

### Colorado Cattlemen's Agricultural Land Trust perpetuity formula

#### Needs:

- Cost of stewardship per easement (based on historic data)
- Investment rate of return goal (should be based on historic returns)

#### Equation:

- $\text{Cost of stewardship per easement} / \text{Investment rate of return goal} = \text{Stewardship Contribution}$

#### Example:

- $\$501 \text{ per easement} / 4\% = \$12,525/\text{easement}$

#### The limitations of this approach are as follows:

- Assumes no growth in expenses
- Assumes that desired rate of return is achievable
- Does not factor in the total endowment, which means that any unfunded liability that currently exists is not considered
- Does not necessarily factor in cost of enforcement