



**FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

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DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of Rose Fitzgerald Kennedy Greenway Conservancy, Inc. (a Massachusetts nonprofit corporation) (the Conservancy), which comprise the statements of financial position as of December 31, 2023 and 2022, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Rose Fitzgerald Kennedy Greenway Conservancy, Inc. as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Conservancy and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conservancy's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Conservancy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conservancy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary statements shown on pages 21 through 24 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, the information is fairly stated in all material respects in relation to the financial statements as a whole.

AAFCPA, Inc.

Westborough, Massachusetts
March 25, 2024

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

ASSETS	2023			2022		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
CURRENT ASSETS:						
Cash and cash equivalents	\$ 1,245,135	\$ 173,426	\$ 1,418,561	\$ 1,509,837	\$ 617,422	\$ 2,127,259
Accounts receivable (Note 2)	40,272	-	40,272	36,868	-	36,868
Grants and pledges receivable (Note 4)	296,182	986,687	1,282,869	61,379	397,624	459,003
Prepaid expenses and other	365,675	-	365,675	170,059	-	170,059
Total current assets	1,947,264	1,160,113	3,107,377	1,778,143	1,015,046	2,793,189
RESTRICTED CASH (Note 2)	-	418,789	418,789	-	932,251	932,251
INVESTMENTS (Note 3)	2,153,309	17,677,100	19,830,409	1,642,599	16,159,642	17,802,241
PROPERTY AND EQUIPMENT , net (Note 7)	8,176,001	-	8,176,001	6,978,748	-	6,978,748
Total assets	<u>\$ 12,276,574</u>	<u>\$ 19,256,002</u>	<u>\$ 31,532,576</u>	<u>\$ 10,399,490</u>	<u>\$ 18,106,939</u>	<u>\$ 28,506,429</u>
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Accounts payable, accrued expenses and other	\$ 783,515	\$ -	\$ 783,515	\$ 677,894	\$ -	\$ 677,894
CONDITIONAL GRANT ADVANCES (Note 15)	914,010	-	914,010	82,500	-	82,500
Total liabilities	1,697,525	-	1,697,525	760,394	-	760,394
NET ASSETS:						
Without donor restrictions (Note 2):						
Operating	1,786,093	-	1,786,093	2,104,598	-	2,104,598
Board Designated	616,955	-	616,955	580,770	-	580,770
Property and equipment	8,176,001	-	8,176,001	6,953,728	-	6,953,728
Total without donor restrictions	10,579,049	-	10,579,049	9,639,096	-	9,639,096
With donor restrictions (Notes 2 and 5)	-	19,256,002	19,256,002	-	18,106,939	18,106,939
Total net assets	10,579,049	19,256,002	29,835,051	9,639,096	18,106,939	27,746,035
Total liabilities and net assets	<u>\$ 12,276,574</u>	<u>\$ 19,256,002</u>	<u>\$ 31,532,576</u>	<u>\$ 10,399,490</u>	<u>\$ 18,106,939</u>	<u>\$ 28,506,429</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, 2023 AND 2022

