THE CORPORATION OF YADDO

Financial Statements as of
December 31, 2022 and 2021
Together with
Independent Auditor's Report

Bonadio & Co., LLP
Certified Public Accountants

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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

June 21, 2023

To the Board of Directors of
The Corporation of Yaddo:

Opinion

We have audited the accompanying financial statements of The Corporation of Yaddo (a New York not-for-profit corporation), which comprise the statements of financial position as of December 31, 2022 and 2021, and 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 financial statements referred to above present fairly, in all material respects, the financial position of The Corporation of Yaddo as of December 31, 2022 and 2021, 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. 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 Corporation of Yaddo 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.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, The Corporation of Yaddo adopted Accounting Standards Codification 842, *Leases*, as of January 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Corporation of Yaddo's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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INDEPENDENT AUDITOR'S REPORT
(Continued)

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Corporation of Yaddo'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 Corporation of Yaddo'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.

Bonadio & Co., LLP

THE CORPORATION OF YADDO

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 909,537	$ 879,023
Cash and cash equivalents - restricted	1,288,398	1,347,135
Unconditional promises to give, net	82,356	93,856
Grants and other receivables	19,968	70,369
Other current assets	62,561	104,695
Total current assets	2,362,820	2,495,078
PROPERTY AND EQUIPMENT, net	16,178,522	16,933,948
COLLECTIONS AND FINE ARTS	3,551,348	3,551,348
OTHER ASSETS:		
Board designated and endowment investments	29,528,419	35,557,324
Right of use assets - operating leases	300,219	-
Right of use assets - finance lease	2,198	-
Other miscellaneous assets	56,281	42,403
Total other assets	29,887,117	35,599,727
Total assets	$ 51,979,807	$ 58,580,101
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of long-term debt	$ 17,228	$ 17,278
Accounts payable	50,555	165,317
Accrued expenses	144,386	106,071
Operating lease liability, current	44,815	-
Finance lease liability, current	1,893	-
Total current liabilities	258,877	288,666
LONG-TERM LIABILITIES:		
Long-term debt, net of current portion	15,887	33,457
Operating lease liability, net of current portion	255,404	-
Finance lease liability, net of current portion	305	-
Total long-term liabilities	271,596	33,457
Total liabilities	530,473	322,123
NET ASSETS:		
Without donor restrictions -		
Operating	25,067,216	24,821,977
Board designated	18,002,938	23,484,855
Total without donor restrictions	43,070,154	48,306,832
With donor restrictions	8,379,180	9,951,146
Total net assets	51,449,334	58,257,978
Total liabilities and net assets	$ 51,979,807	$ 58,580,101

The accompanying notes are an integral part of these statements.

THE CORPORATION OF YADDO

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUE AND SUPPORT		
Net realized and unrealized (loss) gain on investments	$ (5,020,815)	$ 1,915,637
Grants	209,514	1,045,916
Royalties	326,073	313,941
Income on investments, net	1,088,936	938,902
Special events	962,176	651,144
Contributions	967,566	951,997
Application fees	35,984	4,209
Land lease	9,000	16,000
Estates/bequests	74,414	193,674
Contributed nonfinancial assets	48,143	26,404
Garden association	7,097	10,185
Other	8,338	1,953
Net assets released from restrictions	422,914	532,948
Total revenue and support	(860,660)	6,602,910
EXPENSES		
Program	2,873,344	2,441,211
Support services	1,502,674	1,442,700
Total expenses	4,376,018	3,883,911
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(5,236,678)	2,718,999
NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	-	150,000
Grants	106,500	39,297
Annual residency	22,000	-
Net realized and unrealized (loss) gain on investments	(1,277,552)	1,045,336
Net assets released from restrictions	(422,914)	(532,948)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	(1,571,966)	701,685
CHANGE IN NET ASSETS	(6,808,644)	3,420,684
NET ASSETS - beginning of year	58,257,978	54,837,294
NET ASSETS - end of year	$ 51,449,334	$ 58,257,978

The accompanying notes are an integral part of these statements.

