



**FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

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DECEMBER 31, 2018 AND 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Rose Fitzgerald Kennedy Greenway Conservancy, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Rose Fitzgerald Kennedy Greenway Conservancy, Inc. (a Massachusetts corporation, not for profit) which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities and changes in net assets, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rose Fitzgerald Kennedy Greenway Conservancy, Inc. as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 21 - 23 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Alexander, Brown, Pinning & Co., P.C.

Westborough, Massachusetts
March 26, 2019

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 AND 2017

<u>ASSETS</u>	2018			2017		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
CURRENT ASSETS:						
Cash and cash equivalents	\$ 1,805,306	\$ 259,180	\$ 2,064,486	\$ 1,615,267	\$ 535,299	\$ 2,150,566
Accounts receivable, net	37,052	-	37,052	36,329	-	36,329
Current portion of grants and pledges receivable (Note 5)	234,910	58,600	293,510	20,749	30,000	50,749
Prepaid expenses and other	91,861	-	91,861	141,459	-	141,459
Total current assets	2,169,129	317,780	2,486,909	1,813,804	565,299	2,379,103
RESTRICTED CASH (Note 3)	-	303,589	303,589	-	792,975	792,975
GRANTS AND PLEDGES RECEIVABLE, net of current portion (Note 5)	-	40,000	40,000	-	740,000	740,000
INVESTMENTS (Note 4)	794,158	13,865,534	14,659,692	822,234	15,215,964	16,038,198
PROPERTY AND EQUIPMENT, net (Note 8)	4,853,724	-	4,853,724	4,110,806	-	4,110,806
Total assets	<u>\$ 7,817,011</u>	<u>\$ 14,526,903</u>	<u>\$ 22,343,914</u>	<u>\$ 6,746,844</u>	<u>\$ 17,314,238</u>	<u>\$ 24,061,082</u>
<u>LIABILITIES AND NET ASSETS</u>						
CURRENT LIABILITIES:						
Accounts payable and accrued expenses	\$ 544,503	\$ -	\$ 544,503	\$ 464,864	\$ -	\$ 464,864
NET ASSETS:						
Without donor restrictions (Note 2):						
Operating	1,863,956	-	1,863,956	1,506,276	-	1,506,276
Board Designated	676,807	-	676,807	702,748	-	702,748
Property and equipment	4,731,745	-	4,731,745	4,072,956	-	4,072,956
Total without donor restrictions	7,272,508	-	7,272,508	6,281,980	-	6,281,980
With donor restrictions (Notes 2 and 6)	-	14,526,903	14,526,903	-	17,314,238	17,314,238
Total net assets	<u>7,272,508</u>	<u>14,526,903</u>	<u>21,799,411</u>	<u>6,281,980</u>	<u>17,314,238</u>	<u>23,596,218</u>
Total liabilities and net assets	<u>\$ 7,817,011</u>	<u>\$ 14,526,903</u>	<u>\$ 22,343,914</u>	<u>\$ 6,746,844</u>	<u>\$ 17,314,238</u>	<u>\$ 24,061,082</u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018			2017		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
OPERATING REVENUE AND SUPPORT:						
Earned revenue	\$ 1,475,286	\$ -	\$ 1,475,286	\$ 1,188,861	\$ -	\$ 1,188,861
Government support, MassDOT	-	1,125,000	1,125,000	-	1,986,959	1,986,959
Contributed income	355,536	476,425	831,961	266,996	505,398	772,394
Contributions, BID	-	750,000	750,000	-	-	-
Endowment draw for current operations	653,022	-	653,022	638,425	-	638,425
In-kind support, MassDOT (see Note 12)	262,878	-	262,878	244,206	-	244,206
In-kind support, private (see Note 12)	132,577	-	132,577	261,994	-	261,994
Other income	49,006	-	49,006	54,296	-	54,296
Government support, grants	-	6,000	6,000	-	3,000	3,000
Net assets released from restrictions:						
Satisfaction of time restrictions	10,000	(10,000)	-	15,500	(15,500)	-
Satisfaction of purpose restrictions	2,506,508	(2,506,508)	-	2,657,271	(2,657,271)	-
Subtotal	5,444,813	(159,083)	5,285,730	5,327,549	(177,414)	5,150,135
Fundraising event contributions	584,473	-	584,473	542,664	50,000	592,664
Less: fundraising event expenses	(180,151)	-	(180,151)	(154,111)	-	(154,111)
Fundraising events, net	404,322	-	404,322	388,553	50,000	438,553
Total operating revenue and support	5,849,135	(159,083)	5,690,052	5,716,102	(127,414)	5,588,688
OPERATING EXPENSES:						
Programmatic	4,240,225	-	4,240,225	4,287,363	-	4,287,363
Fundraising	593,158	-	593,158	584,844	-	584,844
Administration	545,338	-	545,338	437,522	-	437,522
Total operating expenses before depreciation	5,378,721	-	5,378,721	5,309,729	-	5,309,729
Changes in net assets from operations before depreciation	470,414	(159,083)	311,331	406,373	(127,414)	278,959
Depreciation	360,005	-	360,005	333,327	-	333,327
Changes in net assets from operations	110,409	(159,083)	(48,674)	73,046	(127,414)	(54,368)
NON-OPERATING REVENUE AND SUPPORT:						
Government support, MassDOT - capital	-	379,410	379,410	-	103,208	103,208
Contributed income - capital	-	-	-	-	770,400	770,400
Endowment pledge	-	-	-	-	650,000	650,000
Net assets released from capital restrictions	916,820	(916,820)	-	280,244	(280,244)	-
Endowment release for current operations	-	(653,022)	(653,022)	-	(638,425)	(638,425)
Investment income (loss), net of fees	(36,701)	(1,437,820)	(1,474,521)	116,302	2,311,187	2,427,489
Total non-operating revenue and support	880,119	(2,628,252)	(1,748,133)	396,546	2,916,126	3,312,672
Changes in net assets	990,528	(2,787,335)	(1,796,807)	469,592	2,788,712	3,258,304
NET ASSETS, beginning of year	6,281,980	17,314,238	23,596,218	5,812,388	14,525,526	20,337,914
NET ASSETS, end of year	\$ 7,272,508	\$ 14,526,903	\$ 21,799,411	\$ 6,281,980	\$ 17,314,238	\$ 23,596,218