	2023			2022		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
OPERATING REVENUE AND SUPPORT:						
Contributed income	\$ 516,190	\$ 1,248,203	\$ 1,764,393	\$ 370,515	\$ 1,037,050	\$ 1,407,565
Contributions, BID	-	1,343,598	1,343,598	-	1,163,850	1,163,850
Earned revenue	931,041	-	931,041	1,101,848	-	1,101,848
Government support, MassDOT	-	800,000	800,000	-	750,000	750,000
Endowment draw for current operations	792,521	-	792,521	776,594	-	776,594
Government support, City of Boston	-	284,675	284,675	-	294,927	294,927
In-kind operating support, MassDOT (see Note 9)	272,874	-	272,874	280,942	-	280,942
Other income	183,265	-	183,265	136,164	-	136,164
Government support, grants	-	176,044	176,044	103,000	24,000	127,000
In-kind operating support, private (see Note 9)	126,178	-	126,178	209,522	-	209,522
Net assets released from restrictions:						
Satisfaction of time restrictions	60,000	(60,000)	-	39,167	(39,167)	-
Satisfaction of purpose restrictions	3,395,011	(3,395,011)	-	2,875,417	(2,875,417)	-
Subtotal	<u>6,277,080</u>	<u>397,509</u>	<u>6,674,589</u>	<u>5,893,169</u>	<u>355,243</u>	<u>6,248,412</u>
Fundraising event contributions	891,266	-	891,266	845,176	-	845,176
Less - fundraising event expenses	<u>(328,246)</u>	<u>-</u>	<u>(328,246)</u>	<u>(316,428)</u>	<u>-</u>	<u>(316,428)</u>
Fundraising events, net	<u>563,020</u>	<u>-</u>	<u>563,020</u>	<u>528,748</u>	<u>-</u>	<u>528,748</u>
Total operating revenue and support	<u>6,840,100</u>	<u>397,509</u>	<u>7,237,609</u>	<u>6,421,917</u>	<u>355,243</u>	<u>6,777,160</u>
OPERATING EXPENSES:						
Programmatic	5,560,766	-	5,560,766	5,120,905	-	5,120,905
Administration	707,994	-	707,994	687,199	-	687,199
Fundraising	761,095	-	761,095	718,658	-	718,658
Total operating expenses before depreciation	<u>7,029,855</u>	<u>-</u>	<u>7,029,855</u>	<u>6,526,762</u>	<u>-</u>	<u>6,526,762</u>
Changes in net assets from operations before depreciation	(189,755)	397,509	207,754	(104,845)	355,243	250,398
Depreciation	<u>774,325</u>	<u>-</u>	<u>774,325</u>	<u>744,238</u>	<u>-</u>	<u>744,238</u>
Changes in net assets from operations	<u>(964,080)</u>	<u>397,509</u>	<u>(566,571)</u>	<u>(849,083)</u>	<u>355,243</u>	<u>(493,840)</u>
NON-OPERATING REVENUE AND SUPPORT:						
Investment income (loss), net of fees	119,702	2,315,616	2,435,318	(280,666)	(2,890,390)	(3,171,056)
Government support, MassDOT - capital	-	578,888	578,888	-	740,078	740,078
Contributions, BID - Enhancements	-	306,402	306,402	-	336,150	336,150
Contributed income - capital	-	127,500	127,500	-	485,454	485,454
Net assets released from capital restrictions	1,784,331	(1,784,331)	-	1,705,535	(1,705,535)	-
Endowment release for current operations	<u>-</u>	<u>(792,521)</u>	<u>(792,521)</u>	<u>-</u>	<u>(776,594)</u>	<u>(776,594)</u>
Total non-operating revenue and support	<u>1,904,033</u>	<u>751,554</u>	<u>2,655,587</u>	<u>1,424,869</u>	<u>(3,810,837)</u>	<u>(2,385,968)</u>
Changes in net assets	939,953	1,149,063	2,089,016	575,786	(3,455,594)	(2,879,808)
NET ASSETS, beginning of year	<u>9,639,096</u>	<u>18,106,939</u>	<u>27,746,035</u>	<u>9,063,310</u>	<u>21,562,533</u>	<u>30,625,843</u>
NET ASSETS, end of year	<u>\$ 10,579,049</u>	<u>\$ 19,256,002</u>	<u>\$ 29,835,051</u>	<u>\$ 9,639,096</u>	<u>\$ 18,106,939</u>	<u>\$ 27,746,035</u>