THE CORPORATION OF YADDO

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services	Supporting Services			
	Artistic Services and Public Gardens	Artistic Program Administration	Communication and Public Relations	Development	Total
Salaries and wages	$ 1,051,946	$ 214,625	$ 198,013	$ 302,085	$ 1,766,669
Employee benefits	98,675	19,708	13,535	27,777	159,695
Payroll taxes	102,514	15,852	14,567	24,715	157,648
Pension costs	39,633	9,795	6,606	11,796	67,830
Total salaries and related expenses	1,292,768	259,980	232,721	366,373	2,151,842
Depreciation	683,139	89,118	-	1,669	773,926
Repairs, maintenance, and gas - Yaddo vehicles	206,839	3,990	-	-	210,829
Fund raising benefits/events	-	-	19,850	183,597	203,447
Fuel and utilities	162,353	3,455	691	2,764	169,263
Insurance	83,169	17,520	9,823	12,279	122,791
Food	113,919	-	-	-	113,919
Other professional fees and contract services	30,373	30,464	16,489	31,663	108,989
Miscellaneous	50,741	4,981	11,740	13,879	81,341
Supplies	58,837	4,923	684	1,769	66,213
Travel and support services	43,266	1,742	2,839	10,751	58,598
Value of contributed nonfinancial assets	48,143	-	-	-	48,143
Space rental	-	-	-	47,520	47,520
Renovations, repairs, and purchases	44,195	-	-	-	44,195
Equipment	25,553	966	7,564	3,348	37,431
Audit and tax services	-	23,200	-	-	23,200
Telephone and internet	7,543	5,102	-	9,023	21,668
Donor cultivation	-	-	-	18,758	18,758
Board of Directors	-	17,397	-	-	17,397
Admissions committee	16,424	-	-	-	16,424
Library, dues, subscriptions, and publications	1,571	5,940	966	6,846	15,323
Printing and mailing	2,007	2,392	7,255	2,978	14,632
Yaddo medals	-	-	5,000	-	5,000
Meetings, conferences, and education	700	889	1,026	750	3,365
Cost of goods sold	1,804	-	-	-	1,804
Total other expenses	1,580,576	212,079	83,927	347,594	2,224,176
	$ 2,873,344	$ 472,059	$ 316,648	$ 713,967	$ 4,376,018

The accompanying notes are an integral part of these statements.

THE CORPORATION OF YADDO

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Services	Supporting Services			
	Artistic Services and Public Gardens	Artistic Program Administration	Communication and Public Relations	Development	Total
Salaries and wages	$ 836,882	$ 189,617	$ 176,464	$ 367,641	$ 1,570,604
Employee benefits	85,612	16,463	13,782	23,023	138,880
Payroll taxes	74,844	14,653	12,551	30,448	132,496
Pension costs	38,014	6,300	7,308	15,612	67,234
Total salaries and related expenses	1,035,352	227,033	210,105	436,724	1,909,214
Depreciation	704,007	92,669	-	1,669	798,345
Renovations, repairs, and purchases	183,076	-	-	-	183,076
Fundraising benefits/ events	-	-	-	180,383	180,383
Fuel and utilities	118,937	3,124	521	2,082	124,664
Insurance	77,880	16,179	8,746	12,039	114,844
Miscellaneous	68,794	4,930	13,179	10,527	97,430
Other professional fees and contract services	30,039	13,690	6,104	46,711	96,544
Food	77,329	-	-	-	77,329
Supplies	54,395	2,739	337	2,648	60,119
Space rental	-	-	-	48,840	48,840
Travel and support services	24,306	1,588	778	8,062	34,734
Value of donated materials and services	26,404	-	-	-	26,404
Audit and tax services	-	24,100	-	-	24,100
Telephone and internet	7,738	5,179	-	8,830	21,747
Library, dues, subscriptions, and publications	5,393	4,981	1,060	9,038	20,472
Repairs, maintenance, and gas - Yaddo vehicles	11,872	1,225	-	-	13,097
Equipment	8,675	856	1,315	995	11,841
Donor cultivation	-	125	-	11,197	11,322
Printing and mailing	2,022	2,672	3,200	3,120	11,014
Board of Directors	-	6,685	-	-	6,685
Yaddo medals	-	-	4,800	-	4,800
Cost of goods sold	4,800	-	-	-	4,800
Meetings, conferences, and education	192	1,915	-	-	2,107
Admissions committee	-	-	-	-	-
Total other expenses	1,405,859	182,657	40,040	346,141	1,974,697
	$ 2,441,211	$ 409,690	$ 250,145	$ 782,865	$ 3,883,911

