

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY

Summary of Financial Results

Fiscal Year 2009: July 1, 2008 to June 30, 2009

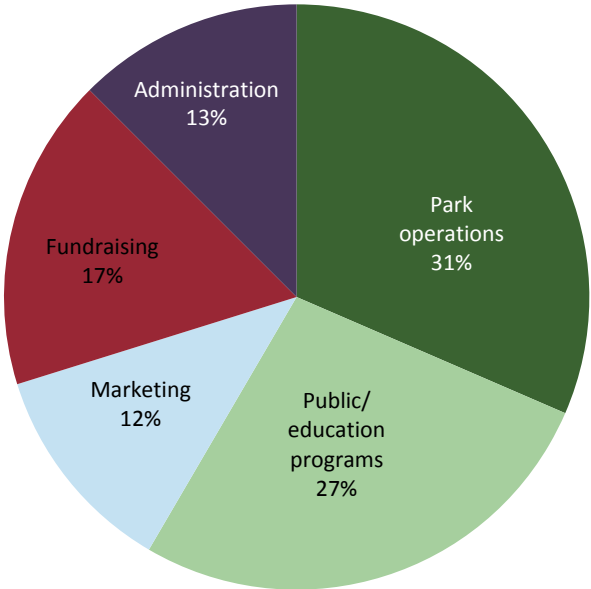
Background

- The Greenway Conservancy has been operating since 2005.
- Early years have focused on fundraising for programs and endowment, and planning for eventual responsibility for maintaining the finished parks.
- This past February, the Conservancy took control of the parks for the first time. FY09 expenses represent 4 months of park operations.

FY09 is a transitional year

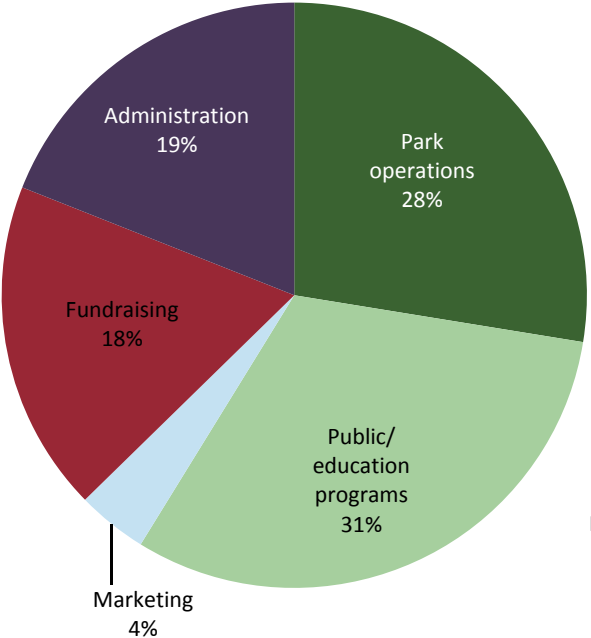
Fundraising & Planning

FY08 Expenses
\$2.4 million
Actual



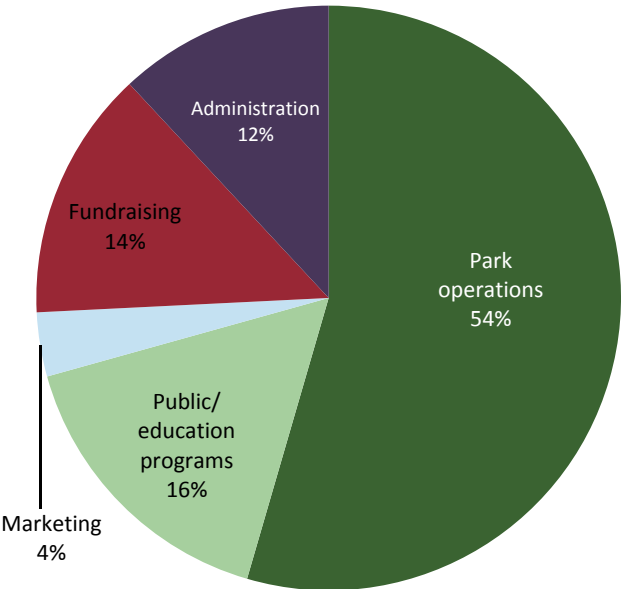
Transition to Park Operations

FY09 Expenses
\$3.3 million
Actual



Full Year Park Operations

FY10 Expenses
\$4.9 million
Budget



Financial Resources

- The Conservancy has built financial resources totaling \$18 million as part of the long term financial plan.
- Endowment for stewardship of the parks in perpetuity represents \$13.5 million, or 75%.
- Other reserves for future program needs (e.g. park operations, education and public events) total \$3.7 million, or 21%.
- Unrestricted resources (the remaining 4%) are only partly available:
 - \$180K is available for operations
 - \$465K represents property & equipment

