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Form **990**

Department of the Treasury
Internal Revenue Service

# Return of Organization Exempt From Income Tax

**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)**

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

**2009**

**Open to Public Inspection**

**A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010**

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

**Please use IRS label or print or type. See Specific Instructions.**

C Name of organization
CAROLINA MOUNTAIN LAND CONSERVANCY INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
847 CASE STREET

City or town, state or country, and ZIP + 4
HENDERSONVILLE, NC 28792

**D Employer identification number**
56-6449365

**E Telephone number**
(828) 697-5777

G Gross receipts $ 3,502,024

F Name and address of principal officer
RICK MERRILL
PO BOX 2822
HENDERSONVILLE,NC 28793

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) **Are all affiliates included?** ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c) ( 3 ) ◀ (insert no ) ☐ 4947(a)(1) or ☐ 527

J **Website:** ▶ www carolinamountain org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1996

M State of legal domicile NC

## Part I Summary

**Activities & Governance**

1 Briefly describe the organization's mission or most significant activities
Carolina Mountain Land Conservancy (CMLC) is a local non-profit organization creating a regional network of permanently protected farm, forest, and natural land CMLC (1) Provides technical resources that help landowners tailor conservation easements that suit individual needs (2) Serves Henderson, Transylvania, and parts of neighboring counties

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

| | | | |
|---|---|---|---|
| 3 | Number of voting members of the governing body (Part VI, line 1a) | 3 | 19 |
| 4 | Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 19 |
| 5 | Total number of employees (Part V, line 2a) | 5 | 68 |
| 6 | Total number of volunteers (estimate if necessary) | 6 | 200 |
| 7a | Total gross unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0 |
| b | Net unrelated business taxable income from Form 990-T, line 34 | 7b | |

| | | Prior Year | Current Year |
|---|---|---|---|
| **Revenue** | | | |
| 8 | Contributions and grants (Part VIII, line 1h) | 889,240 | 2,892,850 |
| 9 | Program service revenue (Part VIII, line 2g) | 8,307 | 1,234 |
| 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d ) | 1,901 | 112,916 |
| 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 721 | 14,849 |
| 12 | Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 900,169 | 3,021,849 |
| **Expenses** | | | |
| 13 | Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) | | 0 |
| 14 | Benefits paid to or for members (Part IX, column (A), line 4) | | 0 |
| 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) | 343,028 | 845,688 |
| 16a | Professional fundraising fees (Part IX, column (A), line 11e) | | 0 |
| b | Total fundraising expenses (Part IX, column (D), line 25) ▶71,296 | | |
| 17 | Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) | 131,447 | 1,753,280 |
| 18 | Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) | 474,475 | 2,598,968 |
| 19 | Revenue less expenses Subtract line 18 from line 12 | 425,694 | 422,881 |

| **Net Assets or Fund Balances** | | Beginning of Current Year | End of Year |
|---|---|---|---|
| 20 | Total assets (Part X, line 16) | 43,393,690 | 7,548,761 |
| 21 | Total liabilities (Part X, line 26) | 987,618 | 2,693,528 |
| 22 | Net assets or fund balances Subtract line 21 from line 20 | 42,406,072 | 4,855,233 |

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

**Sign Here**

▶ ****** | 2011-01-11
Signature of officer | Date

▶ RICK MERRILL BOARD PRESIDENT
Type or print name and title

**Paid Preparer's Use Only**

Preparer's signature ▶ STEPHEN C CORLISS | Date 2011-02-28 | Check if self-employed ▶ ☐ | Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ CORLISS & SOLOMON PLLC
242 CHARLOTTE STREET SUITE 1
ASHEVILLE, NC 28801

EIN ▶

Phone no ▶ (828) 236-0206

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

**Part III Statement of Program Service Accomplishments**

1 Briefly describe the organization's mission

Carolina Mountain Land Conservancy (CMLC) is a local non-profit

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . . . . . . . . . . . . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . . . . . . . . . . . . . . . . . . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code ) (Expenses $ 2,368,691 including grants of $ ) (Revenue $ 1,234 )

THE CAROLINA MOUNTAIN LAND CONSERVANCY (CMLC) HELPS LANDOWNERS PROTECT LOCAL LAND AND WATER RESOURCES VITAL TO OUR NATURAL HERITAGE AND QUALITY OF LIFE THROUGH ITS LAND PROTECTION PROGRAMS, CMLC IS CREATING A REGIONAL NETWORK OF MORE THAN 18,500 ACRES OF PROTECTED FARM, FOREST, PARK AND NATURAL LANDS IN HENDERSON, TRANSYLVANIA AND NEIGHBORING COUNTIES IN WESTERN NORTH CAROLINA THROUGH ITS STEWARDSHIP, EDUCATION AND VOLUNTEERISM PROGRAMS, CMLC IS ALSO DEVELOPING GREATER PUBLIC APPRECIATION AND INVOLVEMENT IN CONSERVATION OF THE REGION'S NATURAL RESOURCES PLEASE SEE ATTACHED 2009-10 PROGRAM ACCOMPLISHMENTS

4b (Code ) (Expenses $ including grants of $ ) (Revenue $ )

4c (Code ) (Expenses $ including grants of $ ) (Revenue $ )

4d Other program services (Describe in Schedule O )
(Expenses $ including grants of $ ) (Revenue $ )

4e **Total program service expenses** ▶$ 2,368,691

**Part IV Checklist of Required Schedules**

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A* | 1 | Yes | |
| 2 | Is the organization required to complete Schedule B, Schedule of Contributors? | 2 | Yes | |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I* | 3 | | No |
| 4 | **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II* | 4 | | No |
| 5 | **Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III* | 5 | | |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I* | 6 | | No |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II* | 7 | Yes | |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III* | 8 | | No |
| 9 | Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV* | 9 | | No |
| 10 | Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V* | 10 | | No |
| 11 | Is the organization's answer to any of the following questions "Yes"? *If so,complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.* | 11 | Yes | |
| | • Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.* | | | |
| | • Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.* | | | |
| | • Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.* | | | |
| | • Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.* | | | |
| | • Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.* | | | |
| | • Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.* | | | |
| 12 | Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII* | 12 | Yes | |
| 12A | Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — 12A Yes: ; No: No | | | |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E* | 13 | | No |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States? | 14a | | No |
| b | Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I* | 14b | | No |
| 15 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II* | 15 | | No |
| 16 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III* | 16 | | No |
| 17 | Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I* | 17 | | No |
| 18 | Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II* | 18 | | No |
| 19 | Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III* | 19 | | No |
| 20 | Did the organization operate one or more hospitals? *If "Yes," complete Schedule H* | 20 | | No |

**Part IV Checklist of Required Schedules** *(continued)*

| | | | Yes | No |
|---|---|---|---|---|
| 21 | Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II* | 21 | | No |
| 22 | Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III* | 22 | | No |
| 23 | Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J* | 23 | | No |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25* | 24a | | No |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | | |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | | |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | | |
| 25a | **Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I* | 25a | | No |
| b | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I* | 25b | | No |
| 26 | Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II* | 26 | | No |
| 27 | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III* | 27 | | No |
| 28 | Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions) | | | |
| a | A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV* | 28a | | No |
| b | A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV* | 28b | | No |
| c | An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV* | 28c | | No |
| 29 | Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M* | 29 | Yes | |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M* | 30 | | No |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I* | 31 | | No |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II* | 32 | | No |
| 33 | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I* | 33 | | No |
| 34 | Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1* | 34 | | No |
| 35 | Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* | 35 | | No |
| 36 | **Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2* | 36 | | No |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI* | 37 | | No |
| 38 | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O | 38 | Yes | |

