2,684,516</b>	<b>\$ 2,255,190</b>

See accompanying Notes to Financial Statements.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Notes to Financial Statements  
June 30, 2025 and 2024

**Note 1. Organization and Summary of Significant Accounting Policies**

*a. Organization*

Adirondack Foundation d/b/a Adirondack Community Foundation (Foundation) is a corporation organized under the Not-For-Profit Corporation Law (NPCL) of the State of New York in July 1997. The Foundation was established to receive gifts and bequests from the public and to administer them for the broad charitable needs of the Adirondack region.

As an experienced grant-maker in the region, the Foundation knows the many and varied needs of local nonprofit organizations and their capacity to deliver quality programs and services to the region. Its mission is to connect people, ideas, and resources to improve lives and expand opportunities throughout the Adirondack region, which is accomplished by:

- Building a permanent and flexible endowment that can respond to the most pressing current and future needs of the Adirondack region;
- Working with donors and their advisors to design named funds that meet the unique and individual charitable objectives of the donor;
- Administering a responsive program of grant-making to give maximum benefit to charitable needs within the Adirondack region and carry out the wishes of donors;
- Providing prudent management and faithful stewardship of philanthropic assets; and
- Being a leader and catalyst focusing attention on the needs of the Adirondack region.

The Foundation envisions its region as a model for rural America, where communities are strong, just and inclusive; its wellbeing is supported through quality care, education, and economic opportunity; nature is valued and protected; and arts and culture thrive.

*b. Basis of Accounting*

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for not-for-profit entities.

*c. Estimates*

The preparation of 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 the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

*d. Fair Value Measurements*

The Foundation reports certain assets at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (see Note 12).

*e. Cash and Cash Equivalents*

The Foundation's cash and cash equivalents are defined as short-term, highly liquid investments with an initial maturity of three months or less.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Notes to Financial Statements  
June 30, 2025 and 2024

**Note 1. Organization and Summary of Significant Accounting Policies (Continued)**

*f. Investments*

The Foundation invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and such changes could materially affect the amounts reported in the financial statements.

The Foundation maintains three investment pools for its charitable funds. Interest, dividends, and realized and unrealized gains and losses from investments are allocated monthly to the individual funds based on the relationship of the fair value of each fund to the total fair value of all of the pooled funds, as adjusted for additions to, or deductions from, the pool.

The Main Investment Pool is primarily invested in an indexed portfolio that is only available to qualified donors meeting minimum contribution requirements. A small portion of this pool's assets are invested in "place-based" investments consisting of notes receivable and certificates of deposit that benefit community development consistent with the mission and values of the Foundation. The notes receivable are loans to local entities, such as community development organizations and nonprofit housing organizations. These entities use the proceeds to support efforts aligned with the community impact and financial criteria established by the Foundation

To meet the needs of flexible, donor-advised fundholders who have a two- to five-year investment time horizon, the Foundation offers an Intermediate Investment Pool. This pool, through an asset allocation of 30% equity and 70% fixed income, has a lower risk profile to better align with these fundholders' investment horizons.

The pools include the following holdings:

	June 30,	
	2025	2024
<b>Main Investment Pool</b>		
Mutual funds	\$ 108,940,629	\$ 93,709,196
Alternative investments	169,916	311,292
"Place-based" notes receivable	771,625	835,701
"Place-based" certificates of deposit	437,972	423,114
	110,320,142	95,279,303
 <b>Intermediate Investment Pool</b>		
Mutual funds	3,705,776	2,641,798
 <b>Uninvested Pool</b>		
Money market	2,613,022	1,484,366
Cash	71,142	695,036
	2,684,164	2,179,402
	\$ 116,710,082	\$ 100,100,503

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Notes to Financial Statements  
June 30, 2025 and 2024

**Note 1. Organization and Summary of Significant Accounting Policies (Continued)**

*f. Investments (Continued)*

Investment return, net, consists of the following:

	June 30,	
	2025	2024
Interest and dividends	\$ 3,454,822	\$ 2,119,895
Unrealized gain	5,042,453	5,676,263
Realized gain	1,105,748	194,030
Less investment expense	(97,922)	(87,300)
Investment return, net	\$ 9,505,101	\$ 7,902,888

*g. Notes Receivable*

Notes receivable are measured at amortized cost. Interest income from notes receivable is recognized using the effective interest method.