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ (1,796,807)	\$ 3,258,304
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Net realized and unrealized losses (gains) on investments	2,724,802	(636,332)
Capital grants	(379,410)	(873,608)
Endowment pledge	-	(650,000)
Depreciation	360,005	333,327
Changes in operating assets and liabilities:		
Accounts receivable	(723)	(7,581)
Grants and pledges receivable	(192,761)	94,923
Prepaid expenses and other	49,598	(37,230)
Accounts payable and accrued expenses	(4,490)	99,773
Net cash provided by operating activities	760,214	1,581,576
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	704,567	109,340
Purchase of investments	(2,050,863)	(971,586)
Acquisition of property and equipment	(1,018,794)	(319,939)
(Increase) decrease in restricted cash	489,386	(589,914)
Net cash used in investing activities	(1,875,704)	(1,772,099)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Endowment pledge receipts	650,000	-
Capital grants	379,410	873,608
Net cash provided by financing activities	1,029,410	873,608
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(86,080)	683,085
CASH AND CASH EQUIVALENTS, beginning of year	2,150,566	1,467,481
CASH AND CASH EQUIVALENTS, end of year	\$ 2,064,486	\$ 2,150,566
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Property and equipment additions included in accounts payable	\$ 121,979	\$ 37,850

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018
(with comparative totals for the year ended December 31, 2017)

	2018							2017	
	PROGRAMMATIC								
	MAINTENANCE, HORTICULTURE, AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAMMATIC	ADMIN- ISTRATION	FUNDRAISING	TOTAL	TOTAL
Salaries and related expenses	\$ 1,358,343	\$ 469,677	\$ 210,469	\$ 162,362	\$ 2,200,851	\$ 312,965	\$ 420,714	\$ 2,934,530	\$ 2,920,490
Direct expense (see Note 12)	393,764	100,444	333,720	61,092	889,020	4,123	111,061	1,004,204	980,545
Contracted services	781,468	600	-	29,561	811,629	68,544	40,313	920,486	776,015
Fundraising event expenses	-	-	-	-	-	-	180,151	180,151	154,111
Legal and accounting (see Note 12)	2,323	29,400	5,494	-	37,217	106,443	-	143,660	254,220
Occupancy (see Note 12)	67,545	28,266	7,557	7,067	110,435	17,821	10,744	139,000	138,996
Insurance	112,288	482	80	80	112,930	9,156	241	122,327	124,709
Office and other	39,744	27,844	5,466	5,089	78,143	26,286	10,085	114,514	114,754
Total expenses before depreciation	2,755,475	656,713	562,786	265,251	4,240,225	545,338	773,309	5,558,872	5,463,840
Less: fundraising event expenses included with revenues on the statement of activities and changes in net assets	-	-	-	-	-	-	(180,151)	(180,151)	(154,111)
Total expenses included in the statement of activities and changes in net assets before depreciation	2,755,475	656,713	562,786	265,251	4,240,225	545,338	593,158	5,378,721	5,309,729
Depreciation	150,074	196,873	2,018	828	349,793	1,252	8,960	360,005	333,327
Total expenses included in the statement of activities and changes in net assets after depreciation	<u>\$ 2,905,549</u>	<u>\$ 853,586</u>	<u>\$ 564,804</u>	<u>\$ 266,079</u>	<u>\$ 4,590,018</u>	<u>\$ 546,590</u>	<u>\$ 602,118</u>	<u>\$ 5,738,726</u>	<u>\$ 5,643,056</u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017