## Part V Statements Regarding Other IRS Filings and Tax Compliance

| | | | | | Yes | No |
|---|---|---|---|---|---|---|
| 1a | Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable* | 1a | 13 | | | |
| b | Enter the number of Forms W-2G included in line 1a *Enter -0- if not applicable* | 1b | 0 | | | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | | 1c | Yes | |
| 2a | Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return | 2a | 68 | | | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note:** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions) | | | 2b | Yes | |
| 3a | Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return? | | | 3a | | No |
| b | If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O* | | | 3b | | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | | | 4a | | No |
| b | If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts | | | | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | | 5a | | No |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | | 5b | | No |
| c | If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? | | | 5c | | |
| 6a | Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible? | | | 6a | | No |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | | | 6b | | |
| 7 | **Organizations that may receive deductible contributions under section 170(c).** | | | | | |
| a | Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor? | | | 7a | | No |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | | | 7b | | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | | 7c | | No |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d | | | | |
| e | Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | | 7e | | No |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | | 7f | | No |
| g | For all contributions of qualified intellectual property, did the organization file Form 8899 as required? | | | 7g | | |
| h | For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? | | | 7h | | |
| 8 | **Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | | 8 | | No |
| 9 | **Sponsoring organizations maintaining donor advised funds.** | | | | | |
| a | Did the organization make any taxable distributions under section 4966? | | | 9a | | No |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | | | 9b | | No |
| 10 | **Section 501(c)(7) organizations.** Enter | | | | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | | | | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | | | | |
| 11 | **Section 501(c)(12) organizations.** Enter | | | | | |
| a | Gross income from members or shareholders | 11a | | | | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them ) | 11b | | | | |
| 12a | **Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041? | | | 12a | | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | | | | |

**Part VI** **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

**Section A. Governing Body and Management**

| | | | | | Yes | No |
|---|---|---|---|---|---|---|
| **1a** | Enter the number of voting members of the governing body . . | **1a** | 19 | | | |
| **b** | Enter the number of voting members that are independent . . | **1b** | 19 | | | |
| **2** | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | | **2** | | No |
| **3** | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? | | | **3** | | No |
| **4** | Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? | | | **4** | Yes | |
| **5** | Did the organization become aware during the year of a material diversion of the organization's assets? | | | **5** | | No |
| **6** | Does the organization have members or stockholders? | | | **6** | Yes | |
| **7a** | Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? | | | **7a** | | No |
| **b** | Are any decisions of the governing body subject to approval by members, stockholders, or other persons? | | | **7b** | | No |
| **8** | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following | | | | | |
| **a** | The governing body? | | | **8a** | Yes | |
| **b** | Each committee with authority to act on behalf of the governing body? | | | **8b** | Yes | |
| **9** | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | | | **9** | | No |

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

| | | | Yes | No |
|---|---|---|---|---|
| **10a** | Does the organization have local chapters, branches, or affiliates? | **10a** | | No |
| **b** | If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? | **10b** | | |
| **11** | Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? | **11** | Yes | |
| **11A** | Describe in Schedule O the process, if any, used by the organization to review the Form 990 | | | |
| **12a** | Does the organization have a written conflict of interest policy? *If "No," go to line 13* | **12a** | Yes | |
| **b** | Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | **12b** | Yes | |
| **c** | Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done | **12c** | Yes | |
| **13** | Does the organization have a written whistleblower policy? | **13** | Yes | |
| **14** | Does the organization have a written document retention and destruction policy? | **14** | Yes | |
| **15** | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | | |
| **a** | The organization's CEO, Executive Director, or top management official | **15a** | Yes | |
| **b** | Other officers or key employees of the organization | **15b** | | No |
| | If "Yes" to line a or b, describe the process in Schedule O (See instructions ) | | | |
| **16a** | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | **16a** | | No |
| **b** | If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? | **16b** | | |

**Section C. Disclosure**

**17** List the States with which a copy of this Form 990 is required to be filed ▶NC

**18** Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

**19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

CAROLINA MOUNTAIN LAND CONSERVANCY
847 CASE STREET
HENDERSONVILLE,NC 28792
(828) 697-5777

**Part VII** **Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year Use Schedule J-2 if additional space is needed

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if the organization did not compensate any current or former officer, director, trustee or key employee

| (A) Name and Title | (B) Average hours per week | (C) Position (check all that apply): Individual trustee or director | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W- 2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| See add'l data | | | | | | | | | | |
| | | | | | | | | | | |
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| | | | |
|---|---|---|---|
| **1b Total** . . . . . . . . . . . . . . . . . . ▶ | 59,015 | | 4,028 |

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶0

| | | | Yes | No |
|---|---|---|---|---|
| 3 | Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual* . . . . . . . . . . . . . . | 3 | | No |
| 4 | For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual* . . . . . . . . . . . . . . . . . . . . . . . . . . | 4 | | No |
| 5 | Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person* . . . . . . . . . . | 5 | | No |

## Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

| **(A)** Name and business address | **(B)** Description of services | **(C)** Compensation |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

| | |
|---|---|
| 2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ | |

**Part VIII Statement of Revenue**

| | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 |
|---|---|---|---|---|---|---|---|
| Contributions, gifts, grants and other similar amounts | 1a | Federated campaigns . . | 1a | | | | |
| | b | Membership dues . . . . | 1b | | | | |
| | c | Fundraising events . . . . | 1c | | | | |
| | d | Related organizations . . . | 1d | | | | |
| | e | Government grants (contributions) | 1e 1,017,494 | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f 1,875,356 | | | | |
| | g | Noncash contributions included in lines 1a-1f $ | | | | | |
| | h | **Total.** Add lines 1a-1f . . . . . . . . | ▶ | 2,892,850 | | | |
| Program Service Revenue | | | Business Code | | | | |
| | 2a | Easement Seminar Fees | 611,710 | 1,234 | 1,234 | | |
| | b | | | | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f | All other program service revenue | | | | | |
| | g | **Total.** Add lines 2a–2f . . . . . . . . . | ▶ | 1,234 | | | |
| Other Revenue | 3 | Investment income (including dividends, interest and other similar amounts) . . . . . | ▶ | 14,928 | | | 14,928 |
| | 4 | Income from investment of tax-exempt bond proceeds . . | ▶ | | | | |
| | 5 | Royalties . . . . . . . . . . . . . | ▶ | | | | |
| | | | (i) Real / (ii) Personal | | | | |
| | 6a | Gross Rents | | | | | |
| | b | Less rental expenses | | | | | |
| | c | Rental income or (loss) | | | | | |
| | d | Net rental income or (loss) . . . . . . . . | ▶ | | | | |
| | | | (i) Securities / (ii) Other | | | | |
| | 7a | Gross amount from sales of assets other than inventory | (ii) 569,674 | | | | |
| | b | Less cost or other basis and sales expenses | (ii) 471,686 | | | | |
| | c | Gain or (loss) | (ii) 97,988 | | | | |
| | d | Net gain or (loss) . . . . . . . . . . . | ▶ | 97,988 | 97,988 | | |
| | 8a | Gross income from fundraising events (not including $ 29,557 of contributions reported on line 1c) See Part IV, line 18 . . . | a 8,236 | | | | |
| | b | Less direct expenses . . . | b 8,489 | | | | |
| | c | Net income or (loss) from fundraising events . . | ▶ | -253 | | | -253 |
| | 9a | Gross income from gaming activities See Part IV, line 19 . . . | a | | | | |
| | b | Less direct expenses . . . | b | | | | |
| | c | Net income or (loss) from gaming activities . . . | ▶ | | | | |
| | 10a | Gross sales of inventory, less returns and allowances . | a | | | | |
| | b | Less cost of goods sold . . | b | | | | |
| | c | Net income or (loss) from sales of inventory . . | ▶ | | | | |
| | | Miscellaneous Revenue | Business Code | | | | |
| | 11a | Refunds Received | 900,099 | 9,314 | | | 9,314 |
| | b | Miscellaneous | 900,099 | 5,788 | | | 5,788 |
| | c | | | | | | |
| | d | All other revenue . . . . | | | | | |
| | e | **Total.** Add lines 11a–11d . . . . . . | ▶ | 15,102 | | | |
| | 12 | **Total revenue.** See Instructions . . . | ▶ | 3,021,849 | 99,222 | | 29,777 |