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, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 2,089,016	\$ (2,879,808)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Net realized and unrealized losses (gains) on investments	(2,044,434)	3,322,384
Capital grants	(1,012,790)	(1,561,682)
Depreciation	774,325	744,238
Changes in operating assets and liabilities:		
Accounts receivable	(3,404)	(20,871)
Grants and pledges receivable	(1,054,990)	306,841
Prepaid expenses and other	(195,616)	14,102
Accounts payable, accrued expenses and other	130,641	100,102
Conditional grant advances	831,510	(103,000)
Net cash used in operating activities	<u>(485,742)</u>	<u>(77,694)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	3,941,370	16,748,649
Purchase of investments	(3,925,104)	(16,916,589)
Acquisition of property and equipment	(1,996,598)	(2,212,555)
Net cash used in investing activities	<u>(1,980,332)</u>	<u>(2,380,495)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from capital grants	<u>1,243,914</u>	<u>1,779,791</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	<u>(1,222,160)</u>	<u>(678,398)</u>
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, beginning of year	<u>3,059,510</u>	<u>3,737,908</u>
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, end of year	<u><u>\$ 1,837,350</u></u>	<u><u>\$ 3,059,510</u></u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS AND RESTRICTED CASH REPORTED WITHIN THE STATEMENTS OF FINANCIAL POSITION:		
Cash and cash equivalents	\$ 1,418,561	\$ 2,127,259
Restricted cash	<u>418,789</u>	<u>932,251</u>
Total cash and cash equivalents and restricted cash	<u><u>\$ 1,837,350</u></u>	<u><u>\$ 3,059,510</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Property and equipment additions included in accounts payable, accrued expenses and other	<u><u>\$ -</u></u>	<u><u>\$ 25,020</u></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, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	2023								2022
	PROGRAMMATIC								
	MAINTENANCE, HORTICULTURE AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAM- MATIC	ADMIN- ISTRATION	FUND- RAISING	TOTAL	TOTAL
Salaries and related expenses	\$ 1,440,063	\$ 494,527	\$ 248,781	\$ 165,724	\$ 2,349,095	\$ 514,866	\$ 630,952	\$ 3,494,913	\$ 3,362,935
Direct expense (see Note 9)	780,590	181,108	629,216	5	1,590,919	-	102,478	1,693,397	1,405,612
Contracted services	991,037	145,385	-	43,250	1,179,672	-	640	1,180,312	1,122,103
Fundraising event expenses	-	-	-	-	-	-	328,246	328,246	316,428
Office and other	53,002	19,990	9,359	80,834	163,185	37,911	11,296	212,392	121,768
Occupancy (see Note 9)	74,681	26,354	10,545	10,545	122,125	23,674	14,701	160,500	139,000
Insurance	138,638	3,942	188	188	142,956	15,293	263	158,512	150,191
Legal and accounting (see Note 9)	4,166	8,648	-	-	12,814	116,250	765	129,829	225,153
Total expenses before depreciation	3,482,177	879,954	898,089	300,546	5,560,766	707,994	1,089,341	7,358,101	6,843,190
Less - fundraising event expenses included with revenues on the statement of activities and changes in net assets	-	-	-	-	-	-	(328,246)	(328,246)	(316,428)
Total expenses included in the statement of activities and changes in net assets before depreciation	3,482,177	879,954	898,089	300,546	5,560,766	707,994	761,095	7,029,855	6,526,762
Depreciation	728,034	9,685	7,848	10,211	755,778	6,607	11,940	774,325	744,238
Total expenses included in the statement of activities and changes in net assets after depreciation	<u>\$ 4,210,211</u>	<u>\$ 889,639</u>	<u>\$ 905,937</u>	<u>\$ 310,757</u>	<u>\$ 6,316,544</u>	<u>\$ 714,601</u>	<u>\$ 773,035</u>	<u>\$ 7,804,180</u>	<u>\$ 7,271,000</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, 2022