	PROGRAMMATIC							
	MAINTENANCE, HORTICULTURE, AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAMMATIC	ADMIN- ISTRATION	FUNDRAISING	TOTAL
Salaries and related expenses	\$ 1,401,408	\$ 392,537	\$ 223,301	\$ 146,671	\$ 2,163,917	\$ 327,091	\$ 429,482	\$ 2,920,490
Direct expense (see Note 12)	377,166	87,335	306,015	103,826	874,342	1,848	104,355	980,545
Contracted services	763,207	1,200	-	-	764,407	6,078	5,530	776,015
Fundraising event expenses	-	-	-	-	-	-	154,111	154,111
Legal and accounting (see Note 12)	106,355	35,391	21,076	10,244	173,066	59,548	21,606	254,220
Occupancy (see Note 12)	68,857	23,564	10,971	8,048	111,440	14,169	13,387	138,996
Insurance	114,354	1,089	209	95	115,747	8,782	180	124,709
Office and other	47,488	19,631	8,925	8,400	84,444	20,006	10,304	114,754
Total expenses before depreciation	2,878,835	560,747	570,497	277,284	4,287,363	437,522	738,955	5,463,840
Less: fundraising event expenses included with revenues on the statement of activities and changes in net assets	-	-	-	-	-	-	(154,111)	(154,111)
Total expenses included in the statement of activities and changes in net assets before depreciation	2,878,835	560,747	570,497	277,284	4,287,363	437,522	584,844	5,309,729
Depreciation	126,133	195,709	852	709	323,403	1,292	8,632	333,327
Total expenses included in the statement of activities and changes in net assets after depreciation	<u>\$ 3,004,968</u>	<u>\$ 756,456</u>	<u>\$ 571,349</u>	<u>\$ 277,993</u>	<u>\$ 4,610,766</u>	<u>\$ 438,814</u>	<u>\$ 593,476</u>	<u>\$ 5,643,056</u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 1 - OPERATIONS AND NONPROFIT STATUS

Operations

Rose Fitzgerald Kennedy Greenway Conservancy, Inc. (the Conservancy) is the non-profit responsible for the management and care of The Greenway. The Greenway is the 17-acre contemporary public park in the heart of Boston, stretching 1.5 miles from Chinatown through the Financial and Wharf districts, to the North End. The Greenway welcomes millions of visitors annually to gather, play, unwind, and explore.

The Conservancy's Maintenance, Horticulture, and Rangers departments maintain the hardscape, furnishings, and special features; uses organic practices to care for the lawns, beds, and trees; and interfaces with the public, ensuring a safe and welcoming park experience for all visitors. The Programs Department provides operational support to hundreds of free events annually, including markets, concerts and, festivals; additionally, the department oversees the food truck program, the beer gardens, and The Greenway Carousel at The Tiffany & Co. Foundation Grove. The Public Art Department is led by a curator, who selects and oversees installation of rotating exhibitions of contemporary public art. The Outreach Department serves as liaison to stakeholders and community members while coordinating communication, marketing, owned media, and branding. The Fundraising Department works to cultivate donors and raise funding support for the Conservancy, and Administration includes finance, accounting, human resources, and information technology.

Nonprofit Status

The Conservancy is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is generally exempt from Federal and state income taxes pursuant to Section 501(a) of the Code. Donors may deduct contributions made to the Conservancy within the requirements of the Code.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies followed by the management of the Conservancy in the preparation of the accompanying financial statements is set forth below:

Basis of Accounting

The Conservancy prepares its financial statements in accordance with generally accepted accounting standards and principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

Adoption of New Accounting Standard

In 2018, the Conservancy adopted FASB's Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This ASU addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Conservancy has adjusted the presentation of these statements accordingly. The adoption of this ASU did not impact the Conservancy's net asset classes, results of operations, or cash flows for the year ended December 31, 2018. This ASU has been applied retrospectively to all periods presented. This ASU provides an option to omit the disclosures about liquidity and availability of resources for the 2017 financial statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Statements of Activities and Changes in Net Assets

Transactions deemed by management to be ongoing, major, or central to the provision of program services are reported as operating revenue and support and operating expenses in the accompanying statements of activities and changes in net assets. Non-operating revenue and support includes investment, capital and endowment activity.

Net Assets

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations which the Conservancy may use at its discretion. The Conservancy has grouped its net assets without donor restrictions into the following categories:

Operating net assets - represent funds available to carry on the operations of the Conservancy.

Board Designated net assets - represent net assets without donor restrictions whose use is subject to designation for specific purposes either as a capital reserve or by action of the Conservancy's Board of Directors.

Property and equipment net assets - represent the amounts expended for property and equipment, net of related liabilities.

Net assets with donor restrictions include net assets whose use is limited by state law or donor-imposed stipulations that may or will be met with the passage of time and/or by the actions of the Conservancy (see Notes 6 and 7). Transfers are made to net assets without donor restrictions from net assets with donor restrictions as costs are incurred or time restrictions have lapsed (see Note 6). Net appreciation (depreciation) of long-term investments with donor restrictions is recognized within net assets with donor restrictions until such funds are available to be spent under the Conservancy's spending policy (see Notes 6 and 7 and pages 10 and 11).