The accompanying notes are an integral part of these statements.

THE CORPORATION OF YADDO

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Change in net assets	$ (6,808,644)	$ 3,420,684
Adjustments to reconcile change in net assets to net cash flow from operating activities:		
Depreciation	773,926	798,345
Amortization of right-of-use assets	1,869	-
Net realized and unrealized (gain) loss on investments	6,298,367	(2,960,973)
Donated investment securities	-	(17,121)
Changes in:		
Unconditional promises to give	11,500	25,800
Grants and other receivables	50,401	(13,869)
Other current assets	42,134	(102,546)
Other miscellaneous assets	(13,878)	(2,906)
Accounts payable	(114,762)	133,175
Accrued expenses	38,315	12,814
Net cash flow from operating activities	279,228	1,293,403
CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	25,646,568	3,343,607
Purchases of investments	(25,916,030)	(4,416,277)
Purchase of property and equipment	(18,500)	(270,824)
Net cash flow from investing activities	(287,962)	(1,343,494)
CASH FLOW FROM FINANCING ACTIVITIES:		
Payments made on long-term debt	(17,620)	(18,156)
Repayment of lease liability	(1,869)	-
Net cash flow from financing activities	(19,489)	(18,156)
CHANGE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(28,223)	(68,247)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - beginning of year	2,226,158	2,294,405
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - end of year	$ 2,197,935	$ 2,226,158
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	$ -	$ 151

The accompanying notes are an integral part of these statements.

1. THE ORGANIZATION

The Corporation of Yaddo (Corporation) is a non-profit organization qualified under Section 501 (c)(3) of the Internal Revenue Code. Yaddo, originally endowed by Spencer and Katrina Trask, provides short-term residencies for qualified visual artists, writers, composers, photographers, choreographers, video artists, performance artists, and filmmakers selected by peer review panels composed of appropriate leading artists in the disciplines from all over the United States and abroad. Yaddo receives funds from private donors, foundations and corporations, fund raising events, and government agencies.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
The Corporation's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates
The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Recently Adopted Accounting Guidance - Leases
The Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) 842, *Leases*, to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Corporation adopted the standard effective January 1, 2022 using the modified retrospective approach and comparative financial information has not been restated. In addition, lease disclosures for the year ended December 31, 2021 are made under prior lease guidance in FASB ASC 840.

The Corporation elected the available practical expedients to account for the existing leases as operating leases under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of new lease accounting guidance, the Corporation recognized on January 1, 2022 an operating lease liability and an operating ROU asset of $339,044 and the Corporation also recognized a finance lease liability and a finance lease ROU asset of $4,068 on January 1, 2022. The standard did not have a material impact on the statements of activities or cash flows.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Adopted Accounting Guidance - Leases (Continued)
FASB ASC 842 requires lessors to classify leases as a sales type, direct financing, or operating lease. Under the standard, additional disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Corporation elected the available practical expedients to not reassess under the new standard its prior conclusions about lease identification, lease classification, and initial direct costs. Adoption of the standard did not have a significant impact on the Corporation's financial statements.