Types of reserves

- **Restricted funds** are described in categories, based on the stated intent of the donors.
 - **Permanently restricted funds** (or endowment) cannot be spent, but generate income to support designated uses.
 - **Temporarily restricted funds** are reserved for future use, to support specific programs or when pledges are fulfilled.
 - **Board restricted funds** are set aside by the board of directors for organizational needs.

Reserves of the Greenway Conservancy

- **Permanently restricted funds** (or endowment) consist of the \$12.1 million in cash controlled by the Conservancy.
 - Pledges for future endowment are considered temporarily restricted until cash is received.
- **Temporarily restricted funds** of \$4.1 million consist of:
 - Endowment pledges of \$1.4 million
 - Future program funding of \$2.7 million
- **Board restricted funds** total \$930,000.

Statement of Financial Position: Assets

June 30, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Current Assets:				
Cash and cash equivalents	273,886	1,367,770		1,641,656
Cash reserve	930,000			930,000
Pledges receivable, current year	19,000	2,087,580		2,106,580
Total Current Assets	1,222,886	3,455,350	-	4,678,236
Property and Equipment (net)	465,134	-	-	465,134
Other Assets:				
Permanently restricted endowment			12,139,770	12,139,770
Pledges receivable, future years		646,000	-	646,000
Interest receivable		63,218		63,218
Total Other Assets	-	709,218	12,139,770	12,848,988
Total Assets	1,688,020	4,164,568	12,139,770	17,992,358

Statement of Financial Position: Liabilities & Net Assets

June 30, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Current Liabilities:				
Accounts payable and accrued expenses	92,555			92,555
Accrued professional fees	20,000			20,000
Total Liabilities	112,555	-	-	112,555
Net Assets:				
Available for operations	180,331			180,331
Property & equipment (net)	465,134			465,134
Board restricted	930,000			930,000
Total Unrestricted Net Assets	1,575,465	-	-	1,575,465
Temporarily restricted net assets		4,164,568		4,164,568
Permanently restricted net assets			12,139,770	12,139,770
Total Net Assets	1,575,465	4,164,568	12,139,770	17,879,803
Total Liabilities and Net Assets	1,688,020	4,164,568	12,139,770	17,992,358

Statement of Financial Position: Assets Explained

June 30, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Current Assets:			Program grants	
Cash and cash equivalents	273,886	1,367,770		1,641,656
Cash reserve	930,000		Program grants \$1.3M Endowment \$800K	930,000
Pledges receivable, current year	19,000	2,087,580		2,106,580
Total Current Assets	1,222,886	3,455,350	-	4,678,236
Property and Equipment (net)	465,134		-	465,134
Other Assets:				
Permanently restricted endowment			12,139,770	12,139,770
Pledges receivable, future years		646,000	Endowment	646,000
Interest receivable		63,218		63,218
Total Other Assets	-	709,218	12,139,770	12,848,988
Total Assets	1,688,020	4,164,568	12,139,770	17,992,358

Current assets equal 4 months of budget, not including restricted funding

Statement of Financial Position: Liabilities & Net Assets Explained

June 30, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Current Liabilities:				
Accounts payable and accrued expenses	92,555			92,555
Accrued professional fees	20,000			20,000
Total Liabilities	112,555	-	-	112,555
Net Assets:				
Available for operations	180,331			180,331
Property & equipment (net)	465,134			465,134
Board restricted	930,000			930,000
Total Unrestricted Net Assets	1,575,465	-	-	1,575,465
Temporarily restricted net assets		4,164,568		4,164,568
Permanently restricted net assets			12,139,770	12,139,770
Total Net Assets	1,575,465	4,164,568	12,139,770	17,879,803
Total Liabilities and Net Assets	1,688,020	4,164,568	12,139,770	17,992,358