Net assets with donor restrictions also include net assets that are subject to donor-imposed stipulations that they be maintained in perpetuity by the Conservancy. Generally, donors of these assets allow the Conservancy to use all or part of the income, and the realized or unrealized gain, if any, on related investments for general or specific purposes (see Notes 6 and 7).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from the estimates that were used.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Conservancy considers highly liquid investments with maturities of three (3) months or less at the date of purchase to be cash equivalents. Cash, not subjected to either donor-imposed stipulations or restrictions under state law is included in the accompanying financial statements as cash without donor restrictions; all other cash is treated as cash with donor restrictions (see Note 3).

Cash equivalents held by investment managers are considered part of investments and are categorized according to any donor-imposed restrictions or as required by state law.

For the purposes of the statements of cash flows, cash and cash equivalents does not include restricted cash (see Note 3) or cash equivalents held by investment managers (see above).

Accounts Receivable and Allowance for Uncollectible Accounts

Accounts receivable are reported at the amount management expects to collect on balances outstanding at year end. Management estimates the allowance for doubtful accounts based on historical collections together with a review of the current status of the existing accounts receivable. As of December 31, 2018, there was an allowance for uncollectible accounts receivable of \$8,005. There was no allowance as of December 31, 2017.

Grants and Pledges Receivable and Allowance for Uncollectible Pledges

When an unconditional promise to give is received or the condition has been fulfilled for a conditional promise to give, the corresponding pledges receivable are recorded as revenue at the present value of expected proceeds. Management estimates the allowance for doubtful pledges (see Note 5) based on historical collections together with a review of the current status of the existing pledges receivable.

Revenue Recognition

Contributed income is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expirations of restrictions on net assets due to either the Conservancy fulfilling donor-imposed restrictions or the passage of time, are reported as net assets released from donor restrictions (see Note 6).

Contributed income may include gifts of cash, collection items, or promises to give. Contributions, grants, and government support, including unconditional promises to give, are recognized as revenues in the period received and recorded in the appropriate net asset category in accordance with donor imposed restrictions. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions are substantially met. Contributions of assets other than cash are reported at their estimated fair value. When considered material, contributions and grants to be received after one (1) year are discounted at an appropriate discount rate commensurate with the risk involved. Multi-year commitments are recorded during the year of the initial pledge.

Contributed income of cash or other assets that must be used to acquire long-lived assets are recorded as contributions with donor restrictions and grants until the assets are acquired and placed in service.

Gains and losses on investments are reported as increases or decreases to net assets without donor restrictions unless their use is restricted by donor-imposed stipulation or by state law.

Earned revenue is recognized as services are provided. Other income is recognized as it is earned.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

The Conservancy recognizes in-kind services in accordance with applicable accounting standards if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation (see Note 12).

Property and Equipment

All property and equipment (see Note 8) are stated at cost or, if donated, at the fair market value at the date of receipt. Major renewals, additions and betterments are charged to the property accounts, while replacements, maintenance and repairs, which do not improve or extend the lives of the respective assets, are expensed in the year incurred.

Once property and equipment are acquired and placed into service, depreciation is provided for by using the straight-line method over the estimated useful lives of the related assets, as follows:

	<u>Depreciable Life</u>
Greenway improvements and Greenway Carousel	3 - 20 years
Motor vehicles	4 - 7 years
Office equipment	7 years

Investments and Spending Policy

Investments are reported at their fair value. The realized and unrealized appreciation (depreciation) in the fair market value of such investments is included in the statements of activities and changes in net assets in the appropriate net asset categories. Dividends and interest are recorded when earned. Gains and losses are recognized as incurred upon sale or based on fair value changes during the period.

Dividends, interest, fees, and net realized and unrealized gains (losses) on investments are reported as non-operating revenue as follows:

- As increases in net assets with donor restrictions, if the donor-imposed stipulation requires that they be added to the corpus of an endowment fund with donor restrictions.
- As increases (decreases) in net assets with donor restrictions, net of related investment fees, if the terms of the contribution or relevant state law impose restrictions of current use of income or net gains.
- As increases (decreases) in net assets without donor restrictions, net of related investment fees, in all other cases.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and Spending Policy (Continued)

The Conservancy adheres to the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Subject to the intent of a donor, an institution may appropriate for expenditure or accumulate so much of an endowment fund with donor restrictions as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund with donor restrictions is established. The assets in an endowment fund with donor restrictions are donor-restricted assets until appropriated according to the donor stipulation for expenditure by the Conservancy.

The Conservancy has adopted an investment and spending policy for its endowment assets and for any Board Designated net assets that are designed to preserve capital through downside risk management while providing a level of support for the Conservancy and its programs in accordance with UPMIFA. Under its investment policy, the endowment assets are to be invested to provide a total rate of return commensurate with prudent diversification and moderate risk. Risk and diversification parameters have been established and the endowment is maintained and rebalanced accordingly.

The Conservancy relies on a total rate of return strategy that targets 4.5% plus the rate of inflation over a full seven year business cycle. Investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). While it is understood that the endowment assets are to be managed with a long-term focus, endowment performance is monitored quarterly in relation to several appropriate benchmarks.