## Part IX Statement of Functional Expenses

**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.**
**All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

| | **Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.** | **(A)** Total expenses | **(B)** Program service expenses | **(C)** Management and general expenses | **(D)** Fundraising expenses |
|---|---|---|---|---|---|
| **1** | Grants and other assistance to governments and organizations in the U S See Part IV, line 21 | | | | |
| **2** | Grants and other assistance to individuals in the U S See Part IV, line 22 | | | | |
| **3** | Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16 | | | | |
| **4** | Benefits paid to or for members | | | | |
| **5** | Compensation of current officers, directors, trustees, and key employees | 64,270 | 45,472 | 9,479 | 9,319 |
| **6** | Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| **7** | Other salaries and wages | 653,023 | 542,068 | 68,854 | 42,101 |
| **8** | Pension plan contributions (include section 401(k) and section 403(b) employer contributions) | | | | |
| **9** | Other employee benefits | 66,392 | 54,441 | 7,304 | 4,647 |
| **10** | Payroll taxes | 62,003 | 50,842 | 6,820 | 4,341 |
| **11** | Fees for services (non-employees) | | | | |
| **a** | Management | | | | |
| **b** | Legal | | | | |
| **c** | Accounting | 18,154 | 0 | 18,154 | 0 |
| **d** | Lobbying | | | | |
| **e** | Professional fundraising *See Part IV, line 17* | | | | |
| **f** | Investment management fees | | | | |
| **g** | Other | 12,525 | 9,223 | 2,718 | 584 |
| **12** | Advertising and promotion | 4,640 | 2,320 | 0 | 2,320 |
| **13** | Office expenses | 27,722 | 22,177 | 4,435 | 1,110 |
| **14** | Information technology | | | | |
| **15** | Royalties | | | | |
| **16** | Occupancy | 50,361 | 40,288 | 8,058 | 2,015 |
| **17** | Travel | 9,461 | 8,814 | 647 | 0 |
| **18** | Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| **19** | Conferences, conventions, and meetings | 8,401 | 3,360 | 1,681 | 3,360 |
| **20** | Interest | | | | |
| **21** | Payments to affiliates | | | | |
| **22** | Depreciation, depletion, and amortization | 20,447 | 16,358 | 3,272 | 817 |
| **23** | Insurance | 12,417 | 10,057 | 1,678 | 682 |
| **24** | Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below ) | | | | |
| **a** | Appraisals | 19,000 | 19,000 | 0 | 0 |
| **b** | Baseline Documentation | 10,222 | 10,222 | 0 | 0 |
| **c** | Conservation Easement Purchases | 1,208,485 | 1,208,485 | 0 | 0 |
| **d** | Environmental Assessments | 5,800 | 5,800 | 0 | 0 |
| **e** | Legal Review/Title/Closing Cost | 34,528 | 34,528 | 0 | 0 |
| **f** | All other expenses | 311,117 | 285,236 | 25,881 | 0 |
| **25** | **Total functional expenses.** Add lines 1 through 24f | 2,598,968 | 2,368,691 | 158,981 | 71,296 |
| **26** | **Joint costs.** Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation | | | | |

## Part X Balance Sheet

| Section | Line | Description | | | (A) Beginning of year | | (B) End of year |
|---|---|---|---|---|---|---|---|
| Assets | 1 | Cash—non-interest-bearing | | | 152,202 | 1 | 155,959 |
| | 2 | Savings and temporary cash investments | | | 888,752 | 2 | 452,431 |
| | 3 | Pledges and grants receivable, net | | | 212,015 | 3 | 256,537 |
| | 4 | Accounts receivable, net | | | 4,777 | 4 | 1,378 |
| | 5 | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L | | | | 5 | |
| | 6 | Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L | | | | 6 | |
| | 7 | Notes and loans receivable, net | | | 200,000 | 7 | 200,000 |
| | 8 | Inventories for sale or use | | | | 8 | |
| | 9 | Prepaid expenses and deferred charges | | | | 9 | |
| | 10a | Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D* | 10a | 5,444,136 | | | |
| | b | Less accumulated depreciation | 10b | 37,699 | 41,509,988 | 10c | 5,406,437 |
| | 11 | Investments—publicly traded securities | | | 393,581 | 11 | 1,056,919 |
| | 12 | Investments—other securities See Part IV, line 11 | | | | 12 | |
| | 13 | Investments—program-related See Part IV, line 11 | | | | 13 | |
| | 14 | Intangible assets | | | | 14 | |
| | 15 | Other assets See Part IV, line 11 | | | 32,375 | 15 | 19,100 |
| | 16 | **Total assets.** Add lines 1 through 15 (must equal line 34) | | | 43,393,690 | 16 | 7,548,761 |
| Liabilities | 17 | Accounts payable and accrued expenses | | | 85,922 | 17 | 84,854 |
| | 18 | Grants payable | | | | 18 | |
| | 19 | Deferred revenue | | | | 19 | 68,030 |
| | 20 | Tax-exempt bond liabilities | | | | 20 | |
| | 21 | Escrow or custodial account liability *Complete Part IV of Schedule D* | | | | 21 | |
| | 22 | Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L* | | | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | | 901,696 | 23 | 2,540,644 |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | | | 24 | |
| | 25 | Other liabilities Complete Part X of Schedule D | | | | 25 | |
| | 26 | **Total liabilities.** Add lines 17 through 25 | | | 987,618 | 26 | 2,693,528 |
| Net Assets or Fund Balances | | **Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.** | | | | | |
| | 27 | Unrestricted net assets | | | 853,232 | 27 | 987,247 |
| | 28 | Temporarily restricted net assets | | | 1,260,525 | 28 | 1,063,168 |
| | 29 | Permanently restricted net assets | | | 40,292,315 | 29 | 2,804,818 |
| | | **Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.** | | | | | |
| | 30 | Capital stock or trust principal, or current funds | | | | 30 | |
| | 31 | Paid-in or capital surplus, or land, building or equipment fund | | | | 31 | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | | | 32 | |
| | 33 | Total net assets or fund balances | | | 42,406,072 | 33 | 4,855,233 |
| | 34 | Total liabilities and net assets/fund balances | | | 43,393,690 | 34 | 7,548,761 |

## Part XI Financial Statements and Reporting

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other ______<br>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O | | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? . . | 2a | | No |
| b | Were the organization's financial statements audited by an independent accountant? . . . . . . . . . | 2b | Yes | |
| c | If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?<br>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O . . . | 2c | Yes | |
| d | If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both<br>☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated basis | | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . . . . . . . . . . . . . | 3a | Yes | |
| b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . | 3b | Yes | |

| efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493059007521 |
|---|---|---|

**SCHEDULE A**
**(Form 990 or 990EZ)**

Department of the Treasury
Internal Revenue Service

# Public Charity Status and Public Support

**Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.**

**▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

**2009**

**Open to Public Inspection**

Name of the organization
CAROLINA MOUNTAIN LAND CONSERVANCY INC

**Employer identification number**
56-6449365

## Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box )

1 ☐ A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E )

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II )

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II )

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III )

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

**a** ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

**e** ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

**f** If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

**g** Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

| | | Yes | No |
|---|---|---|---|
| **(i)** a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? | **11g(i)** | | |
| **(ii)** a family member of a person described in (i) above? | **11g(ii)** | | |
| **(iii)** a 35% controlled entity of a person described in (i) or (ii) above? | **11g(iii)** | | |

**h** Provide the following information about the supported organization(s)

| **(i)** Name of supported organization | **(ii)** EIN | **(iii)** Type of organization (described on lines 1- 9 above or IRC section (see instructions)) | **(iv)** Is the organization in col (i) listed in your governing document? | | **(v)** Did you notify the organization in col (i) of your support? | | **(vi)** Is the organization in col (i) organized in the U S ? | | **(vii)** Amount of support? |
|---|---|---|---|---|---|---|---|---|---|
| | | | **Yes** | **No** | **Yes** | **No** | **Yes** | **No** | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| **Total** | | | | | | | | | |

**Part II** **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

## Section A. Public Support

| Calendar year (or fiscal year beginning in) | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|---|---|---|---|---|---|
| 1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ") | 1,367,818 | 3,787,280 | 8,922,726 | 7,511,188 | 2,884,791 | 24,473,803 |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 **Total.** Add lines 1 through 3 | 1,367,818 | 3,787,280 | 8,922,726 | 7,511,188 | 2,884,791 | 24,473,803 |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | 3,529,687 |
| 6 **Public Support.** Subtract line 5 from line 4 | | | | | | 20,944,116 |