Cash and Cash Equivalents
Cash consists of demand deposit accounts. The Corporation's cash balances may at times exceed federally insured limits. The Corporation has not experienced any losses in these accounts and believes it is not exposed to any significant risk with respect to cash and cash equivalents.

Operating cash and cash equivalents consist of amounts to be used for daily operations. Restricted cash and cash equivalents consist of amounts restricted to the Capital Campaign, as well as amounts designated by the Board. Cash and restricted cash, as stated on the statement of cash flows, were as follows for the years ended December 31:

	2022	2021
Operating cash and cash equivalents	$ 909,537	$ 879,023
Restricted cash and cash equivalents	1,288,398	1,347,135
	$ 2,197,935	$ 2,226,158

Investments
All investments in publicly traded fixed income securities and equity securities are stated at fair value. Fair value is determined using quoted market prices. Certain alternative investments, such as pooled funds and investments in limited partnerships, are recorded at net asset value (NAV) as a practical expedient. All realized and unrealized gains and losses are reported directly in the statements of activities.

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

Promises to Give
Contributions are recognized when the donor makes a promise to give to the Corporation that is unconditional. A promise is unconditional if its receipt depends only on the passage of time and no right of return of any assets transferred exists. A conditional promise to give is not recognized until said condition is satisfied.

The Corporation uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. All long-term unconditional promises to give will be received in one to four years and are recorded at the present value of estimated future cash flows.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurement – Definition and Hierarchy
Fair value 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 at the measurement date. GAAP 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The asset or liability's 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. The valuation methodology used for the Corporation's assets measured at fair value is to value the investments at quoted market prices on the last business day of the fiscal year.

Property and Equipment
Property and equipment are stated at cost, less accumulated depreciated, and are stated at cost. Depreciated is calculated over the estimated useful lives of the related assets using the straight-line method.

The estimated useful lives of property and equipment are as follows:

Buildings and improvements	15 - 25 years
Equipment and furniture	5 years

Maintenance, repairs, and minor replacements are charges to operations as incurred while major additions and improvements are capitalized. When assets are sold, retired, or otherwise disposed of, the applicable costs and accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized.

Long-Lived Assets
The Corporation assesses its long-lived assets for impairment when events or circumstances indicate their carrying amounts may not be recoverable. This is accomplished by comparing the expected undiscounted future cash flows of the long-lived assets with the respective carrying amount as of the date of assessment. If the expected undiscounted future cash flows exceed the respective carrying amount as of the date of assessment, the long-lived assets are considered not to be impaired. If the expected undiscounted future cash flows are less than the carrying value, an impairment lost is recognized and measured as the difference between the carrying value and the fair value of the long-lived asset. No impairment of long-lived asset was recognized in 2022 or 2021.

Collections and Fine Arts
The Corporation has a collection of fine arts that were acquired primarily through contributions. Each item in the collection is cataloged, preserved, and cared for regularly. The collections are recorded at appraised value (as of September 1995 and September 1999). There is no intent to sell any of the collections and fine arts.

Other Miscellaneous Assets
Other miscellaneous assets consists of food, supplies, merchandise stated at lower of cost or net realizable value, and a watercolor painting. The painting is valued at $33,000 which, if sold, said proceeds would be with donor restrictions for a residency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Nonfinancial Assets
Contributions of donated materials and services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The majority of donated materials and services are from the Yaddo Garden Association for the maintenance of the rose garden.

The Corporation received the following contributions of nonfinancial assets for the years ended December 31, 2022 and 2021:

	2022	2021
Contributed food	$ 1,161	$ 1,049
Contributed books	2,102	1,836
Contributed services	44,880	23,520
	$ 48,143	$ 26,404

Leases
Lessee
The Corporation determines if an arrangement is a lease at inception. ROU assets represent the Corporation's right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The lease may include renewal and termination options, which are included in the lease term when the Corporation is reasonably certain to exercise these options.

For all underlying classes of assets, the Corporation has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Corporation is reasonably certain to exercise. The Corporation recognizes fixed short-term lease cost on a straight-line basis over the lease term and variable lease cost in the period in which the obligation is incurred.