The Conservancy has a policy of appropriating for operations each year up to 4.5% of the rolling average of the prior twelve quarter-end fair values. These amounts are reflected as endowment draw for current operations in the accompanying statements of activities and changes in net assets. In establishing this policy, the Conservancy considered the expected returns plus an adjustment for inflation. This is consistent with the stated goal of enhancing the purchasing power of the endowment over time, while providing necessary funds for operations. In the event of a significant market decline, the Conservancy will consider all factors relevant to the stated goal in determining any change to the appropriation as allowed by UPMIFA.

From time-to-time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Conservancy has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. See Note 7.

Functional Allocation of Expenses

The costs of providing the Conservancy's various programs and activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, expenses related directly to a function are distributed to that function. Certain categories of non-specific expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are compensation and benefits, which are allocated on the basis of estimates of time and effort; occupancy costs, office equipment and supplies, processing fees, IT costs and depreciation, which are allocated based on headcount.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Conservancy accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the financial statements regarding a tax position taken or expected to be taken in a tax return. The Conservancy has determined that there are no uncertain tax positions which qualify for recognition or disclosure in the financial statements at December 31, 2018 and 2017. The Conservancy's information returns are subject to examination by the Federal and state jurisdictions.

Fair Value Measurements

The Conservancy determines the fair value of investments and other assets using a framework for measuring fair value, which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three (3) levels of the fair value hierarchy under US GAAP are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Conservancy has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that is observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. See Note 4.

Subsequent Events

The Conservancy has evaluated events and transactions subsequent to December 31, 2018, for potential recognition or disclosure in the financial statements through March 26, 2019, which is the date the financial statements were available for issuance. See Notes 7 and 11.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements

In June 2018, the FASB issued ASU 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The standard assists entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions. Distinguishing between contributions and exchange transactions determines which revenue or expense recognition guidance is to be applied. Exchange transactions entered into by entities will be accounted within the scope of ASC 606, *Revenue from Contracts with Customers*, or other applicable guidance, while the guidance related to accounting for contributions received is included in Subtopic 958-605, *Not-for-Profit Entities – Revenue Recognition*. This standard will be effective for 2019 for resource recipients (contributions received) and will be effective for 2020 for resource providers (contributions made). The Conservancy is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

NOTE 3 - RESTRICTED CASH

Restricted cash is restricted for the following purposes as of December 31:

	2018	2017
Capital projects	\$ 198,771	\$ 792,975
Endowment	104,818	-
	<u>\$ 303,589</u>	<u>\$ 792,975</u>

NOTE 4 - INVESTMENTS

The following table sets forth by level, within the fair value hierarchy (see Note 2), the Conservancy's invested assets at fair value as of December 31:

Investment Type	2018			
	Level 1	Level 2	Level 3	Total
Mutual funds - stock funds	<u>\$ 6,170,795</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 6,170,795
Other investments:				
TIFF Multi Asset Fund*				<u>8,488,897</u>
Total investments				<u>\$ 14,659,692</u>
Investment Type	2017			
	Level 1	Level 2	Level 3	Total
Mutual funds - stock funds	<u>\$ 5,078,088</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 5,078,088
Other investments:				
TIFF Multi Asset Fund*				<u>10,960,110</u>
Total investments				<u>\$ 16,038,198</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)**

NOTE 4 - INVESTMENTS (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the daily closing prices as reported by the funds. The funds held by the Conservancy are deemed to be actively traded and are valued using Level 1 inputs (see Note 2).

***TIFF Multi Asset Fund (the Fund):** The provisions of ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* allow the Conservancy to measure the fair value of these investments using the value per share of the investments. For the Fund, this is valued at the monthly closing price as reported by the Fund, a cooperative style investment organization that supports non-profit organizations by using an asset mix that seeks to achieve long-term returns that exceeds inflation plus 5% per annum through a globally diversified portfolio that includes domestic and foreign equities and fixed income instruments as well as hedging and futures vehicles. Shares in the Fund may be redeemed by the Conservancy at its request. However, the shares held by the Conservancy are deemed not to be actively traded. The fair value amounts presented in the investment tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

Investment income, net consists of the following for the years ended December 31:

	2018	2017
Interest and dividends	\$ 1,250,314	\$ 1,791,162
Net realized gains on sale of investments	8,020	3,073
Investment fees	(33)	(5)
Net unrealized gains (losses) on investments	(2,732,822)	633,259
	\$ (1,474,521)	\$ 2,427,489

Substantially all investments are components of the Conservancy's endowment (see Note 7). Accordingly, these investments have been classified as non-current assets in the accompanying statements of financial position regardless of maturity or liquidity of the individual securities held. Investments are not insured and are subject to ongoing market fluctuations.

NOTE 5 - GRANTS AND PLEDGES RECEIVABLE

Grants and pledges receivable are due as follows as of December 31:

	2018	2017
Due in one year	\$ 293,510	\$ 700,749
Due in two to five years	40,000	90,000
	\$ 333,510	\$ 790,749

As of December 31, 2018 and 2017, all grants and pledges receivable are deemed to be fully collectible and, as a result, no allowance has been recorded. The Conservancy has not recorded a discount on long-term grants and pledges receivable as the amount is not material.