## Section B. Total Support

| Calendar year (or fiscal year beginning in) | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|---|---|---|---|---|---|
| 7 Amounts from line 4 | 1,367,818 | 21,068 | 8,922,726 | 7,511,188 | 2,884,791 | 24,473,803 |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 20,147 | 21,068 | 11,190 | 11,156 | 14,928 | 78,489 |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income (Explain in Part IV ) Do not include gain or loss from the sale of capital assets | 67,952 | 20,150 | 45,298 | 72,555 | 24,572 | 230,527 |
| 11 **Total support** (Add lines 7 through 10) | | | | | | 24,782,819 |

12 Gross receipts from related activities, etc (See instructions ) **12**

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ☐

## Section C. Computation of Public Support Percentage

| | | |
|---|---|---|
| 14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f)) | 14 | 84 510 % |
| 15 Public Support Percentage for 2008 Schedule A, Part II, line 14 | 15 | 89 930 % |

16a **33 1/3% support test—2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☑

b **33 1/3% support test—2008.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

17a **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ☐

b **10%-facts-and-circumstances test—2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ☐

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ☐

**Part III** **Support Schedule for Organizations Described in IRC 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I.)

## Section A. Public Support

| **Calendar year** (or fiscal year beginning in) | **(a)** 2005 | **(b)** 2006 | **(c)** 2007 | **(d)** 2008 | **(e)** 2009 | **(f)** Total |
|---|---|---|---|---|---|---|
| 1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 **Total.** Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 **Public Support** (Subtract line 7c from line 6 ) | | | | | | 0 |

## Section B. Total Support

| **Calendar year** (or fiscal year beginning in) | **(a)** 2005 | **(b)** 2006 | **(c)** 2007 | **(d)** 2008 | **(e)** 2009 | **(f)** Total |
|---|---|---|---|---|---|---|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV ) | | | | | | |
| 13 **Total support** (Add lines 9, 10c, 11 and 12 ) | | | | | | |

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

## Section C. Computation of Public Support Percentage

| | | |
|---|---|---|
| 15 Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f)) | 15 | 0 % |
| 16 Public support percentage from 2008 Schedule A, Part III, line 15 | 16 | |

## Section D. Computation of Investment Income Percentage

| | | |
|---|---|---|
| 17 Investment income percentage for **2009** (line 10c column (f) divided by line 13 column (f)) | 17 | 0 % |
| 18 Investment income percentage from **2008** Schedule A, Part III, line 17 | 18 | |

19a **33 1/3% support tests—2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶☐

**Part IV** **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

| Facts And Circumstances Test |
|---|
| OTHER INCOME PART II, LINE 10, DESCRIPTION SPECIAL EVENT REVENUE, GROSS, 2005 54090 , 2006 0 , 2007 20775 , 2008 39460 , 2009 8236 , DESCRIPTION INVENTORY SALES, GROSS, 2005 0 , 2006 484 , 2007 0 , 2008 0 , 2009 0 , DESCRIPTION PROGRAM SERVICE REVENUE, 2005 11105 , 2006 16751 , 2007 19791 , 2008 11744 , 2009 1234 , DESCRIPTION MISCELLANEOUS, 2005 2757 , 2006 2915 , 2007 4732 , 2008 9775 , 2009 5788 , DESCRIPTION REFUNDS RECEIVED, 2005 0 , 2006 0 , 2007 0 , 2008 11576 , 2009 9314 , |

**SCHEDULE D** (Form 990)

Department of the Treasury
Internal Revenue Service

# Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2009**

**Open to Public Inspection**

**Name of the organization**
CAROLINA MOUNTAIN LAND CONSERVANCY INC

**Employer identification number**
56-6449365

## Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

| | | (a) Donor advised funds | (b) Funds and other accounts |
|---|---|---|---|
| 1 | Total number at end of year | | |
| 2 | Aggregate contributions to (during year) | | |
| 3 | Aggregate grants from (during year) | | |
| 4 | Aggregate value at end of year | | |

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No

## Part II Conservation Easements.
Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☑ Preservation of land for public use (e g , recreation or pleasure)
☑ Preservation of an historically importantly land area
☑ Protection of natural habitat
☐ Preservation of a certified historic structure
☑ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

| | | | Held at the End of the Year |
|---|---|---|---|
| a | Total number of conservation easements | 2a | 80 |
| b | Total acreage restricted by conservation easements | 2b | 5,583 0 |
| c | Number of conservation easements on a certified historic structure included in (a) | 2c | 0 |
| d | Number of conservation easements included in (c) acquired after 8/17/06 | 2d | 60 |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ 9

4 Number of states where property subject to conservation easement is located ▶ 2

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☑ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ 678

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ 26,000

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☑ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization’s financial statements that describes the organization’s accounting for conservation easements

## Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.
Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

(ii) Assets included in Form 990, Part X ▶ $ ______

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

b Assets included in Form 990, Part X ▶ $ ______

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition

b ☐ Scholarly research

c ☐ Preservation for future generations

d ☐ Loan or exchange programs

e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

| | | | Amount |
|---|---|---|---|
| c | Beginning balance | 1c | |
| d | Additions during the year | 1d | |
| e | Distributions during the year | 1e | |
| f | Ending balance | 1f | |

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

| | | (a) Current Year | (b) Prior Year | (c) Two Years Back | (d) Three Years Back | (e) Four Years Back |
|---|---|---|---|---|---|---|
| 1a | Beginning of year balance | | | | | |
| b | Contributions | | | | | |
| c | Investment earnings or losses | | | | | |
| d | Grants or scholarships | | | | | |
| e | Other expenditures for facilities and programs | | | | | |
| f | Administrative expenses | | | | | |
| g | End of year balance | | | | | |

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ▶ %

b Permanent endowment ▶ %

c Term endowment ▶ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

| | | | Yes | No |
|---|---|---|---|---|
| | (i) unrelated organizations | 3a(i) | | |
| | (ii) related organizations | 3a(ii) | | |
| b | If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | | |

4 Describe in Part XIV the intended uses of the organization's endowment funds

**Part VI Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

| Description of investment | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|---|---|---|---|
| 1a Land | 40,000 | 155,775 | | 195,775 |
| b Buildings | | 403,642 | 10,350 | 393,292 |
| c Leasehold improvements | | | | |
| d Equipment | | 49,389 | 27,349 | 22,040 |
| e Other | | 4,795,330 | | 4,795,330 |
| **Total.** Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶ | | | | 5,406,437 |

**Part VII Investments—Other Securities.** See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation Cost or end-of-year market value |
|---|---|---|
| Financial derivatives | | |
| Closely-held equity interests | | |
| Other | | |
| Total. *(Column (b) should equal Form 990, Part X, col (B) line 12 )* ▶ | | |

**Part VIII Investments—Program Related.** See Form 990, Part X, line 13.

| (a) Description of investment type | (b) Book value | (c) Method of valuation Cost or end-of-year market value |
|---|---|---|
| Total. *(Column (b) should equal Form 990, Part X, col (B) line 13 )* ▶ | | |

**Part IX Other Assets.** See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|---|
| Security Deposits | 4,777 |
| Option on Land Purchase | 6,000 |
| Prepaid Insurance | 8,323 |
| **Total.** *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . . . . . . . . ▶ | 19,100 |

**Part X Other Liabilities.** See Form 990, Part X, line 25.

| 1 (a) Description of Liability | (b) Amount |
|---|---|
| Federal Income Taxes | |
| See Additional Data Table | |
| **Total.** *(Column (b) should equal Form 990, Part X, col (B) line 25 )* ▶ | |

**2.** Fin 48 Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

| | | | |
|---|---|---|---|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | 1 | 3,021,849 |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 2,598,968 |
| 3 | Excess or (deficit) for the year Subtract line 2 from line 1 | 3 | 422,881 |
| 4 | Net unrealized gains (losses) on investments | 4 | |
| 5 | Donated services and use of facilities | 5 | |
| 6 | Investment expenses | 6 | |
| 7 | Prior period adjustments | 7 | |
| 8 | Other (Describe in Part XIV) | 8 | |
| 9 | Total adjustments (net) Add lines 4 - 8 | 9 | |
| 10 | Excess or (deficit) for the year per financial statements Combine lines 3 and 9 | 10 | 422,881 |