	PROGRAMMATIC							
	MAINTENANCE, HORTICULTURE AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAM- MATIC	ADMIN- ISTRATION	FUND- RAISING	TOTAL
Salaries and related expenses	\$ 1,459,255	\$ 452,797	\$ 240,134	\$ 172,042	\$ 2,324,228	\$ 458,948	\$ 579,759	\$ 3,362,935
Direct expense (see Note 9)	659,374	89,535	521,557	20,841	1,291,307	-	114,305	1,405,612
Contracted services	962,288	131,155	-	19,347	1,112,790	9,313	-	1,122,103
Fundraising event expenses	-	-	-	-	-	-	316,428	316,428
Office and other	42,694	14,078	6,063	6,206	69,041	41,061	11,666	121,768
Occupancy (see Note 9)	64,677	22,824	9,132	9,132	105,765	20,503	12,732	139,000
Insurance	130,965	3,634	141	141	134,881	15,114	196	150,191
Legal and accounting (see Note 9)	54,050	15,473	13,370	-	82,893	142,260	-	225,153
Total expenses before depreciation	3,373,303	729,496	790,397	227,709	5,120,905	687,199	1,035,086	6,843,190
Less - fundraising event expenses included with revenues on the statement of activities and changes in net assets	-	-	-	-	-	-	(316,428)	(316,428)
Total expenses included in the statement of activities and changes in net assets before depreciation	3,373,303	729,496	790,397	227,709	5,120,905	687,199	718,658	6,526,762
Depreciation	693,463	12,091	6,517	12,448	724,519	6,689	13,030	744,238
Total expenses included in the statement of activities and changes in net assets after depreciation	<u>\$ 4,066,766</u>	<u>\$ 741,587</u>	<u>\$ 796,914</u>	<u>\$ 240,157</u>	<u>\$ 5,845,424</u>	<u>\$ 693,888</u>	<u>\$ 731,688</u>	<u>\$ 7,271,000</u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

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 a 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; use organic practices to care for the lawns, beds, and trees; and interface 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).

Recently Adopted Accounting Pronouncement

In June 2016, the FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 replaces the "incurred loss" credit losses framework with a new accounting standard that requires management's measurement of the allowance for credit losses to be based on a broader range of reasonable and supportable information for lifetime credit loss estimates. This amendment was adopted effective January 1, 2023, with no impact to the Conservancy's financial statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(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 5 and 6). 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 5). Net appreciation 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 5 and 6).

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 5 and 6).

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.

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.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents (Continued)

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 cash equivalents held by investment managers (see above). The statements of cash flows includes cash restricted for capital projects in the amount of \$418,789 and \$932,251 as of December 31, 2023 and 2022, respectively.

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 grants and pledges receivable are recorded as revenue at the present value of expected proceeds. Management estimates the allowance for doubtful grants and pledges (see Note 4) 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 and reported under ASC Topic 958, *Not-For-Profit Entities*. 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 restrictions (see Note 5).

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.

In accordance with ASC Subtopic 958-605, *Revenue Recognition*, the Conservancy must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution (see Note 15). A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance-related barrier or other measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that the Conservancy should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met.

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. Interest and other income are recognized as earned.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Earned Revenue

The Conservancy generally measures revenue based on the amount of consideration the Conservancy expects to be entitled for the transfer of goods or services to a customer, then recognizes this revenue when or as the Conservancy satisfies its performance obligations under a contract, except in transactions where U.S. GAAP provides other applicable guidance. The Conservancy evaluates its revenue from contracts with customers (i.e. earned revenue) based on the five-step model under ASC Topic 606, *Revenue from Contracts with Customers*: (1) Identify the contract with the customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to separate performance obligations; and (5) Recognize revenue when (or as) each performance obligation is satisfied.

The Conservancy recognizes revenue when, or as, performance obligations under the terms of a contract are satisfied, which generally occurs when, or as, control of promised goods or services are transferred to customers. Revenue is measured as the amount that reflects the consideration the Conservancy expects to be entitled to in exchange for those goods or services ("transaction price"). To the extent the transaction price includes variable consideration, the Conservancy estimates the amount of variable consideration that should be included in the transaction price utilizing the most likely amount to which the Conservancy expects to be entitled. Variable consideration is included in the transaction price if, in the Conservancy's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. Estimates of variable consideration and the determination of whether to include such estimated amounts in the transaction price are based largely on an assessment of the Conservancy's anticipated performance and all information that is reasonably available. The Conservancy accounts for taxes collected from customers and remitted to governmental authorities on a net basis and excludes these amounts from revenues.