Pledges to endowment funds are classified as long-term assets in the accompanying statements of financial position regardless of expected payout date.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)**

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were restricted for the following as of December 31:

	2018	2017
General endowment	\$ 12,319,020	\$ 12,319,020
Park specific endowment	1,487,000	1,487,000
Education endowment	348,750	348,750
Public art	326,843	280,000
Capital projects	198,771	792,975
Maintenance, Horticulture, and Rangers	81,506	90,132
General operations - time restricted	30,000	40,000
Programs	937	17,296
Strategic Business Planning	-	114,147
Appreciation on endowment (underwater endowment)	(265,924)	1,824,918
	<u>\$ 14,526,903</u>	<u>\$ 17,314,238</u>

During the years ended December 31, 2018 and 2017, net assets were released from restrictions for the following programs and purposes and other restrictions:

	2018	2017
Maintenance, Horticulture, and Rangers	\$ 1,997,189	\$ 2,107,048
Capital projects	916,820	280,244
Endowment draw for current operations	653,022	638,425
Public art	292,707	358,169
Strategic Business Planning	114,147	10,853
Programs	102,465	181,201
General Operations - time restricted	10,000	15,500
	<u>\$ 4,086,350</u>	<u>\$ 3,591,440</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)

NOTE 7 - ENDOWMENTS

The composition of endowment net assets and the changes in endowment net assets by class are as follows for the years ended December 31, 2018 and 2017:

	<u>With Donor Restrictions</u>		
	<u>Appreciation on Endowment (Underwater Endowment)</u>	<u>Endowment</u>	<u>Total</u>
Endowment net assets, December 31, 2016	\$ 165,100	\$ 13,504,770	\$ 13,669,870
Endowment pledge	-	650,000	650,000
Investment return:			
Investment income	1,723,188	-	1,723,188
Unrealized gains	571,982	-	571,982
Realized gains	3,073	-	3,073
Total investment return	2,298,243	-	2,298,243
Endowment draw for current operations	(638,425)	-	(638,425)
Endowment net assets, December 31, 2017	1,824,918	14,154,770	15,979,688
Investment return:			
Investment income	1,161,413	-	1,161,413
Realized gains	8,020	-	8,020
Unrealized losses	(2,607,253)	-	(2,607,253)
Total investment return	(1,437,820)	-	(1,437,820)
Endowment draw for current operations	(653,022)	-	(653,022)
Endowment net assets, December 31, 2018	\$ (265,924)	\$ 14,154,770	\$ 13,888,846

As of December 31, 2018, endowment funds with an original gift value of \$14,154,770 had a fair value of \$13,888,846, and deficiencies of \$265,924 were reported in net assets with donor restrictions. During the year ended December 31, 2018, the Conservancy appropriated \$164,580 from underwater endowment funds. As of March 26, 2019, the endowment is no longer underwater due to favorable market fluctuations.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)

NOTE 8 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	<u>2018</u>	<u>2017</u>
Greenway Carousel at The Tiffany & Co. Foundation Grove	\$ 3,635,198	\$ 3,628,218
Greenway improvements	2,669,887	1,645,308
Motor vehicles	209,120	160,565
Office equipment	<u>94,354</u>	<u>82,045</u>
	6,608,559	5,516,136
Less - accumulated depreciation	<u>1,754,835</u>	<u>1,405,330</u>
	<u>\$ 4,853,724</u>	<u>\$ 4,110,806</u>

NOTE 9 - AGREEMENT WITH MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

The Greenway is owned by the Massachusetts Department of Transportation (Mass DOT), the successor of the Massachusetts Turnpike Authority (MTA). Chapter 306 of the Acts of 2008, as amended, authorizes the Conservancy to lease The Greenway from the MTA, and under that lease, to operate, preserve, maintain, program, manage, and improve The Greenway.

The Conservancy's management and care of The Greenway, through the agreement with MassDOT, began on February 9, 2009, and will continue through June 30, 2027, with two follow-on renewal options of ten years each. In conjunction with the agreement, MassDOT provides funding to the Conservancy (see Note 11) for care of the public park under an agreement that currently ends on June 30, 2023. The Conservancy received \$1,504,410 (\$1,125,000 operating and \$379,410 capital) and \$2,090,167 (\$1,986,959 operating and \$103,208 capital) in 2018 and 2017, respectively, and anticipates that it will receive an additional \$5,070,590 (\$3,250,000 operating and \$1,820,590 capital) for maintenance and horticultural care, in accordance with the current funding agreement through June 30, 2023. This future funding is conditional on certain factors. The agreement also provides for continued in-kind support (see Note 12).

The Conservancy has its offices within a building operated by MassDOT. The Conservancy is not required to pay rent for use of the premises during the term of the agreement. The estimated fair market value of the occupancy was \$11,583 per month for the years ended December 31, 2018 and 2017, and has been reported in the accompanying financial statements as both in-kind revenue and expense. For the years ended December 31, 2018 and 2017, in-kind support and occupancy expense related to the offices was approximately \$139,000 in each year (see Note 12). The subsidy agreement also provides for other continued in-kind support (see Note 12).