The Foundation measures expected credit losses under the current expected credit loss (CECL) methodology applicable to financial assets measured at amortized cost, which include notes receivable. An allowance for credit losses under the CECL methodology is determined using the loss-rate approach and measured on a collective (pool) basis when similar risk characteristics exist. Where financial instruments do not share risk characteristics, they are evaluated on an individual basis. The CECL allowance is based on relevant available information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. There was no allowance for credit losses or changes therein as of and for the years ended June 30, 2025 or 2024.

*h. Promises to Give, Net*

Unconditional promises to give that are expected to be collected during the next year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years were recorded at the present value of estimated future cash flows using a discount rate of 3% for the year ended June 30, 2024. Amortization of the discount is reflected as contributions.

Management determines the need for an allowance based on past collection history and has deemed all promises to give to be collectable at June 30, 2025 and 2024. Promises to give are written off when deemed uncollectible. Recoveries of promises to give previously written off are recorded when received. A promise to give is considered to be past due if any portion of the balance has been outstanding for more than one year.

*i. Funds Held as Organization Endowments and for Supporting Organizations*

The Foundation accepts funds from, and holds funds for the benefit of, other not-for-profit organizations. The financial statements include “funds held as organization endowments” and “funds held for supporting organizations.” The Foundation recognizes a liability for funds received and held for the sole benefit of other organizations.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Notes to Financial Statements  
June 30, 2025 and 2024

**Note 1. Organization and Summary of Significant Accounting Policies (Continued)**

*j. Net Assets*

Net assets and revenues, gains, and other support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions: Resources available to support general operations and not subject to donor restrictions. They may consist of both undesignated funds and funds designated by the Board of Trustees (Board).

Board-designated funds are established by donors who desire to further the purposes of the Foundation and are subject to the Foundation's spending policy. The Board has designated funds for the purpose of grants and scholarships.

While many of the Foundation's assets are subject to donor-imposed purposes and/or endowment restrictions and a donor may make recommendations for disbursements, as a community foundation, the Foundation's governing documents provide for the exercise of "variance power," which is the power to lift one or more restrictions in a gift instrument where changed circumstances have rendered literal compliance with the restriction unnecessary, undesirable, impractical, or impossible. Accounting standards provide that if the governing body of an organization has the ability to remove a donor restriction, the contributions should be classified as net assets without donor restrictions. Accordingly, the financial statements classify all net assets as without donor restrictions, except those where no variance power exists or a time restriction exists.

Net assets with donor restrictions: Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other purposes specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that those resources be maintained in perpetuity for specific purposes or whose principal may not be expended.

The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or a purpose restriction is accomplished) in the reporting period the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

*k. Contributions*

The Foundation recognizes contributions when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Gifts of marketable securities are recorded at their fair value at the date the contribution is received. Gifts of marketable securities are generally sold immediately.

*l. Contributed Nonfinancial Assets*

The Foundation has entered into a multi-year lease agreement, without consideration, for its office space, which has been recognized as a contributed nonfinancial asset at the fair market value of the lease.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Notes to Financial Statements  
June 30, 2025 and 2024

**Note 1. Organization and Summary of Significant Accounting Policies (Continued)**

*m. Functional Allocation of Expenses*

The cost of providing programs and services is summarized on a functional basis in the statements of activities and the statements of functional expenses. Expenses directly supporting programs run or administered by the Foundation are allocated directly to program expenses. Costs common to multiple functions have been allocated among various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- Salaries and payroll-related costs are allocated based on time spent as tracked by time-keeping software and internal allocation schedules.
- Telephone, internet, office supplies, occupancy, depreciation, and other expenses are allocated based on headcount within each functional area.

*n. Advertising Costs*

Advertising costs are charged to expense as incurred. Advertising expense for the years ended June 30, 2025 and 2024 was \$65,645 and \$48,536, respectively.

*o. Income Taxes*

The Foundation is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code (Code) and related New York State law and is exempt from income taxes. The Foundation has been classified as a publicly supported organization that is not a private foundation under Section 509(a)(1) of the Code.

The Foundation files Form 990 annually with the Internal Revenue Service (IRS). When annual returns are filed, some tax positions taken are highly certain to be sustained upon examination by the taxing authorities, while other tax positions are subject to uncertainty about the technical merits of the position or the amount of the position's tax benefit that would ultimately be sustained. Management evaluated the Foundation's tax positions and concluded that the Foundation has taken no tax positions that required adjustment in its financial statements as of June 30, 2025 or 2024.