Earned revenue is primarily comprised of a beer garden, City Winery, food trucks and a carousel. The Conservancy has contracts with customers that contain multiple performance obligations. Payment terms for such arrangements can vary by contract, but payments are generally due in installments throughout the contractual term. The performance obligation included in each agreement vary and may include rental costs for usage of the space, license fees and revenue sharing based on the number of units sold.

The timing of revenue recognition for each performance obligation is dependent upon the facts and circumstances surrounding the Conservancy's satisfaction of its respective performance obligation. The Conservancy allocates the transaction price for such arrangements to each performance obligation within the arrangement based on the estimated relative standalone selling price of the performance obligation. The Conservancy's process for determining its estimated standalone selling prices involves management's judgment and considers multiple factors including Conservancy specific and market specific factors that may vary depending upon the unique facts and circumstances related to each performance obligation. Key factors considered by the Conservancy in developing an estimated standalone selling price for its performance obligations include, but are not limited to, the Conservancy's ongoing pricing strategy and policies, and consideration of pricing of similar performance obligations sold in other arrangements with multiple performance obligations.

The Conservancy may incur costs such as commissions to obtain its multi-year agreements. The Conservancy assesses such costs for capitalization on a contract-by-contract basis. Commission costs were immaterial in relation to the contract and were expensed as incurred.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Earned Revenue (Continued)

Carousel revenue is derived principally from ticket sales which are recognized as the ride occurs. The Conservancy's revenues also include revenue from license fees associated with the food truck vendors. License and usage fees are recognized at the later of when (a) the subsequent sale of the product or usage occurs, or (b) the performance obligation to which some or all of the sales or usage-based fees have been allocated and are satisfied. In addition, the Conservancy recognizes a percentage of gross proceeds up to \$1,500,000 and an additional percentage over \$1,500,000 of gross revenue for the beer garden according to thresholds specified in the contract.

The Conservancy's earned revenue consists of revenue from contracts with customers and are recognized as follows for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Point in time (carousel)	\$ 327,868	\$ 499,130
Point in time (other)	235,627	224,411
Over time (food trucks)	166,836	132,163
Over time (beer garden and City Winery)	121,720	161,384
Over time (other)	<u>78,990</u>	<u>84,760</u>
Total earned revenue	<u>\$ 931,041</u>	<u>\$ 1,101,848</u>

The timing of revenue recognition, billings and cash collections, results in billed accounts receivables. The beginning and ending accounts receivable balances were as follows:

	<u>January 1, 2022</u>	<u>December 31, 2022</u>	<u>December 31, 2023</u>
Receivables	<u>\$ 15,997</u>	<u>\$ 36,868</u>	<u>\$ 40,272</u>

In-Kind Operating Support

In-kind contributions are recognized as in-kind operating support at their fair value at the date of donation and are reported as unrestricted support and revenue unless explicit donor stipulations specify how the donated assets must be used. The Conservancy benefited from donated space of \$160,500 and \$139,000 during the years ended December 31, 2023 and 2022, respectively. These amounts have been included in occupancy in the accompanying statements of functional expenses.

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 9). In-kind contributions are not monetized.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

All property and equipment (see Note 7) 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	7 years
Website, office and computer equipment	5 - 7 years

Investments and Spending Policy

Investments are reported at their fair value. The realized and unrealized appreciation in the fair market value of such investments is included in the accompanying 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.

- 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.

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.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and Spending Policy (Continued)

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 6).

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 salaries and related expenses, which are allocated on the basis of estimates of time and effort; occupancy costs, office and other and depreciation, which are allocated based on headcount.

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, 2023 and 2022. 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 U.S. 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.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

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; and
- 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 3.

