Facts about the Greenway Conservancy

Board and GLC

February 7, 2012
Agenda for today

• Transparency

• The public-private model

• Our revenue & costs are efficient

• We are a non-profit
Transparency
RFKGC uses best practices for non-profit transparency

• Large number of documents available one click from home page
  – Audits, federal tax filings, Annual Reports
  – Planning, Legal, Governance, public meeting, and many other documents
  – Senior staff bios

• 4 public meetings per year, posted on our website

• GuideStar Seal for transparency

• New today: Board-adopted codification of existing transparency policies into one document
Public-private model
The public-private model: government (40%) has leveraged other support (60%)

**Total Conservancy revenue and support since inception**
Total FY05-FY11 revenues and support = $35.2M

- **Government support**: $14,143,388 (40%)
- **Private philanthropy**: $18,167,464 (52%)
- **Endowment income**, including unrealized gains: $2,344,861 (7%)
- **Other**: $515,060 (1%)

Notes:
- Numbers may not sum due to rounding
- Figures from FY05-FY11 Financial Statements
  - “Government” includes cash and in-kind
  - “Private philanthropy” includes cash and in-kind contributions, Inaugural event revenue, Gala, Annual Fund, & Mother’s Walk
  - “Endowment income” includes interest and dividends, as well as realized and unrealized gains
  - “Other” includes earned income and insurance recoveries
Our costs and revenues

- Fundraising efficiencies
- Cost per acre comparisons
- Salary benchmarks
- Carousel costs and revenues
The Conservancy has raised over $18M against just $2.36M of fundraising expense – a better than 7-to-1 ratio

Conservancy fundraising and expenses, FY05-FY11

Total since inception
- **Private philanthropy**: $18.17 million
- **Fundraising expense**: $2.36 million

- Figures from FY05-FY11 Financial Statements
- “Private philanthropy” includes cash and in-kind contributions, Inaugural event revenue, Gala, Annual Fund, & Mother’s Walk
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Greenway’s O&M cost/acre low relative to similar urban signature parks

<table>
<thead>
<tr>
<th>Park</th>
<th>Total O&amp;M</th>
<th>Acreage</th>
<th>O&amp;M per acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bryant Park</td>
<td>$4.4M</td>
<td>8</td>
<td>$546,648</td>
</tr>
<tr>
<td>Millennium Park</td>
<td>$11.4M</td>
<td>25</td>
<td>$456,880</td>
</tr>
<tr>
<td>The High Line</td>
<td>$2.5M</td>
<td>7</td>
<td>$366,269</td>
</tr>
<tr>
<td>Discovery Green</td>
<td>$2.6M</td>
<td>12</td>
<td>$219,500</td>
</tr>
<tr>
<td>Battery Park City</td>
<td>$4.7M</td>
<td>36</td>
<td>$190,838</td>
</tr>
<tr>
<td><strong>THE GREENWAY</strong></td>
<td><strong>$2.6M</strong></td>
<td><strong>15.5</strong></td>
<td><strong>$165,164</strong></td>
</tr>
<tr>
<td>Olympic Sculpture Park</td>
<td>$1.0M</td>
<td>9</td>
<td>$112,444</td>
</tr>
</tbody>
</table>

- “Total O&M” is maintenance, horticulture, and public programs
- All park figures shown are from December 2009; Greenway is audited figure from 2009-2010 (FY10)
- Most recent Greenway figures (FY11 audited) would be: Total O&M = $3.2M; per acre = $207,498
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Board examined 10 park/local non-profits to benchmark Executive Director salary

- Compensation benchmarked against 10 comparable non-profits
  - **Park orgs**
    - Battery Park City Parks Conservancy
    - Bryant Park Corp.
    - Discovery Green Conservancy
    - Friends of the High Line
    - Piedmont Land Conservancy
    - Millennium Park
  - **Local orgs**
    - A Better City
    - Children's Museum
    - The Institute of Contemporary Art
    - New England Aquarium

- Organizational data examined included
  - Number of employees
  - Gross revenue
  - Number of outside directors
  - Method to establish Executive Director compensation

- Stats for 8 with available compensation information (via 990 filings)
  - Range: $149K - $459K
  - Median = $252K
Multiple studies of non-profit CEO/Executive Director compensation

Sources:
- Herald: http://www.bostonherald.com/projects/non_profit/, n=39
- "Charity Navigator 2010 CEO Compensation Study", 8/2010, n=3,005, median is medium-sized Northeast non-profits
- RFKGC comparables, see previous slide, n=8
Charity Navigator: $179K median salary for Northeast non-profit CEOs

"We know from the conversations taking place in the comment section of our charity ratings pages that many donors continued to be concerned by what they believe to be excessive charity CEO pay. Many donors assume that charity leaders work for free or minimal pay and are shocked to see that they earn six figure salaries. But these well-meaning donors fail to consider that these CEOs are running multi-million dollar operations that endeavor to change the world. Leading one of these charities requires an individual that possesses an understanding of the issues that are unique to the charity’s mission as well as a high level of fundraising and management expertise. Attracting and retaining that type of talent requires a competitive level of compensation as dictated by the marketplace."

• August 2010 study of 3,005 charities using 2008 compensation
  • $185,000 = median salary for 645 charities in the Northeast
  • $178,620 = median salary for 246 medium-sized charities in the Northeast
Where would RFKGC appear in Herald’s salary database of 39 top local non-profit execs?

- National Fire Protection Association (SVP, retired)
- Citi Performing Arts Center
- Boston Symphony Orchestra
- National Fire Protection Association (President & CEO)
- American Ireland Fund
- Museum of Fine Arts
- The Education Resources Institute
- Citizens Energy
- Mass. SPCA (retired CEO)
- National Fire Protection Association (SVP)
- Museum of Science
- Vinfen Corp
- The May Institute
- Pathfinder International
- Boston Foundation
- WGBH Educational Foundation
- United Way of Massachusetts Bay
- Mass. SPCA (President)
- Mass. SPCA (President, left the org)
- YMCA of Greater Boston
- Boston Ballet
- Combined Jewish Philanthropies of Greater Boston
- Appalachian Mountain Club
- Animal Rescue League of Boston
- Oxfam America
- Peabody Essex Museum
- Home for Little Wanderers
- Elderhostel Inc
- City Year
- Boston Athenaeum
- New England Aquarium
- ACCION International
- Historic New England
- Society for Prevention of Cruelty to Children
- Trustees of Reservations
- RFK Greenway Conservancy
- Mass Audubon Society
- Pine Street Inn
- National Heritage Museum (Exec Dir)
- National Heritage Museum (President)

Salary shown is most recent on Boston Herald website (as of January 30, 2012); most (including RFKGC) are 2007 pay.
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One-of-a-kind Boston Carousel and Related Park Reconfiguration:

- To be built with 90% private funds
- Annual net revenue to more than double

Private sources to fund >90% 
$millions$

- Private funds to raise, $0.92, 31%
- Public grant funds raised, $0.25, 9%

Annual net revenue to more than double
$thousands$

- Rental
- New: yr 1
- New: yr 2
- New: yr 3

- Net revenue is gross revenues less operating, maintenance, and capital replacement costs,
Additional information
Attendance at Greenway offerings in 2011 increased by 72% to 368,000