The Corporation elected for all classes of underlying assets, to use the risk-free rate as the discount rate if the implicit rate in the lease contract is not readily determinable and to not separate the lease and non-lease components of a contract and to account for as a single lease component.

Lessor
The Corporation determines if an arrangement is a lease at inception. The Corporation reassesses the determination of whether an arrangement is a lease if the terms and condition of the contract are changed.

The Corporation recognizes revenue on a straight-line basis over the lease term which is representative of the pattern in which the benefit is expected to be derived for use of the underlying asset. Variable lease payments are generally immaterial and consist of items such as late fees, which are charged to tenants in certain circumstances. The Corporation recognizes variable lease payments as revenue in the period incurred.

The Corporation elected for all classes of underlying assets to not separate the lease and non-lease components of a contract and to account for as a single lease component. The single lease component is accounted for under ASC 842.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation
The Corporation reports its activities and the related net assets using two net asset categories: without donor restrictions and with donor restrictions.

Net assets without donor restrictions include resources with are available for the support of the Corporation's operating activities. The Board of Directors can authorize use of these assets, as it desires, to carry on the purpose of the Corporation. Net assets without donor restrictions also include board designated net assets which are resources designated by the Board of Directors.

Net assets with donor restrictions include resources that have been donated to the Corporation subject to restrictions defined by the donor.

Functional Allocation of Expenses
The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. Expenses are allocated to program and supporting services based on where time and efforts are made and benefit received.

Income Taxes
The Corporation of Yaddo is a New York not-for-profit corporation organized under Section 501 (c)(3) of the Internal Revenue Code and is also classified by the Internal Revenue Service as an entity that is not a private foundation.

Reclassification
Certain reclassifications have been made to the prior year statements to conform to the current year presentation.

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Corporation is substantially supported by contributions and grants from state and local governments. In addition, some support is received in the form of restricted contributions from donors. Because a donor restriction requires resources to be used in a particular manner or in a future period, the Corporation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets reported on the accompanying statement of financial position may not be available for expenditure within one year.

As of December 31, the Corporation has the following financial assets available to meet cash needs for general expenditure within one year of the statement of financial position date:

	2022	2021
Financial assets -		
Cash and cash equivalents	$ 909,537	$ 879,023
Cash and cash equivalents - restricted	1,288,398	1,347,135
Unconditional promises to give, net	82,356	93,856
Grants and other receivables	19,968	70,369
Board designated and endowment investments	29,528,419	35,557,324
Total Financial assets	31,828,678	37,947,707
Less: Those unavailable for general expenditure due to:		
Board designations	(18,002,938)	(23,484,855)
Donor restrictions by donors with purpose restriction	(8,379,180)	(9,951,146)
Total financial assets available to meet cash needs for general expenditures within one year	$ 5,446,560	$ 4,511,706

The Corporation's ability to meet its cash needs is dependent on continued contributions, collection of receivables, and investment market performance. The Corporation regularly monitors liquidity required to meet its operating needs, and has a policy to structure its financial assets to be available as general expenditures become due. As part of the Corporations liquidity management, the Corporation also has a committed line of credit in the amount of $3,000,000, which it could draw upon in the event of an unanticipated liquidity need.

4. INVESTMENTS

The Corporation's investments consisted of the following as of December 31:

	2022	2021
Equity securities	$ 3,188,043	$ 22,077,034
Fixed income	264,642	3,634,906
Corporate bonds	320,421	-
Government bonds and notes	629,162	-
Mortgaged backed securities	1,052,269	-
Money market funds	17,026	-
Pooled funds	17,580,129	2,872,749
Investment in limited partnership	6,476,727	6,972,635
	$ 29,528,419	$ 35,557,324

5. FAIR VALUE MEASUREMENTS

The following are measured at fair value on a recurring basis using the following input levels at December 31, 2022:

	Level 1	Level 2	Level 3	Total
Equity securities - domestic	$ 1,742,966	$ -	$ -	$ 1,742,966
Equity securities - foreign	1,445,077	-	-	1,445,077
Mutual funds - fixed income	264,642	-	-	264,642
Corporate bonds	-	320,421	-	320,421
Government bonds and notes	629,162	-	-	629,162
Mortgaged backed securities	-	1,052,269	-	1,052,269
Money market funds	17,026	-	-	17,026
	$ 4,098,873	$ 1,372,690	$ -	5,471,563
Investments measured at net asset value				24,056,856
				$29,528,419

The following are measured at fair value on a recurring basis using the following input levels at December 31, 2021:

	Level 1	Level 2	Level 3	Total
Equity securities - domestic	$20,146,662	$ -	$ -	$20,146,662
Equity securities - foreign	1,930,372	-	-	1,930,372
Mutual funds - fixed income	3,634,906	-	-	3,634,906
	$25,711,940	$ -	$ -	25,711,940
Investments measured at net asset value				9,845,384
				$35,557,324

Investments at net asset value are included to permit reconciliation to the amounts shown in the accompanying statements of financial position.

There were no changes in valuation techniques during 2022 or 2021. The Corporation recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

The following investments are valued at net asset value per share (unitized basis) as of December 31:

	Net Asset Value at 12/31/2022	Net Asset Value at 12/31/2021	2022 Unfunded Commitments	2021 Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Pooled funds	$17,580,129	$2,872,749	$ -	$ -	Ineligible	None
Investment in partnerships	6,476,727	6,972,635	-	-	Ineligible	None
	$24,056,856	$9,845,384	$ -	$ -		

5. FAIR VALUE MEASUREMENTS (Continued)

Pooled Funds

The Corporation holds two separate pooled investment funds. The interest is based on the fund's pro-rata share of the net asset value of the investments held as determined by the independent investment managers.

Investment in Partnerships

The Corporation holds an interest in two Delaware limited liability partnerships. The interests in the partnerships are based on the valuations per share as of December 31, 2022.

6. PROMISES TO GIVE

Unconditional promises to give are scheduled for payment as follows at December 31:

	2022	2021
Amounts due in:		
Less than one year	$ 84,625	$ 96,125
Less: Discount to present value	(2,269)	(2,269)
Net unconditional promises to give	$ 82,356	$ 93,856

Unconditional promises to give are primarily from board members and are reflected at the present value of the estimated future cash flows using a discount rate at December 31, 2022 and 2021 of 2%.

At December 31, 2022 and 2021, management believes that all grants and pledges receivable are collectible and a provision for bad debts is not necessary.

7. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2022	2021
Land	$ 4,717,000	$ 4,717,000
Buildings and improvements	25,247,082	25,247,082
Equipment and furniture	1,390,796	1,372,296
	31,354,878	31,336,378
Less: Accumulated depreciation	(15,176,356)	(14,402,430)
	$ 16,178,522	$ 16,933,948

Depreciation expense was $773,926 and $798,345 for the years ended December 31, 2022 and 2021, respectively.

8. LONG-TERM DEBT

Long-term debt consists of a vehicle loan with monthly payment of $1,440 through November 2024, secured by the vehicle.

Maturities of long-term debt are as follows for the years ending December 31:

2023	$	17,228
2024		15,887
	$	33,115

9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2022 and 2021 consist of assets held in perpetuity and assets restricted due to time or purpose, based on a donor's intent.