*p. Subsequent Events*

The Foundation has evaluated subsequent events for potential recognition or disclosure through October 6, 2025, the date the financial statements were available to be issued.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Notes to Financial Statements  
June 30, 2025 and 2024

**Note 2. Liquidity**

A summary of the Foundation's financial assets available for grants and general expenditures within one year of the statement of financial position dates is as follows:

	June 30,	
	2025	2024
Total assets	\$ 117,799,803	\$ 101,766,694
Less assets not available for general expenditures		
Long-term portion of receivables, net	354,530	776,195
Investments and cash equivalents, Board-designated endowment	58,829,559	51,148,687
Investments, with donor restrictions	207,499	200,113
Property and equipment, net	234,945	245,597
Other assets	38,069	44,595
Funds held as organization endowments	9,996,968	9,173,716
Funds held for supporting organizations	19,258,307	17,840,486
	\$ 28,879,926	\$ 22,337,305

Endowment funds consist of donor-restricted endowments and Board-designated endowments. Income from donor-restricted endowments that is restricted for specific purposes is not available for general expenditures. The Foundation's Board-designated endowments are subject to an annual spending rate, which was 4.25% of the average daily fair value over the prior three years through the calendar year preceding the fiscal year ended June 30, 2025. The Board is expected to appropriate \$2,057,800 from the Board-designated endowments within the next 12 months as part of the spending policy. Although the Foundation does not intend to spend from this Board-designated endowment (other than amounts appropriated per the Board's annual spending rate approval), these amounts could be made available, if necessary.

As part of the Foundation's liquidity management, it regularly monitors liquidity required to meet its operating needs and other obligations. The Foundation invests cash in excess of daily requirements in short-term investments and money market funds.

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Notes to Financial Statements  
June 30, 2025 and 2024

**Note 3. Notes Receivable**

Notes receivable represent loans made to local organizations, such as community development organizations, to generate a positive social, economic or environmental impact, such as for housing projects, are unsecured, and consist of the following:

	June 30,	
	2025	2024
Note receivable, including interest at 2.75%, maturing in December 2030 and 2031, with principal payment and any accrued interest due at maturity	\$ 337,880	\$ 172,536
Note receivable, including interest at 2%, maturing in December 2028, with principal payment and any accrued interest due at maturity	151,500	165,603
Note receivable, including interest at 2%, maturing in December 2030, with principal payment and any accrued interest due at maturity	150,945	150,945
Note receivable, including interest at 2%, maturing in November 2029, with principal payment and any accrued interest due at maturity	131,300	131,300
Note receivable, including interest at 5%, paid in May 2025	-	111,115
Note receivable, including interest at 5%, paid in October 2024	-	104,202
	\$ 771,625	\$ 835,701

**Note 4. Promises to Give, Net**

Promises to give, net, consist of the following:

	June 30,	
	2025	2024
Promises to give, net		
Donated office space	\$ 372,257	\$ 394,530
Capital campaign	444,098	905,681
	\$ 816,355	\$ 1,300,211

**Adirondack Foundation**  
**d/b/a Adirondack Community Foundation**

Notes to Financial Statements  
June 30, 2025 and 2024

**Note 4. Promises to Give, Net (Continued)**

*a. Donated Office Space*

The Foundation has entered into a multi-year lease agreement for its office space with a term from July 1, 2017 through June 30, 2037, for which there is no consideration. The parties have agreed to an annual donated value of rent of \$40,000. A 5% discount rate is used to arrive at the present value as follows:

	June 30,	
	2025	2024
Gross amount of gift-in-kind	\$ 480,000	\$ 520,000
Less discount to present value	(107,743)	(125,470)
	<u>\$ 372,257</u>	<u>\$ 394,530</u>

*b. Capital Campaign*

The Foundation initiated a capital campaign during fiscal year 2021. A summary of the timing of amounts due for the Foundation's promise to give, net, from the campaign is as follows:

	June 30,	
	2025	2024
Amounts due in		
Less than one year	\$ 444,098	\$ 484,016
One to five years	-	437,185
	<u>444,098</u>	<u>921,201</u>
Less discount to present value	-	(15,520)
	<u>\$ 444,098</u>	<u>\$ 905,681</u>

**Note 5. Funds Held as Organization Endowments**

When a not-for-profit organization establishes a fund at the Foundation with its own funds and specifies itself as the beneficiary of that fund, the Foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as organization endowments.