NOTE 10 - AGREEMENT WITH THE GREENWAY BUSINESS IMPROVEMENT DISTRICT (BID)

Through an agreement with the Greenway Business Improvement District (BID) dated November 6, 2018, and ending on June 30, 2023, the Conservancy receives funding for The Greenway. The Conservancy received \$750,000 in 2018 for maintenance and horticultural care. The Conservancy anticipates that it will receive an additional \$4,750,000 for maintenance and horticultural care, plus \$2,000,000 for enhancements, in accordance with the current funding agreement through June 30, 2023. This future funding is conditional on certain factors.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)

NOTE 11 - AGREEMENT WITH THE CITY OF BOSTON

Through an agreement with the City of Boston subsequent to December 31, 2018 (executed on January 30, 2019) and ending on June 30, 2023, the Conservancy estimates that it will receive \$1,167,000 for The Greenway. This future funding is conditional on certain factors.

NOTE 12 - IN-KIND SUPPORT - GOODS, SERVICES AND USE OF FACILITIES

Organizations may contribute goods, services and use of facilities to the Conservancy in support of its programs. These goods, services and use of facilities are reflected in the accompanying financial statements based upon the estimated value assigned to them by the donors, agencies or by management.

The value of these goods and services is as follows for the years ended December 31:

	<u>2018</u>	<u>2017</u>
Occupancy - MassDOT (see Note 9)	\$ 139,000	\$ 138,996
Direct expense - utilities - MassDOT	<u>123,878</u>	<u>105,210</u>
Total in-kind support - MassDOT	<u>262,878</u>	<u>244,206</u>
Legal – private	88,726	208,103
Other direct expense - private	<u>43,851</u>	<u>53,891</u>
Total in-kind support - private	<u>132,577</u>	<u>261,994</u>
	<u>\$ 395,455</u>	<u>\$ 506,200</u>

NOTE 13 - CONCENTRATIONS

For the years ended December 31, 2018 and 2017, MassDOT (see Note 9) provided \$1,504,410 and \$2,090,167, respectively, in government support and an additional \$262,878 and \$244,206, respectively, of in-kind support (see Note 12). Government support is recorded as contributions with donor restrictions and the funds are released to net assets without donor restrictions as the Conservancy expends the funds as stipulated by MassDOT. In-kind support is recorded as revenue without donor restrictions (see Note 12).

For the year ended December 31, 2018, the BID (see Note 10) provided \$750,000 in operating support which was recorded as contributions with donor restrictions. The funds are released to net assets without donor restrictions as the Conservancy expends the funds as stipulated by the BID.

Another donor comprised 16% of total revenue and support for the year ended December 31, 2017.

MassDOT comprised 69% of the balance in grants and pledges receivable as of December 31, 2018 (see Note 5) related to funding of capital repairs. One other donor made up an additional 12% of the balance in grants and pledges receivable as of December 31, 2018. Two donors comprised 88% of the balance in grants and pledges receivable as of December 31, 2017. See Note 5.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)**

NOTE 13 - CONCENTRATIONS (Continued)

The Conservancy has a potential concentration of credit risk in that it sometimes maintains deposits with financial institutions in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC). The maximum deposit insurance amount is \$250,000 per depositor at each bank after aggregating both non-interest and interest bearing accounts. At times, cash and cash equivalents and restricted cash exceeded the insured limits. The Conservancy has not experienced any losses in these accounts. The Conservancy believes it is not exposed to any significant credit risk on cash and cash equivalents and restricted cash.

NOTE 14 - COMMITMENT

The Conservancy has an agreement with a vendor to provide basic care services (e.g., lawn mowing and trash removal) on The Greenway (see Note 1). On July 1, 2016, the contract was amended with a two-and-a-half-year extension expiring on December 31, 2018, with one remaining three-year renewal term subject to the mutual consent and negotiation of both parties. In December 2018, an agreement was reached providing for a nine-month extension for services through September 30, 2019. During this period, the Conservancy will engage in procurement for future services. As with previous agreements, this extension agreement would terminate automatically prior to the end of the extension should the Conservancy's lease with MassDOT (see Note 9) terminate, and the agreement may be terminated by either party with thirty days written notice. During 2018 and 2017, the Conservancy paid the vendor approximately \$53,500 and \$52,000 per month, respectively, for basic services. The Conservancy pays additional amounts for additional services on an as-needed basis. Total expenses for basic services under this agreement were \$642,406 and \$627,203 for the years ended December 31, 2018 and 2017, respectively, and are included in contracted services in the accompanying statements of functional expenses. Remaining minimum payments for basic services under the current agreement ending on September 30, 2019, total \$532,350 in 2019.

NOTE 15 - CONTINGENCY

In the ordinary course of its business, the Conservancy is, from time-to-time, involved in disputes; the Conservancy denies any wrongdoing in these cases and is taking the appropriate legal steps in defense of these disputes. It is management's opinion that any potential settlement would not be material to the accompanying financial statements as of December 31, 2018.

NOTE 16 - RELATED PARTY TRANSACTION

A not-for-profit organization (the Organization) has a park that is adjacent to the Conservancy's space on The Greenway. A member of the Organization is also on the Conservancy's Board of Directors. Based on a contract executed before this person became a member of the Conservancy's Board of Directors, the Organization pays the Conservancy for maintenance, horticulture, snow removal, and related work done at the park. When the contract was renewed on June 30, 2016, the member recused himself from discussions. These payments totaled approximately \$73,000 and \$78,000 for the years ended December 31, 2018 and 2017, respectively.