Net assets with donor restrictions held in perpetuity consisted of the following at December 31:

		2022		2021
General residencies *	$	4,313,514	$	4,313,514
Restoration and maintenance of buildings *		605,443		605,443
Yaddo medal *		127,000		127,000
Mansion upkeep and restoration *		38,060		38,060
Total net assets with donor restrictions held in perpetuity	$	5,084,017	$	5,084,017

9. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets with donor restrictions due to time or purpose consisted of the following at December 31:

	2022	2021
Facilities improvement and capital campaign expenses *	$ 56,921	$ 72,547
Mansion restoration and upkeep *	282,522	486,219
Musa Mayer *	500,000	500,000
Residencies for subsequent periods *	2,208,729	3,563,756
Library resotration	1,764	1,764
Yaddo garden	10,325	10,400
Stipends	61,513	80,488
Yaddo medal	62,068	103,634
NYSCA Grant - electronic media and film workspace	15,000	20,000
Annual residency	25,000	25,000
Trees	1,129	1,129
Photography Studio	2,092	2,092
Stone tower	57,000	-
Residency - "Anonymous was a Woman"	11,000	-
Solar study	100	100
Total net assets with donor restrictions due to time or purpose	$ 3,295,163	$ 4,867,129

	2022	2021
Total net assets with donor restrictions held in perpetuity	$ 5,084,017	$ 5,084,017
Total net assets with donor restrictions due to time or purpose	3,295,163	4,867,129
Total net assets with donor restrictions	$ 8,379,180	$ 9,951,146

The following is a reconciliation of changes in net assets with donor restrictions due to time or purpose for years ended December 31:

	2022	2021
Beginning Balance	$ 4,867,129	$ 4,315,444
Contributions	-	89,297
Grants	108,000	-
Write-offs	(1,500)	(50,000)
Annual residency	22,000	-
Investment (loss) income, net	(1,277,552)	1,045,336
Released from time restriction	(422,914)	(532,948)
Ending Balance	$ 3,295,163	$ 4,867,129

* Funds are included in endowment net assets with donor restriction (see note 10).

10. ENDOWMENTS

The Corporation's endowment consists of several funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the New York State Prudent Management of Institutional Funds Act (NYPMIFA) as 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 Corporation classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with NYPMIFA, the Corporation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Corporation, and (7) the Corporation's investment policies.

Investment Return Objectives, Risk Parameters, and Strategies: The Corporation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the funds if possible. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy:. The Corporation has a policy of appropriating for distribution each year 5% of its board designated endowment fund's average fair value of the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Corporation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation.

The Corporation expects the current spending policy to allow its endowment funds to grow at a nominal average annually, which is consistent with the Corporation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

Endowment net asset composition by type of fund as of December 31, 2022 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Donor-restricted endowment funds	$ -	$ 8,132,189	$ 8,132,189
Board-designated endowment funds	17,843,714	-	17,843,714
	$ 17,843,714	$ 8,132,189	$ 25,975,903

10. ENDOWMENTS (Continued)

Endowment net asset composition by type of fund as of December 31, 2021 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Donor-restricted endowment funds	$ -	$ 9,706,539	$ 9,706,539
Board-designated endowment funds	23,484,855	-	23,484,855
	$ 23,484,855	$ 9,706,539	$ 33,191,394

Changes in endowment net assets for the years ended December 31, 2022 and 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Endowment net assets - January 1, 2021	$ 22,075,170	$ 9,001,859	$ 31,077,029
Contributions	313,941	105,797	419,738
Investment return, net	2,880,976	1,018,899	3,899,875
Amounts appropriated for expenditure	(1,407,747)	(420,016)	(1,827,763)
Distribution from board-designated endowment pursuant to distribution policy	(377,485)	-	(377,485)
Endowment net assets - December 31, 2021	23,484,855	9,706,539	33,191,394
Contributions	326,073	(1,500)	324,573
Investment return, net	(3,931,879)	(1,245,689)	(5,177,568)
Amounts appropriated for expenditure	(1,712,596)	(327,161)	(2,039,757)
Distribution from board-designated endowment pursuant to distribution policy	(322,739)	-	(322,739)
Endowment net assets - December 31, 2022	$ 17,843,714	$ 8,132,189	$ 25,975,903

11. BOARD DESIGNATED NET ASSETS

Board designated net assets consisted of the following at December 31:

	2022	2021
Board-designated endowment funds	$ 17,843,714	$ 23,484,855
Highsmith Maintenance Fund	159,224	-
Total board designated net assets	$ 18,002,938	$ 23,484,855

12. LEASES

The Corporation leases office space, a dishwasher, and postage machines. The property operating leases are long-term with an expiration date through 2029. The dishwasher operating lease has an expiration date through 2024. The postage machine leases which are categorized as finance leases have expiration dates through 2024. There are no options to extend leases included in the calculations of ROU assets and lease liabilities as of December 31, 2022.