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total revenue, gains, and other support per audited financial statements | | | 1 | 3,051,805 |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12 | | | | |
| a | Net unrealized gains on investments | 2a | 9,172 | | |
| b | Donated services and use of facilities | 2b | 12,295 | | |
| c | Recoveries of prior year grants | 2c | | | |
| d | Other (Describe in Part XIV) | 2d | 8,489 | | |
| e | Add lines **2a** through **2d** | | | 2e | 29,956 |
| 3 | Subtract line **2e** from line **1** | | | 3 | 3,021,849 |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line **1** | | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | | |
| b | Other (Describe in Part XIV) | 4b | | | |
| c | Add lines **4a** and **4b** | | | 4c | |
| 5 | Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12 ) | | | 5 | 3,021,849 |

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total expenses and losses per audited financial statements | | | 1 | 2,619,716 |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25 | | | | |
| a | Donated services and use of facilities | 2a | 12,259 | | |
| b | Prior year adjustments | 2b | | | |
| c | Other losses | 2c | | | |
| d | Other (Describe in Part XIV) | 2d | 8,489 | | |
| e | Add lines **2a** through **2d** | | | 2e | 20,748 |
| 3 | Subtract line **2e** from line **1** | | | 3 | 2,598,968 |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line **1:** | | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | | |
| b | Other (Describe in Part XIV) | 4b | | | |
| c | Add lines **4a** and **4b** | | | 4c | |
| 5 | Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18 ) | | | 5 | 2,598,968 |

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

| Identifier | Return Reference | Explanation |
|---|---|---|
| Pt II Line 3 | | During the period ended June 30, 2010, CMLC acquired nine conservation easements covering 3,366 acres with a value of $10,073,397 Three easements covering 220 acres were purchased for $4,101,397, as reflected in Part IX, Line 24c Six of the easements were donated and their values are not reflected in the financials or on this return See note for Part II, Line 9 |
| Pt II Line 5 | | The organization monitors every easement annually |
| Pt II Line 9 | | CMLC HAS MAINTAINED AN ACCOUNTING POLICY THAT CALLS FOR THE CAPITALIZATION |
| Pt II Line 9 | | OF CONSERVATION EASEMENTS AT ESTIMATED FAIR MARKET VALUE AS DETERMINED BY APPRAISAL IN RECENT YEARS CMLC HAS BEEN EVALUATING THE APPROPRIATENESS OF THIS POLICY SPECIFICALLY, IT HAS BECOME CONCERNED THAT THE EFFECT OF RECORDING IN INCOME AND IN ASSETS THE VERY LARGE DOLLAR AMOUNTS ASSOCIATED WITH CONSERVATION EASEMENTS COULD BE LEADING TO FINANCIAL STATEMENTS THAT ARE NOT AS REFLECTIVE OF THE ORGANIZATIONS FINANCIAL ACTIVITIES AS THEY COULD BE FURTHER, WHILE THE VALUATION OF CONSERVATION EASEM |
| Pt X | | CMLC IS EXEMPT FROM FEDERAL INCOME TAXES UNDER 501(C)(3) OF THE INTERNAL REVENUE CODE UNDER THE CODE, HOWEVER, INCOME FROM CERTAIN ACTIVITIES NOT RELATED TO THE ORGANIZATION'S TAX-EXEMPT PURPOSE MAY BE SUBJECT TO TAXATION AS UNRELATED BUSINESS INCOME THE ORGANIZATION HAD LESS THAN $1,000 OF INCOME FROM UNRELATED BUSINESS ACTIVITIES IN THE 2009-10 FISCAL YEAR AND WAS, THEREFORE, NOT REQUIRED TO FILE FEDERAL FORM 990-T (EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURN) THE ORGANIZATION BELIEVES T |
| Pt XII Line 2d | | Event Expense $8,489 |

**SCHEDULE M (Form 990)**

Department of the Treasury
Internal Revenue Service

# NonCash Contributions

▶Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

OMB No 1545-0047

**2009**

**Open to Public Inspection**

Name of the organization
CAROLINA MOUNTAIN LAND CONSERVANCY INC

**Employer identification number**
56-6449365

## Part I Types of Property

| | (a) Check if applicable | (b) Number of Contributions | (c) Revenues reported on Form 990, Part VIII, line 1g | (d) Method of determining revenues |
|---|---|---|---|---|
| 1 Art—Works of art | | | | |
| 2 Art—Historical treasures | | | | |
| 3 Art—Fractional interests | | | | |
| 4 Books and publications | | | | |
| 5 Clothing and household goods | | | | |
| 6 Cars and other vehicles | | | | |
| 7 Boats and planes | | | | |
| 8 Intellectual property | | | | |
| 9 Securities—Publicly traded | | | | |
| 10 Securities—Closely held stock | | | | |
| 11 Securities—Partnership, LLC, or trust interests | | | | |
| 12 Securities—Miscellaneous | | | | |
| 13 Qualified conservation contribution—Historic structures | | | | |
| 14 Qualified conservation contribution—Other | X | 6 | | Revenue not recognized (Sch D) |
| 15 Real estate—Residential | | | | |
| 16 Real estate—Commercial | | | | |
| 17 Real estate—Other | | | | |
| 18 Collectibles | | | | |
| 19 Food inventory | | | | |
| 20 Drugs and medical supplies | | | | |
| 21 Taxidermy | | | | |
| 22 Historical artifacts | | | | |
| 23 Scientific specimens | | | | |
| 24 Archeological artifacts | | | | |
| 25 Other ▶ ( ) | | | | |
| 26 Other ▶ ( ) | | | | |
| 27 Other ▶ ( ) | | | | |
| 28 Other ▶ ( ) | | | | |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . | 29 |

| | | Yes | No |
|---|---|---|---|
| 30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? | 30a | | No |
| b If "Yes," describe the arrangement in Part II | | | |
| 31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? | 31 | Yes | |
| 32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions? | 32a | | No |
| b If "Yes," describe in Part II | | | |
| 33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II | | | |

**Part II** **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

| Identifier | Return Reference | Explanation |
|---|---|---|
| Pt I Line 33 | Form 990 | During the 2009-10 fiscal year, CMLC changed its method of accounting |
| Pt I Line 33 | Form 990 | for conservation easements With the change in accounting principle, |
| Pt I Line 33 | Form 990 | conservation easements are no longer carried as assets on the |
| Pt I Line 33 | Form 990 | organization's books Accordingly, donated conservation easements |
| | | PT I LINE 33 ARE NOT RECOGNIZED IN REVENUE EACH DONATED CONSERVATION EASEMENT, PT I LINE 33 IS DESCRIBED IN SCHEDULE B PART II , |

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493059007521

# SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

# Supplemental Information to Form 990

**Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.**
**▶ Attach to Form 990.**

OMB No 1545-0047

**2009**

**Open to Public Inspection**

**Name of the organization**
CAROLINA MOUNTAIN LAND CONSERVANCY INC

**Employer identification number**
56-6449365

| Identifier | Return Reference | Explanation |
|---|---|---|
| Pt VI-A, Line 4 | | The organization revised its bylaws regarding its Board election |
| Pt VI-A, Line 4 | | process from a member-elected Board to board-elected Board |
| Pt VI-A, Line 6 | | Members receive nominal benefits such as a newsletter and email alerts |
| Pt VI-B, Line 11A | | The Finance Committee reviews the Form 990, offers its recommendations to the |
| Pt VI-B, Line 11A | | Board, who then approves it or requests further inquiry & explanation |
| Pt VI-B, Line 12c | | The policy is monitored on an "As Needed" basis The Board member |
| Pt VI-B, Line 12c | | would inform the Board of any conflict & abstain from voting |
| Pt VI-B, Line 15 | | The Executive Committee conducts a performance review annually where |

| Identifier | Return Reference | Explanation |
|---|---|---|
| Pt VI-B, Line 15 | | a vote occurs on a wage increase Staff person types up notes & shares |