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**Note 5. Funds Held as Organization Endowments (Continued)**

The Foundation maintains variance power and legal ownership of organization endowment funds and, as such, continues to report the funds as assets of the Foundation. A liability is established for the fair value of the funds. The following table summarizes the activity in such funds:

	Years Ended June 30,	
	2025	2024
Funds held as organization endowments, beginning of year	\$ 9,173,716	\$ 8,122,306
Gifts received	377,173	338,220
Investment earnings	420,362	273,113
Realized gain	77,711	26,155
Unrealized gain	678,881	769,406
Fees and expenses	(121,626)	(110,353)
Grants	(609,249)	(245,131)
	<u>\$ 9,996,968</u>	<u>\$ 9,173,716</u>
Funds held as organization endowments, end of year	<u>\$ 9,996,968</u>	<u>\$ 9,173,716</u>

**Note 6. Supporting Organizations**

Private foundations, with approval from the IRS, can terminate their private foundation status and become a Supporting Organization of a publicly supported organization that is not a private foundation. Both entities are strengthened by the relationship. By “supporting” the charitable purposes of a public foundation, such as the Foundation, the Supporting Organization is exempt from certain taxes and its donors are eligible for greater tax deductions. By divesting itself of the burdens of investment management and administration, the Supporting Organization can focus on its mission and impact.

On July 1, 2007, the Bruce L. Crary Foundation (Crary Foundation) became a Supporting Organization of the Foundation. The current contract between the two organizations is for five years beginning on July 1, 2024 and may be extended for successive five-year terms upon agreement by both parties. The Crary Foundation offers scholarships to full-time undergraduate students who are residents of Clinton, Essex, Franklin, Hamilton, and Warren Counties located in New York State.

On July 1, 2014, the Lake Placid Education Foundation (LPEF) became a Supporting Organization of the Foundation. LPEF offers grants to schools, libraries, and other institutions, especially in Lake Placid, New York, for the purpose of advancing public welfare through education. The current contract between the two organizations is for five years beginning on August 1, 2024.

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**Note 6. Supporting Organizations (Continued)**

The balance is carried as a liability in the accompanying statements of financial position. The following table summarizes the activity in such funds:

	Years Ended June 30,	
	2025	2024
Funds held for supporting organizations, beginning of year	\$ 17,840,486	\$ 16,574,199
Gifts received	1,000	-
Investment earnings	812,965	538,325
Realized gain	149,592	21,620
Unrealized gain	1,305,572	1,490,384
Fees and expenses	(66,258)	(61,992)
Grants	(785,050)	(722,050)
	<u>\$ 19,258,307</u>	<u>\$ 17,840,486</u>

**Note 7. Net Assets**

*a. Without Donor Restrictions*

Net assets without donor restrictions consist of the following:

	June 30,	
	2025	2024
Operating fund, undesignated	\$ 729,918	\$ 633,474
Board-designated, for grants and scholarships		
Available	27,903,774	21,437,012
Endowment	58,829,559	51,148,687
Total Board-designated	<u>86,733,333</u>	<u>72,585,699</u>
	<u>\$ 87,463,251</u>	<u>\$ 73,219,173</u>

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**Note 7. Net Assets (Continued)**

*b. With Donor Restrictions*

Net assets with donor restrictions are restricted for the following purposes:

	June 30,	
	2025	2024
Subject to the passage of time		
For periods after June 30,		
Donated office space	\$ 372,257	\$ 394,530
Capital campaign	444,098	905,681
Not subject to appropriation for expenditures		
Gifts to be held in perpetuity (a)	207,499	200,113
	\$ 1,023,854	\$ 1,500,324

(a) The gift agreement between the Estate of Alberta P. Moody and the Foundation created two restricted funds, the Alberta P. Moody Higher Education Fund and the Alberta P. Moody Library Fund. The gift agreement does not grant the Foundation variance power, and therefore, the funds are reported as donor-restricted net assets. Annual fund distributions are required based on the funds' average fair value at the end of the three most recent annual periods. The distribution rates are 8% for the Alberta P. Moody Higher Education Fund and 7% for the Alberta P. Moody Library Fund, which are higher than that of the Foundation's Board-designated funds designated to function as endowments. The gift agreements allow for spending of corpus.