Total components of total lease cost for the year ended December 31, 2022 are as follows:

Finance lease expense		
Amortization of ROU assets	$	1,869
Interest on lease liabilities		40
Operating lease expense		47,745
	$	49,654

Supplemental cash flow information related to lease for the year ended December 31, 2022 were as follows:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from finance leases	$	40
Financing cash flows from finance leases	$	1,869
Operating cash flows from operating leases	$	41,679
ROU assets obtained in exchange for new finance lease liabilities	$	4,068
ROU assets obtained in exchange for new operating lease liabilities	$	344,235

Other information related to leases as of December 31, 2022 are as follows:

Weighted-average remaining lease term in years for finance leases	1.17
Weighted-average remaining lease term in years for operating leases	6.67
Weighted-average discount rate for finance leases	1.26%
Weighted-average discount rate for operating leases	1.92%

Maturities of lease liabilities are as follows for the years ending December 31:

		Finance		Operating
2023	$	1,910	$	49,995
2024		306		47,520
2025		-		47,520
2026		-		47,520
2027		-		47,520
Thereafter		-		79,200
Total lease payments		2,216		319,275
Less: Imputed interest		(18)		(19,056)
Total lease liability	$	2,198	$	300,219

13. RETIREMENT PLAN

The Corporation sponsors a defined contribution retirement plan (Tax Sheltered Annuities under the Internal Revenue Code Section 403(b) through Teachers Insurance and Annuities Association - College Retirement Equities Fund (TIAA-CREF)) for all employees who meet certain plan eligibility requirements. The retirement plan cost was $67,830 and $67,233 for 2022 and 2021, respectively.

Discretionary employer contributions to the plan are based on an amount equal to 5% of eligible individual's annual salary. The plan allows each eligible participant to defer a part of his/her salary by electing to have the Corporation make a contribution to the plan on their behalf.

14. RELATED PARTY TRANSACTIONS

Two board members made contributions to the Corporation, which amounted to $434,700 and $444,150 for the years ended December 31, 2022 and 2021, respectively.

15. SPECIAL EVENTS

A summary of special events for the years ended December 31 is as follows:

	2022			2021		
	Revenues	Expenses	Net	Revenues	Expenses	Net
Saratoga Springs benefit	$203,293	$ 75,430	$127,863	$160,200	37,341	$122,859
National benefit series	492,200	82,438	409,762	404,700	105,891	298,809
Other events	266,683	66,466	200,217	86,244	48,935	37,309
	$962,176	$224,334	$737,842	$651,144	$192,167	$458,977

16. PAYCHECK PROTECTION PROGRAM (PPP)

In January 2021, the Corporation entered into an unsecured promissory note payable to a bank in the amount of $317,500. This note was entered into by the Corporation as part of the 2nd draw of U.S. Small Business Administration’s Paycheck Protection Program (PPP) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The PPP provides for this borrowing, or a portion of the borrowing, to be forgiven to the extent the Corporation meets defined requirements related to expenditure of the funds and management of the Corporation’s personnel complement. The Corporation has elected to account for the PPP arrangement as a conditional contribution and revenue was recorded as the conditions meeting the requirements for forgiveness were met. The Corporation received notice that the loan was forgiven effective August 4, 2021. Therefore, this amount was recognized within grant revenue on the statement of activities during 2021.

17. SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 21, 2023 which is the date the financial statements were available to be issued.