Pt VI-B, Line 15 with the Finance Director Land Trust Alliance sets industry standards Pt VI-C, Line 19 Governing documents in house Financial documents included in Pt VI-C, Line 19 newsletter distributed to members & is available on the organization Pt VI-C, Line 19 website Pt I, Line 20 U S GAAP does not provide specific guidance on the accounting treatment of conservation Pt I, Line 20 easements As a result, land trust organizations in the United States use several Pt I, Line 20 different methods to account for their conservation easements CMLC has maintained an

| Identifier | Return Reference | Explanation |
|---|---|---|
| Pt I, Line 20 | | accounting policy that calls for the capitalization of conservation easements |

Pt I, Line 20 at estimated fair market value as determined by appraisal In recent years, CMLC Pt I, Line 20 has been evaluating the appropriateness of this policy Specifically, it has Pt I, Line 20 become concerned that the effect of recording in income and in assets the very Pt I, Line 20 large dollar amounts associated with conservation easements could be leading to Pt I, Line 20 financial statements that are not as reflective of the organization's financial Pt I, Line 20 activities as they could be Further, while the valuation of conservation easements may Pt I, Line 20 be based on independent appraisals, those values are inherently subject to a wide

| Identifier | Return Reference | Explanation |
| --- | --- | --- |
| Pt I, Line 20 | | range of interpretation During its 2010 financial statement close, CMLC determined |

Pt I, Line 20 that another accounting treatment for its conservation easements would be Pt I, Line 20 preferable Under this new, non-capitalization policy, which is widely used Pt I, Line 20 by other land trust organizations, easements will not be recognized as assets Pt I, Line 20 Correspondingly, easements received by donation will not be included in income and Pt I, Line 20 easements purchased will be expensed Management believes that this method will Pt I, Line 20 result in financial statements that more accurately reflect the financial results Pt I, Line 20 of the organization's activities The effect of the change was to reduce assets

| Identifier | Return Reference | Explanation |
|---|---|---|
| Pt I, Line 20 | | and permanently restricted net assets by $37,982,928, representing |

Pt I, Line 20 the asset value of the conservation easements that had been capitalized to Pt I, Line 20 that point in time under the accounting method used previously

## Carolina Mountain Land Conservancy

EIN# 56-6449365
2009 Form 990
Part III, Line 4a

**Statement of Program Service Accomplishments**

**Land Protection**
From July 1st 2009 to June 30th 2010, CMLC protected **2,564.6 acres at 14 sites**, including

**564.4 acres in 6 sites in Henderson County**
**Bearwallow Mountain/Barnwell 81.4 acres:** Bearwallow Mountain sits directly on top of the eastern continental divide and its summit provides near 360-degree views CMLC is currently building a public-access trail corridor following the ridgeline of Bearwallow with connections to other trail networks in the area including CMLC's own Florence Nature Preserve
**Deerfields/Redden 76 acres:** Bordering it on three sides, Deerfields shares nearly three miles of boundary with the Pisgah National Forest The land has been in the Redden family for three generations A wide variety of wildlife has been spotted on the tract including deer, black bears, bobcats, geese, salamanders, and foxes
**Garren Creek/Spicer: This 161.5-acre** densely forested land is located on Garren Creek Road This conservation easement protects these acres from residential development and provides a haven for the rare wetlands wildlife species found along 1,000 feet of Garren Creek An environmental site assessment found vital habitats for 248 plant and 52 animal species
**Camp Greystone: 97.9 acres**
**Rivercane: 11.2 acres**
**Runaway Farm/Fernandez: 136.4 acres**

**473.2 acres in 7 sites in Transylvania County**
**Connestee Falls** CMLC worked with Brevard businessman Dick Smith, owner of Top of the Falls Realty, and Transylvania County to finalize the transfer of **2.7 acres** at beautiful Connestee Falls for the creation of an ADA-accessible county park The acquisition will insure permanent public access to one of Transylvania County's signature waterfalls
**Whitmire Farm** Across the French Broad River Valley in Transylvania County, the Whitmire Family completed an agricultural conservation easement on **66.5 acres** of the farm that has been in their family since 1857 The easement protects aquatic resources such as wetlands, floodplains and streams in the watershed of the French Broad River, a regional drinking water supply It also permanently preserves wildlife habitat, stream buffers and scenic views
**Turkey Pen/Katherine Taylor: 150.2 acres**
**Johnson Branch/ Jones: 61.3 acres**
**Puncheon Creek/ Finkell: 5 acres**
**Reasonver Creek/Herrman: 8.7 acres**
**Rich Mountain/Camp High Rocks: 178.8 acres**

**1,527 acres at one site in Rutherford/Buncombe County**
**Weed Patch Mtn 1,527 acres** of diverse hardwood and boulder field forest This acquisition protects the entire summit of Weed Patch Mountain and the headwaters that flow from the area into Buffalo Creek, a tributary to the Broad River and Lake Lure

**Education and Outreach**
CMLC hosted its 9th annual Conservation Celebration, celebrating CMLC's mission and the conservation successes of 2009   CMLC held the first annual Run for the Hills 5K, which educated people about the Fletcher Community Park Greenway ( another CMLC conservation project)   CMLC also hosted 12 hikes on conserved properties   The hikes were enjoyed by more than 300 CMLC members and members of the general public  As a total, CMLC enjoys support and membership from more than 1% of the total population of our service region

**AmeriCorps**
CMLC continued the administration of AmeriCorps Project Conserve, a federally sponsored grant which placed 21 AmeriCorps members with conservation nonprofits and government agencies across western North Carolina   Administered by CMLC, the project engages individuals, many of whom are recent college graduates, in 11-month terms of service   Through their direct service and by promoting additional community volunteerism, Project Conserve provides over 35,000 hours of service annually to the conservation of land, water and other natural resources in the region

During the fiscal year 2009-10, CMLC also managed a second Grant program with AmeriCorps called Recovery Project Energize   Recovery Project Energize began in June 2009 as an ARRA-supported project focused primarily on promoting home energy conservation through education, weatherization and volunteer involvement   Through Project Energize, twelve AmeriCorps members served eleven-month terms of service at seven host organizations in western North Carolina

**Stewardship and Accreditation**
CMLC continued to steward its growing list of conservation easements by making annual monitoring visits to all easement-protected properties during this twelve-month period   CMLC also continued to own and manage its two nature preserves – the 600-acre Florence Nature Preserve in Gerton and the 10-acre Lewis Creek Nature Preserve in Edneyville

# BYLAWS OF CAROLINA MOUNTAIN LAND CONSERVANCY

## Article I
Name

The name of the Corporation shall be CAROLINA MOUNTAIN LAND CONSERVANCY

## Article II
Objectives

The objectives of the Corporation shall be to engage in and promote the research, study, protection and conservation of natural, recreational and historic resources These resources include land and water resources, plant and animal life thereon and lands with significant open space, scenic, natural, cultural, recreational and historic values These objectives further include the acquisition, management and transfer of property with significant conservation values, the education of landowners of the significance of their mountain properties and cooperation with and facilitation of other public and private efforts to protect natural resources

## Article III
Membership

SECTION 1 Eligibility Any person or organization which subscribes to the purposes and objectives of the Corporation shall be eligible for membership

SECTION 2 Types of Membership

(a) Honorary Individuals or organizations in the field of conservation approved by the Board of Trustees

(b) Regular Individuals or organizations contributing to the Corporation in such categories as the Board of Trustees may from time to time establish

SECTION 3 Membership Year Membership year shall begin on the date that membership dues are received

SECTION 4 Members All interested persons or organizations may become members by the payment of dues

SECTION 5 Dues The Board of Trustees may by resolution establish rates of dues

SECTION 6 Suspension A member whose dues are in arrears shall be automatically suspended after notification The Board of Trustees, by affirmation vote of two-thirds of all members of the Board, may suspend a member for cause Any member may resign by filing a written resignation with the Secretary