Subsequent Events

The Conservancy has evaluated events and transactions subsequent to December 31, 2023, for potential recognition or disclosure in the financial statements through March 25, 2024, which is the date the financial statements were available for issuance. There were no events that met the criteria for recognition or disclosure in the financial statements.

NOTE 3 - 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:

<u>Investment Type</u>	2023			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Cash and cash equivalents	\$ 2,340,771	\$ -	\$ -	\$ 2,340,771
Mutual Funds:				
Domestic equity funds	6,849,677	-	-	6,849,677
International equity funds	4,215,179	-	-	4,215,179
Domestic bond funds	4,129,234	-	-	4,129,234
Common stock	<u>2,295,548</u>	<u>-</u>	<u>-</u>	<u>2,295,548</u>
Total investments	<u>\$ 19,830,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,830,409</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)**

NOTE 3 - INVESTMENTS (Continued)

Investment Type	2022			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 2,167,152	\$ -	\$ -	\$ 2,167,152
Mutual Funds:				
Domestic equity funds	8,057,086	-	-	8,057,086
International equity funds	4,004,048	-	-	4,004,048
Domestic bond funds	<u>3,573,955</u>	<u>-</u>	<u>-</u>	<u>3,573,955</u>
Total investments	<u>\$ 17,802,241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,802,241</u>

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

Cash and cash equivalents: Cash equivalents include money market accounts with original maturity of three months or less and are considered Level 1 in the fair value hierarchy (see Note 2).

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).

Investment income (loss), net of fees, for the years ended December 31, 2023 and 2022, is \$2,435,318 and \$(3,171,056), respectively.

Substantially all investments are components of the Conservancy's endowment (see Note 6). 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 4 - GRANTS AND PLEDGES RECEIVABLE

Grants and pledges receivable due in one year are \$1,282,869 and \$459,003 of December 31, 2023 and 2022, respectively.

As of December 31, 2023 and 2022, all grants and pledges receivable are deemed to be fully collectible and, as a result, no allowance has been recorded.

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

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

	2023	2022
General endowment - corpus	\$ 12,319,020	\$ 12,319,020
Appreciation on endowment	3,256,556	1,759,437
Park specific endowment - corpus	1,487,000	1,487,000
Capital projects	754,209	1,479,354
Public art	607,073	247,389
Education endowment - corpus	348,750	348,750
Maintenance, Horticulture and Rangers	303,692	202,075
Programs	128,869	178,081
General operations - time restricted	<u>50,833</u>	<u>85,833</u>
	<u>\$ 19,256,002</u>	<u>\$ 18,106,939</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS (Continued)

During the years ended December 31, 2023 and 2022, net assets were released from restrictions for the following programs and purposes and other restrictions:

	<u>2023</u>	<u>2022</u>
Maintenance, Horticulture and Rangers	\$ 2,456,391	\$ 2,351,927
Capital projects	1,784,331	1,705,535
Endowment draw for current operations	792,521	776,594
Public art	598,970	406,847
Programs	339,650	116,643
General operations - time restricted	<u>60,000</u>	<u>39,167</u>
	<u>\$ 6,031,863</u>	<u>\$ 5,396,713</u>

NOTE 6 - 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, 2023 and 2022:

	<u>With Donor Restrictions</u>		
	<u>Appreciation on Endowment</u>	<u>Endowment</u>	<u>Total</u>
Endowment net assets, December 31, 2021	\$ 5,380,079	\$ 14,154,770	\$ 19,534,849
Investment loss	(2,844,048)	-	(2,844,048)
Endowment draw for current operations	<u>(776,594)</u>	<u>-</u>	<u>(776,594)</u>
Endowment net assets, December 31, 2022	1,759,437	14,154,770	15,914,207
Investment return	2,289,640	-	2,289,640
Endowment draw for current operations	<u>(792,521)</u>	<u>-</u>	<u>(792,521)</u>
Endowment net assets, December 31, 2023	<u>\$ 3,256,556</u>	<u>\$ 14,154,770</u>	<u>\$ 17,411,326</u>