NOTE 17 - CONDITIONAL GRANT

As part of a three-year conditional grant awarded in 2017, a foundation awarded the Conservancy \$200,000 each year, which was recognized in contributed income with donor restrictions in the accompanying 2018 and 2017 statements of activities and changes in net assets. Additionally, the foundation made a grant of up to \$200,000 payable in 2019 that is not reflected in the accompanying financial statements since the grant is conditional on certain criteria.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(Continued)

NOTE 18 - RETIREMENT PLAN

The Conservancy maintains a defined contribution retirement plan (the Plan) under Section 403(b) of the IRC. The Conservancy matches certain employee contributions for eligible employees, as defined in the Plan. For the years ended December 31, 2018 and 2017, the Conservancy made matching contributions to the Plan totaling \$37,037 and \$35,864, respectively.

NOTE 19 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Conservancy's financial assets available within one year from the balance sheet date for general operating expenses are as follows:

Cash and cash equivalents	\$ 2,064,486
Accounts receivable, net	37,052
Grants and pledges receivable	333,510
Restricted cash	303,589
Investments	<u>14,659,692</u>
Total financial assets	17,398,329
Contractual or donor-imposed restrictions:	
Endowment funds (including underwater amount)	(13,888,846)
Funds restricted by donors	(638,057)
Board designations	<u>(676,807)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,194,619</u>

The Conservancy receives restricted contributions, which require resources to be used in a particular manner or in a future period, therefore, the Conservancy must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Conservancy's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Occasionally, the Board designates a portion of any operating surplus to reserves.

SUPPLEMENTAL INFORMATION

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES AND CAPITAL EXPENDITURES -
 SUPPORT FROM THE MASSACHUSETTS DEPARTMENT OF TRANSPORTATION
 EXCLUDING IN-KIND
 FOR THE YEAR ENDED DECEMBER 31, 2018
 (with comparative totals for the year ended December 31, 2017)

	2018							2017	
	PROGRAMMATIC								
	MAINTENANCE, HORTICULTURE, AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAMMATIC	ADMIN- ISTRATION	FUNDRAISING	TOTAL	TOTAL
Contracted services	\$ 477,101	\$ -	\$ -	\$ -	\$ 477,101	\$ -	\$ -	\$ 477,101	\$ 735,681
Salaries and related expenses	444,519	-	-	-	444,519	-	-	444,519	878,155
Direct expense	123,269	-	-	-	123,269	-	-	123,269	230,822
Insurance	80,111	-	-	-	80,111	-	-	80,111	113,320
Office expense	-	-	-	-	-	-	-	-	28,981
Total expenses	1,125,000	-	-	-	1,125,000	-	-	1,125,000	1,986,959
Capital expenditures	379,410	-	-	-	379,410	-	-	379,410	182,998
Total expenses and capital expenditures	<u>\$ 1,504,410</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,504,410</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,504,410</u>	<u>\$ 2,169,957</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES AND CAPITAL EXPENDITURES -
SUPPORT FROM THE MASSACHUSETTS DEPARTMENT OF TRANSPORTATION
EXCLUDING IN-KIND
FOR THE YEAR ENDED DECEMBER 31, 2017

	PROGRAMMATIC							
	<u>MAINTENANCE, HORTICULTURE, AND RANGERS</u>	<u>PROGRAMS</u>	<u>PUBLIC ART</u>	<u>OUTREACH</u>	<u>TOTAL PROGRAMMATIC</u>	<u>ADMIN- ISTRATION</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Contracted services	\$ 735,681	\$ -	\$ -	\$ -	\$ 735,681	\$ -	\$ -	\$ 735,681
Salaries and related expenses	878,155	-	-	-	878,155	-	-	878,155
Direct expense	230,822	-	-	-	230,822	-	-	230,822
Insurance	113,320	-	-	-	113,320	-	-	113,320
Office expense	28,981	-	-	-	28,981	-	-	28,981
Total expenses	1,986,959	-	-	-	1,986,959	-	-	1,986,959
Capital expenditures	182,998	-	-	-	182,998	-	-	182,998
Total expenses and capital expenditures	<u>\$ 2,169,957</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,169,957</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,169,957</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES -
SUPPORT FROM THE GREENWAY BUSINESS IMPROVEMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2018

	PROGRAMMATIC							
	MAINTENANCE, HORTICULTURE, AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAMMATIC	ADMIN- ISTRATION	FUNDRAISING	TOTAL
Salaries and related expenses	\$ 422,588	\$ -	\$ -	\$ -	\$ 422,588	\$ -	\$ -	\$ 422,588
Contracted services	228,746	-	-	-	228,746	-	-	228,746
Direct expense	70,159	-	-	-	70,159	-	-	70,159
Insurance	28,507	-	-	-	28,507	-	-	28,507
Total expenses	<u>\$ 750,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 750,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 750,000</u>