Endowment Pledges \$1.4M
Future Park Operations \$1.7M
Future Outreach & Ed \$900K
Future Other \$165K

Statement of Activities: Explained

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenue and support:				
Government contributions		2,000,000		2,000,000
Corporate contributions		200,000		200,000
Foundation contributions		176,000		176,000
Individual contributions	23,664	2,974		26,638
Mothers' Walk revenue		261,960		261,960
Gala contributions	290,250			290,250
Event contributions		300,066		300,066
In-kind revenue	561,531			561,531
Endowment interest income	236,596			236,596
Net assets released from restrictions:				
Government contributions	427,913	(427,913)		
Corporate contributions	1,449,035	(3,064,035)	1,615,000	
Foundation contributions	328,789	(328,789)		
Individual contributions	11,000	(11,000)		
Total revenues and support	3,328,778	(890,737)	1,615,000	4,053,041
Total expenses	3,268,327	-	-	3,268,327
Change in net assets	60,451	(890,737)	1,615,000	784,714

Endowment \$1.6M
Public Events \$1.1M
Park Operations \$755K
Outreach & Ed \$100K
Other \$260K

More detail on funding sources provided than in audit report

Analysis of Program Expenses: Explained

July 1, 2008 to June 30, 2009	Park Operations		Education & Outreach		Public Events			Total Programs
	Maintenance & Horticulture	Planning & Design	Green & Grow	Education	Events	Inaugural Event	Mothers' Walk	
Salaries, taxes & benefits	206,849	263,107	11,972	54,966	71,937	69,288	60,492	738,611
Consultants	7,426		495		3,000	119,769		130,690
Contracted service providers	200,393	4,055						204,448
Non-labor maintenance & horticulture	37,269							37,269
Marketing, branding & advertising				4,307		72,250	38,388	114,945
Public outreach					39,311	237,815	1,109	278,235
Mothers' Walk engraving & installation							122,700	122,700
Bad debt expense (reserve for pledges)								
Allocated overhead:								
Rent expense (donated)	52,135	29,000	1,450	6,650	14,500	56,540	23,200	183,475
Legal and accounting	26,307	14,632	728	3,330	7,280	28,293	11,647	92,217
Office expense	22,484	12,323	617	2,822	6,168	23,971	9,868	78,253
Insurance	9,079	5,078	254	1,162	2,539	9,868	4,062	32,043
Professional development	5,649	3,118	156	713	1,559	6,059	2,494	19,748
Personnel administration	1,053	951	43	204	316	778	415	3,760
Total expenses	\$ 568,645	\$ 332,264	\$ 15,715	\$ 74,154	\$ 146,607	\$ 624,631	\$ 274,375	\$ 2,036,391

Outsourced park maintenance includes:
Work Inc. \$131K
Snow removal \$43K

One time expense

Analysis of Total Expenses: Explained

	Total expenses	Personnel expense	Other direct expenses	Indirect expenses
Park Operations				
Maintenance & horticulture	\$ 568,645	36%	43%	21%
Planning & design	\$ 332,264	79%	1%	20%
Education & Outreach				
Green & grow	\$ 15,715	76%	3%	21%
Education	\$ 74,154	74%	6%	20%
Public Events				
Events	\$ 146,607	49%	29%	22%
Inaugural event	\$ 624,631	11%	69%	20%
Mothers' Walk	\$ 274,375	22%	59%	19%
Total Programs	\$ 2,036,391	36%	44%	20%
Administration	\$ 633,068	65%	16%	19%
Fundraising	\$ 598,868	17%	63%	20%
Total	\$ 3,268,327	38%	42%	20%

Expense of \$1.2M represents salaries, payroll taxes & benefits for 17 full time equivalents to provide oversight & accountability

Expense of \$599K to raise \$3.25M, for a ratio of 18%

Conclusion

- The Conservancy is taking shape in final form, as it moves from planning to park oversight.
- Annual operations of \$3 million protect the public interest in a \$40 million investment in the parks system.
- Most resources are endowment & reserves for future park maintenance and programming, to ensure stewardship of the public trust.