NOTE 7 - PROPERTY AND EQUIPMENT

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

	<u>2023</u>	<u>2022</u>
Greenway Carousel at The Tiffany & Co. Foundation Grove	\$ 4,010,767	\$ 3,987,117
Greenway improvements and capital repairs	8,198,526	6,253,639
Motor vehicles	359,011	359,011
Website, office and computer equipment	<u>362,028</u>	<u>358,987</u>
	12,930,332	10,958,754
Less - accumulated depreciation	<u>4,754,331</u>	<u>3,980,006</u>
	<u>\$ 8,176,001</u>	<u>\$ 6,978,748</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)**

NOTE 8 - COMMITMENTS

Massachusetts Department of Transportation

The Greenway is owned by the Massachusetts Department of Transportation (MassDOT), 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 agreements with MassDOT, began on February 9, 2009, and will continue through June 30, 2028, with two follow-on renewal options of ten years each. In conjunction with the agreement, MassDOT provides funding to the Conservancy (see Note 9) for care of the public park under an agreement that currently ends on June 30, 2028. The Conservancy also has its offices in a building operated by MassDOT (see Note 9).

Greenway Business Improvement District

The Conservancy entered into an agreement with the Greenway Business Improvement District (BID) dated November 6, 2018, and ending on June 30, 2028, to fund maintenance, horticultural and programs and other enhancements.

City of Boston

The Conservancy has an agreement with the City of Boston executed on January 30, 2019, and ending on June 30, 2028. This future funding is conditional on certain factors and is based on the balance of a \$5,000,000 investment fund held by the City of Boston.

The Conservancy recognized the following revenue in accordance with the above-mentioned agreements for the years ended December 31:

	<u>2023</u>	<u>2022</u>
BID – Operating	\$ 1,343,598	\$ 1,163,850
MassDOT – Operating	800,000	750,000
MassDOT – Capital	578,888	740,078
BID – Capital	306,402	336,150
City of Boston – Operating	<u>284,675</u>	<u>294,927</u>
	<u>\$ 3,313,563</u>	<u>\$ 3,285,005</u>

Other

In 2019, an agreement was reached with a vendor to provide basic care services (e.g., lawn mowing and trash removal) on The Greenway from October 1, 2019 through March 31, 2021, with one three-year renewal option, which was renewed in 2021 (see below). During 2023 and 2022, the Conservancy paid this vendor an average of approximately \$69,500 and \$64,100 per month for basic services, respectively. The Conservancy pays additional amounts for additional services on an as-needed basis. Total expenses for basic services under this agreement were \$833,956 and \$769,189 for the years ended December 31, 2023 and 2022, respectively, which are included in contracted services in the accompanying statements of functional expenses. The agreement with the vendor ends on March 31, 2025. This agreement will terminate automatically should the Conservancy's agreement with MassDOT terminate (see above), and the agreement may be terminated by either party with thirty-days written notice.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)

NOTE 8 - COMMITMENTS (Continued)

Other (Continued)

Future payments in accordance with this agreement are as follows:

2024	\$ 886,831
2025	\$ 225,547

NOTE 9 - IN-KIND SUPPORT - GOODS, SERVICES AND USE OF FACILITIES

The Conservancy receives significant in-kind contributions of time and pro-bono services from members of the community and volunteers related to program operations, special events, and fund-raising. The Conservancy recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation.

Donated occupancy is valued at the fair value of similar properties available in commercial real estate listings. Donated utilities are valued at the fair value of services provided as charged by the servicing agency. Donated legal services and private services included in administration and programmatic are valued at the standard hourly rates charged for those services. Donated goods are valued at the wholesale prices that would be received for selling similar products.