**Note 8. Endowment**

*a. Net Asset Classifications*

The Foundation is governed by its Governing Documents. The Board, on the advice of legal counsel, has determined that the majority of contributions are subject to the terms of its Governing Documents. Certain contributions are received subject to other gift instruments or are subject to specific agreements with the Foundation.

Under the terms of the Governing Documents, the Board has the ability to distribute as much of the corpus of any separate gift, bequest, or fund as the Board in its sole discretion shall determine. As a result of the ability to distribute corpus, all contributions not classified as donor-restricted are classified as net assets without donor restrictions for financial statement purposes.

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**Note 8. Endowment (Continued)**

*b. Interpretation of Relevant Law*

The Board of the Foundation has interpreted the NPCL as generally requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation generally retains in perpetuity (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. Amounts not retained in perpetuity are subject to appropriation for expenditure by the Board in a manner consistent with the standard of prudence prescribed by the Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA allows institutions to spend endowment funds below their original historical dollar value without government approval or attorney general review if the institution's board concludes that such spending is prudent.

The Foundation considers the following factors in making a determination to appropriate or accumulate endowment funds and prudence:

1. The duration and preservation of the fund;
2. The purposes of the Foundation and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effects of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the organization; and
7. Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the organization.

The Foundation's endowment consists of certain Board-designated funds and funds with donor restrictions designated to function as endowments.

Endowment-type net assets by type of fund consist of the following:

	June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted funds	\$ -	\$ 207,499	\$ 207,499
Board-designated funds	58,829,559	-	58,829,559
	\$ 58,829,559	\$ 207,499	\$ 59,037,058
	June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted funds	\$ -	\$ 200,113	\$ 200,113
Board-designated funds	51,148,687	-	51,148,687
	\$ 51,148,687	\$ 200,113	\$ 51,348,800

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Notes to Financial Statements  
June 30, 2025 and 2024

**Note 8. Endowment (Continued)**

*b. Interpretation of Relevant Law (Continued)*

Changes in endowment-type net assets are as follows:

	Year Ended June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 51,148,687	\$ 200,113	\$ 51,348,800
Interest and dividends	2,425,167	9,024	2,434,191
Net appreciation of investments	4,379,227	16,132	4,395,359
Contributions	3,186,705	-	3,186,705
Appropriation for expenditure	(2,310,227)	(17,770)	(2,327,997)
Endowment net assets, end of year	<u>\$ 58,829,559</u>	<u>\$ 207,499</u>	<u>\$ 59,037,058</u>

	Year Ended June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 44,639,125	\$ 194,003	\$ 44,833,128
Interest and dividends	1,517,681	6,250	1,523,931
Net appreciation of investments	4,435,373	17,577	4,452,950
Contributions	4,939,912	-	4,939,912
Appropriation for expenditure	(4,383,404)	(17,717)	(4,401,121)
Endowment net assets, end of year	<u>\$ 51,148,687</u>	<u>\$ 200,113</u>	<u>\$ 51,348,800</u>

*c. 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 requires the Foundation to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature would be reported in net assets with donor restrictions. At June 30, 2025, two funds (the Alberta P. Moody Higher Education Fund and the Alberta P. Moody Library Fund) had a historical gift value of \$682,375, a fair value of \$207,499, and a deficiency of \$474,877, which was reported in net assets with donor restrictions. At June 30, 2024, the same two funds had a historical gift value of \$682,375, a fair value of \$200,113, and a deficiency of \$482,262, which was reported in net assets with donor restrictions. As noted above, the gift agreements allow for spending of corpus and the spending policy is higher than that of the Foundation's Board-designated funds designated to function as endowments.

*d. Return Objectives and Risk Parameters*

The Foundation has established investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by those endowments while seeking to maintain the purchasing power of the endowment assets.

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**Note 8. Endowment (Continued)**

*e. Strategies Employed for Achieving Objectives*

To satisfy its long-term rate of return objectives, the Foundation 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 Foundation targets a diversified asset allocation that places an emphasis on equity-based investments to achieve its long-term return objectives within prudent risk restraints.