SECTION 7 Voting Members shall have no voting privileges and the business of the Corporation, including amendment of the Articles of Incorporation and Bylaws, merger, consolidation and dissolution, shall be conducted by the Board of Trustees, or such individuals to whom its authority is duly delegated by the Board of Trustees

## Article IV
Officers

SECTION 1 Titles and Duties The officers of this Corporation shall be President, Vice President, Secretary and Treasurer

(a) President The President shall be the principal executive officer of the Corporation and shall, in general, supervise and control all the business and affairs of the Corporation The President shall preside at all meetings of the Members and of the Board of Trustees The president may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Trustees, any deeds, mortgages, bonds, contracts or other instruments which the Board of Trustees has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Trustees or by these Bylaws or by statute to some officer or agent of the Corporation, and in general he shall perform all duties as may be prescribed by the Board of Trustees from time to time

(b) Vice President In the absence of the President or if in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all restrictions upon the President The Vice President shall perform such other duties as from time to time may be assigned by the President or by the Board of Trustees

(c) Secretary The Secretary shall keep the minutes of the meetings of the members and of the Board of Trustees in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of the

Bylaws or as required by law, be custodian of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws, keep a register of the post office address of each member and contributor which shall be furnished to the Secretary by such member and contributor, shall serve as Clerk of the Corporation, and, in general, perform all duties as from time to time may be assigned by the President or the Board of Trustees.

(d) Treasurer. If required by the Board of Trustees, the treasurer shall give bond for the faithful discharge of his duties in such sum and with such surety or sureties, as the Board of Trustees shall determine. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for moneys payable to the Corporation from any source whatsoever, and deposit all to the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with these Bylaws, and in general perform all the duties incident to the office of Treasurer and such others as from time to time may be assigned by the President or Board of Trustees. The Treasurer shall annually submit the records of the Corporation to an independent auditor chosen by the Board of Trustees.

(e) Assistant Secretary. The Executive Director shall serve as Assistant Secretary and shall whenever instructed by the President or the then presiding officer to exercise any of the authority and the duties of the Secretary whenever the President or then presiding officer deems it appropriate to the needs from time to time, of the corporation in the transaction of the officers of the corporation.

SECTION 2. Election. With the exception of the office of President the officers shall be elected to one year terms by the Board of Trustees. The President shall be elected to a two-year term. All officers shall be members of the Board of Trustees. Each officer so elected shall hold office until a successor shall have been elected and qualified.

SECTION 3. Consecutive Terms. No officer shall be eligible for more that four consecutive terms in the same office.

## Article V
### Meetings

SECTION 1. Frequency. There shall be an annual meeting of the Corporation membership on the last Wednesday of April unless another date is established by the Board of Trustees. Other meetings of the membership may be held at the call of the President. The President shall call a meeting of the members when requested in writing by any three Trustees.

SECTION 2. Notice. Written notice stating the time and place of the annual or any special meeting of the membership shall be sent to all members of record at least ten days prior to such meeting.

SECTION 3. Voting. Each annual member or member organization shall be entitled to one vote for each matter submitted to vote of the members. Voting by proxy may be permitted under such conditions as prescribed by the Board of Trustees. Election of Trustees may be by voice vote if the number of nominees does not exceed the number of Trustees to be elected.

SECTION 4. Quorum. Any fifteen members of the Corporation shall constitute a quorum.

## Article VI
### Board of Trustees

SECTION 1. Composition. The number of Trustees shall be not more than twenty-five and not less than seven. The existing Board of Trustees shall determine the number of Trustees that shall be elected or appointed. A person elected to fill a vacancy before the expiration of the term shall complete the term. The Board of Trustees may appoint an Executive Director, who shall be an ex-officio member of the board without power to vote.

SECTION 2. Term of Office. Terms of office shall be for three years. No Trustee may serve more than two successive terms.

SECTION 3. Functions and Authority. The authority of the Corporation shall vest in and be exercised by the Board of Trustees, which shall be responsible for all business of the Corporation. The Board of Trustees shall have charge of all finances and publications of the Corporation. It shall have general charge of all meetings and elections. It may fill any vacancy in an office until the next regular election.

SECTION 4. Delegation of Authority. The Board of Trustees may, at its discretion, establish committees and an Advisory Board, employ and contract personnel, and authorize any officer, employee or agent to enter into contracts on behalf of the Board. The Board may also make rules and regulations governing the establishment and operation of affiliated units or committees of the Corporation, including the Advisory Board.

SECTION 5 Meetings Meetings of the Board of Trustees shall be held not less often than annually The Board of Trustees may select the time and place for the holding of regular meetings of the Board Special meetings of the Board of Trustees may be called by or at the request of the President or any three Trustees by giving notice of the date, time, place and purpose of the meeting to all Trustees at least ten days in advance of such meeting A majority of the Board of Trustees shall constitute a quorum for the transaction of business at any meeting of the Board The act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the board, unless otherwise provided herein The Board of Trustees may make provision for the use of proxies to vote on any question, which may come before a meeting of the Board of Trustees The Board of Trustees may transact business at a meeting, by telephone conference call, by telephone ballot, or electronic mail

SECTION 6 Removal Any Trustee may be removed from office for failure to attend two consecutive Board meetings without excuse approved by the Board, for failure to maintain membership in the Corporation, or for other cause by the affirmative vote of two-thirds of the Board of Trustees at any regular meeting or any special meeting of the Board

SECTION 7 Vacancy Any vacancy occurring in the board of Trustees, or any Trusteeship to be filled by reason of an increase in the number of Trustees, shall be filled by the board of Trustees A Trustee elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office

SECTION 8 Informal Action by Trustees Any action required to be taken at a meeting of the Trustees of the Corporation, or any other action which may be taken at a meeting of Trustees or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Trustees and all the non-Trustee committee members entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be Such writing may be conducted in counterpart with Trustees signing separate resolutions or actions

## Article VII

Committees

SECTION 1 Executive Committee There shall be an Executive Committee, which shall consist of the elective officers of the Board of Trustees and the Past President All the members of the Board of Trustees may attend meetings of the Executive Committee without power to vote Action taken at any such meeting will be reported at the next scheduled meeting of the full Board of Trustees The Executive Committee shall have and may exercise when the Board of Trustees is not in session all the powers of the Board that may be lawfully delegated The Executive Committee of the Board of Trustees may transact business at a meeting, by telephone conference call, by telephone ballot, or by electronic mail

Past President The office of Past President shall be filled by the individual having held the office of President immediately prior to the current President The duties of the Past President shall be to serve as a non-voting member of the Executive Committee and advisor to the Executive Committee on matters that come before it

SECTION 2 Nominating Committee There shall be a standing nominating committee appointed by the Board of Trustees The Nominating Committee shall nominate for new terms Officers and Trustees for the Board

SECTION 3 Other Committees There shall be such other committees as shall be designated and appointed by the President as deemed necessary to conduct properly the business of the Corporation, except as herein provided The President shall be ex-officio a member of all committees except the nominating committee Committee appointments shall be subject to confirmation by the Board of Trustees

## Article VIII

Parliamentary Authority

The rules contained in the most recent edition of Roberts Rules of Order, shall govern the Corporation in all cases to which they are applicable and in which they are not inconsistent with the Bylaws

## Article IX

Fiscal Policies

SECTION 1 Fiscal Year The fiscal year for all business transactions of the Corporation shall be from January 1 of one year through December 31 of the same year

SECTION 2 Depository The Board of Trustees is authorized to establish such accounts with banks, trust companies and other financial institutions, as the Board of Trustees may deem appropriate

SECTION 3 Disbursements Disbursements shall be made only in accordance with the specific authorization or a general budget approved by the Board of Trustees and on such terms as may be established by the Board

SECTION 4 Checks, Drafts, Etc All notes, drafts, acceptances, checks, endorsements and evidences and indebtedness of the Corporation whatsoever shall be signed by such officer or agent of the Corporation and in such matter as the Board of Trustees, from time to time, may determine Endorsements or deposits to the credit of the Corporation, in any of its duly authorized depositories, shall be made in such manner as the Board of Trustees may from time to time determine