The spending policy for endowment funds is set by the Board at 4.25% per annum of the average fair value of assets at the end of the trailing 12 calendar quarters, including income, realized gains and losses, unrealized appreciation and depreciation, and, in some cases, principal. This rate may be adjusted from time to time depending on investment performance or other factors. For certain endowment funds, the Board may approve a different rate, depending on donor objectives. This policy is designed to maintain the purchasing power of the endowment assets, as well as provide additional real growth through new gifts and investment return.

**Note 9. Related-Party and Significant Donors**

During the year ended June 30, 2025, 21 Board Trustees donated \$2,000,197 to the Foundation. During the year ended June 30, 2024, 22 Board Trustees donated \$2,000,173 to the Foundation.

**Note 10. Retirement Plan**

The Foundation offers a Savings Incentive Match Plan for Employees (SIMPLE) IRA to its eligible employees. The Foundation provides an annual match of up to 3% of contributions to this plan for all employees who are at least 21 years old and have performed services for the Foundation for at least 30 days. The Foundation's contribution to this plan for the years ended June 30, 2025 and 2024 was \$33,938 and \$29,078, respectively.

**Note 11. Concentration of Credit Risk**

The Foundation maintains operating cash balances at one financial institution. Accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times, the Foundation has bank deposits in excess of the amounts insured by the FDIC.

**Note 12. Fair Value of Financial Instruments**

The framework for measuring fair value provides a fair value hierarchy that 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) and the lowest priority to unobservable inputs (Level 3).

The following three levels of inputs may be used to measure fair value:

*Level 1:* Unadjusted quoted market prices in active markets for identical assets or liabilities.

*Level 2:* Observable inputs other than quoted market prices and can include active markets and markets not considered to be active.

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**Note 12. Fair Value of Financial Instruments (Continued)**

*Level 3:* Unobservable inputs that are supported by little or no market activity.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

*Mutual funds:* The fair value of mutual funds (publicly traded securities) is based on quoted market prices and observable net asset values (NAV).

*Certificates of deposit:* Certificates of deposit are valued at cost plus accrued interest, which approximates fair value.

*Alternative investments:* As a practical expedient, alternative investments do not have a readily determinable fair value and are valued at the NAV provided by fund managers utilizing quoted market prices, the market value of comparable companies, an income-based approach, or discounted cash flow projections. These valuations are reviewed for reasonableness by the management of the Foundation.

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

The following tables present the Foundation's investments:

	June 30, 2025				Measured at NAV
	Total	Level 1	Level 2	Level 3	
Mutual funds					
Value	\$ 11,640,762	\$ 11,640,762	\$ -	\$ -	\$ -
Growth	14,171,628	14,171,628	-	-	-
Fixed income	29,207,755	29,207,755	-	-	-
Blend	52,811,040	52,811,040	-	-	-
International	4,815,220	4,815,220	-	-	-
Certificates of deposit	437,972	437,972	-	-	-
Alternative	169,916	-	-	-	169,916
	<u>\$ 113,254,293</u>	<u>\$ 113,084,377</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 169,916</u>

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**Note 12. Fair Value of Financial Instruments (Continued)**

	June 30, 2024				Measured at NAV
	Total	Level 1	Level 2	Level 3	
Mutual funds					
Value	\$ 10,228,071	\$ 10,228,071	\$ -	\$ -	\$ -
Growth	12,526,011	12,526,011	-	-	-
Fixed income	25,033,769	25,033,769	-	-	-
Blend	44,464,436	44,464,436	-	-	-
International	4,098,707	4,098,707	-	-	-
Certificates of deposit	423,114	423,114	-	-	-
Alternative	311,292	-	-	-	311,292
	\$ 97,085,400	\$ 96,774,108	\$ -	\$ -	\$ 311,292

The following table summarizes investments measured at fair value based on NAV:

	June 30,		Liquidity Restrictions
	2025	2024	
Limited partnership	\$ 169,916	\$ 311,292	(a)

- (a) The alternative investment was held in a limited partnership, Darlington Partners II, L.P. (Darlington), that was fully redeemed during the year ended June 30, 2024. After redemption, the funds are now being held in DP Liquidating Fund, L.P. (Partnership) that was formed as a special-purpose vehicle to hold the portion of the illiquid securities attributable to former limited partners in Darlington who have fully withdrawn their capital accounts. As a former partner, the Foundation exchanged its remaining interest in Darlington, comprising its proportionate share of Darlington's illiquid assets, for an interest in the Partnership. The Partnership will hold and manage such illiquid assets until such time that they can be either sold or transferred.