SECTION 5 Loans When so authorized by the Board of Trustees any officers or agent of the Corporation may affect loans and advances at any time for the Corporation secured by mortgage or pledge of the Corporation's property or otherwise

## Article X

Acceptance and Disposition of Property

SECTION 1 Acceptance of the Bequest, Devises and Donations The President may accept any and all unconditional and unrestricted bequests, devises and donations of money made to the Corporation and, with the Prior approval of the Board of Trustees, may accept any other bequests, devises or donations of money or property

SECTION 2 Execution of Instruments All instruments of assignment, transfer, conveyance, release and contract requiring execution by the Corporation shall be signed by any one authorized officer and attested by the Secretary, if authorized to do so by vote of the Board of Trustees

## Article XI

Amendment

The dissolution, merger or consolidation of the Corporation or the amendment of the Bylaws or the Articles of Incorporation may be by a vote of two-thirds of the members of the Board of Trustees

## Article XII

Dissolution of Corporation and Disposition of Assets

Upon the dissolution of the corporation, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the remaining assets of the corporation exclusively to such exempt organization or organizations described in Section 501 (c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, which in the judgment of its Board of Trustees are engaged in activities or having similar purposes of said corporation, or shall be distributed to the federal, state or local government for a public purpose Any such assets not so disposed of shall be disposed of by a Court of competent jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine are organized and operated exclusively for such purposes

## Article XIII

Waiver of Notice

Whenever any notice is required to be given to any Trustee under the provisions of the North Carolina Non-Profit Corporation Act or under the provisions of the Article of Incorporation or Bylaws of this Corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be equivalent to the giving of such notice

## Article XIV

Conflict of Interest

SECTION 1 If a transaction is fair to the Corporation at the time it is authorized, approved or ratified, the fact that a Trustee of the Corporation is directly or indirectly a party to the transaction is not grounds for invalidating the transaction

SECTION 2 In a proceeding contesting the validity of a transaction described in Section 1, the person asserting validity has the burden of proving fairness unless (i) the material facts of the transaction and the Trustee's interest or relationship were disclosed or known to the Board of Trustees or committee consisting entirely of Trustees and the Board or committee authorized, approved or ratified the transaction by the affirmative votes of a majority of disinterested Trustees, even though the disinterested Trustees be less than a quorum, or (ii) the material facts of the transaction and the Trustee's interest or relationship were disclosed or are known to the members entitled to vote, if any, and they authorized, approved or ratified the transaction by affirmative vote of the members without counting the vote of any member who is an interested Trustee

SECTION 3  The presence of the Trustee, who is directly or indirectly a party to the transaction described in Section 1, or a Trustee who is otherwise not disinterested, may be counted in determining whether a quorum is present but may not be counted when the Board of Trustees or a committee of the Board takes action on the transaction.

SECTION 4  For purposes of this Article, a Trustee is "indirectly" a party to a transaction if the other party to the transaction is an entity in which the Trustee has a material financial interest or of which the Trustee is an officer, Trustee or general partner.

## Article XV

Indemnification of Trustees and Officers

SECTION 1  The Corporation shall indemnify each Trustee and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Trustee or officer of the Corporation, or who is or was serving at the request of the Corporation as a Trustee or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

SECTION 2  The Corporation shall indemnify each Trustee and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a Trustee or officer of the Corporation, or is or was serving at the request of the Corporation as a Trustee or officer of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite that adjudication of liability but in view of all the circumstances of the case, such Trustee or officer is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

SECTION 3  The Corporation shall indemnify each Trustee and officer who is held to be a fiduciary under any employee pension, profit sharing or welfare plan or trust of the Corporation or any of its divisions and who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such person is or was such a fiduciary and was serving as such at the request of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding for any breach of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 and any amendments thereto, if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of such plan or trust, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of such plan or trust, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. The provisions of all the following paragraphs of this Article relating to Trustees, officers, employees or agents shall apply also to Trustees, officers, employees or agents held to be fiduciaries under this paragraph (c), specifically including the power of the Corporation (under paragraph (h)) to purchase and maintain insurance on behalf of such fiduciaries.

SECTION 4  To the extent that a person who is or was a Trustee, officer, employee or agent of the Corporation, or of any other corporation, partnership, joint venture, trust or other enterprise with which such person is or was serving in such capacity at the request of the Corporation, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraphs (a), (b) and (c) of this article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

SECTION 5 Any indemnification under paragraphs (a), (b) and (c) of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Trustee or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in paragraphs (a), (b) or (c). Such determination shall be made (1) by the Board of Trustees by a majority vote of a quorum consisting of Trustees who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable but a quorum of disinterested Trustees so directs, by independent legal counsel in a written opinion, or (3) by the members entitled to vote.

SECTION 6 Expenses incurred in defending a civil or criminal action, suite or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceedings, as authorized by the Board of Trustees in the specific case, upon receipt of an undertaking by or on behalf of the Trustee, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article.

SECTION 7 The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a Trustee or officer seeking indemnification may be entitled under any statute, provision in the Corporation's articles of incorporation, bylaw, agreement, vote of members or disinterested Trustees or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Trustee or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 8 The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a Trustee, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article.

SECTION 9 For purposes of this Article, references to "the Corporation" shall include, in addition to the surviving corporation, any merging corporation (including any corporation having merged with a merging corporation) absorbed in a merger which, if its separate existence had continued, would have had power and authority to indemnify its Trustees, officers, and employees or agents, so that any person who is or was a Trustee, officer, employee or agent of such merging corporation or is or was serving at the request of such merging corporation as a Trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued.

SECTION 10 For purposes of this Article, references to "other enterprises" shall include employee benefit plans, reference to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan, and references to "serving at the request of the Corporation" shall include any service as a Trustee, officer, employee or agent of the Corporation which imposes duties on or involves services by such Trustee, officer, employee or agent with respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article.

SECTION 11 The invalidity or unenforceability of any provision in this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

As amended on February 11, 2010

| | |
|---|---|
| Rick Merrill, President | David Efird, Secretary |

# Additional Data

**Software ID:**
**Software Version:**
**EIN:** 56-6449365
**Name:** CAROLINA MOUNTAIN LAND CONSERVANCY INC

**Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

| (A) Name and Title | (B) Average hours per week | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W- 2/1099-MISC) | (E) Reportable compensation from related organizations (W- 2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Individual trustee or director | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| KIERAN ROE<br>Executive Director | 40 00 | | | X | | | | 59,015 | 0 | 4,028 |
| RICK MERRILL<br>President | 5 00 | X | | X | | | | 0 | 0 | 0 |
| LYNN CARNES PITTS<br>Vice President | 4 00 | X | | X | | | | 0 | 0 | 0 |
| MIKE TATE<br>Treasurer | 3 00 | X | | X | | | | 0 | 0 | 0 |
| DAVID EFIRD<br>Secretary | 3 00 | X | | X | | | | 0 | 0 | 0 |
| BOB WALD MD<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| RUTH BIRGE<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| ABBY CAIN<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| GENIEN CARLSON<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| MEREDITH KEEVER<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| BILL MCANINCH<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| TOM DAVIS<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| MARY JO PADGETT<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| DIANA RICHARDS<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| MELANIE JOHNSON<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| MARK TOOLEY<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| JOHN WITHERSPOON<br>Board Member | 1 00 | X | | | | | | 0 | 0 | 0 |
| JOHN HUMPHREY<br>Board Member | 1 | X | | | | | | | | |
| LEE MULLIGAN<br>Board Member | 1 | X | | | | | | | | |
| DICK SMITH<br>Board Member | 1 | X | | | | | | | | |

## Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

| *Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.* | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|---|---|---|---|
| Appraisals | 19,000 | 19,000 | 0 | 0 |
| Baseline Documentation | 10,222 | 10,222 | 0 | 0 |
| Conservation Easement Purchases | 1,208,485 | 1,208,485 | 0 | 0 |
| Environmental Assessments | 5,800 | 5,800 | 0 | 0 |
| Legal Review/Title/Closing Cost | 34,528 | 34,528 | 0 | 0 |