The Conservancy has its offices within a building operated by MassDOT (see Note 8). 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 \$13,375 and \$11,828 per month for the years ended December 31, 2023 and 2022, respectively, and has been reported in the accompanying financial statements as both in-kind revenue and expense.

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

	<u>2023</u>	<u>2022</u>
Occupancy - MassDOT (see Note 8)	\$ 160,500	\$ 139,000
Direct expense, utilities - MassDOT	<u>112,374</u>	<u>141,942</u>
Total in-kind operating support - MassDOT	<u>\$ 272,874</u>	<u>\$ 280,942</u>
Other direct expense - private services	\$ 71,917	\$ 153,323
Legal - private	52,579	29,219
Other direct expense – private goods	<u>1,682</u>	<u>26,980</u>
Total in-kind operating support - private	<u>\$ 126,178</u>	<u>\$ 209,522</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)**

NOTE 10 - CONCENTRATIONS

Funders exceeding 10% of the Conservancy's operating revenue and support and/or grants and pledges receivable are as follows as of and for the years ended December 31:

<u>Funding Agency</u>	<u>Percentage of Operating Revenues</u>		<u>Percentage of Grants and Pledges Receivable</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
MassDOT	23%	26%	13%	20%
BID	<u>23%</u>	<u>22%</u>	<u>-%</u>	<u>-%</u>
	<u>46%</u>	<u>48%</u>	<u>13%</u>	<u>20%</u>

In addition, three and two funders made up an additional 64% and 46% of the balance in grants and pledges receivable as of December 31, 2023 and 2022, respectively.

NOTE 11 - CONTINGENCIES

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, 2023.

NOTE 12 - RELATED PARTY TRANSACTIONS

A member of the Conservancy's Board of Directors is also a partner in an organization that provides legal services to the Conservancy. Payments to this organization totaled approximately \$17,000 and \$42,000 for the years ended December 31, 2023 and 2022, respectively. This organization also provides in-kind services to the Conservancy (see Note 9).

NOTE 13 - 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, 2023 and 2022, the Conservancy made matching contributions to the Plan totaling \$34,121 and \$34,986, respectively, which are included in salaries and related expenses in the accompanying statements of functional expenses.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Continued)**

NOTE 14 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 1,418,561	\$ 2,127,259
Accounts receivable	40,272	36,868
Grants and pledges receivable	1,282,869	459,003
Expected subsequent year endowment draw for current operations	<u>767,000</u>	<u>725,000</u>
Total financial assets	3,508,702	3,348,130
Contractual or donor-imposed restrictions:		
Funds restricted by donors	<u>(1,160,113)</u>	<u>(1,015,046)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,348,589</u>	<u>\$ 2,333,084</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.

NOTE 15 - CONDITIONAL GRANTS

The Conservancy is awarded various grants, contributions and contracts from private and public entities which from time to time require certain barriers to be overcome in order to allow recognition of revenue. These amounts are considered conditional and as such, have not been recognized in the accompanying statement of activities. These awards are conditional in nature and include the following as of December 31:

	<u>2023</u>	<u>2022</u>
Incurring qualifying expenses	\$ 1,394,168	\$ 200,000
Barrier - passage of time	<u>250,000</u>	<u>250,000</u>
	<u>\$ 1,644,168</u>	<u>\$ 450,000</u>

Funds received in advance of meeting the required barriers to recognition are due back to the funder if the conditions are not met. These amounts were \$914,010 and \$82,500 as of December 31, 2023 and 2022, respectively, and are reflected as conditional grant advances on the accompanying statements of financial position.

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, 2023
(With Comparative Totals for the Year Ended December 31, 2022)**

	2023								2022
	PROGRAMMATIC								
	MAINTENANCE, HORTICULTURE AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAM- MATIC	ADMIN- ISTRATION	FUND- RAISING	TOTAL	TOTAL
Salaries and related expenses	\$ 369,206	\$ -	\$ -	\$ -	\$ 369,206	\$ -	\$ -	\$ 369,206	\$ 350,004
Contracted services	319,945	-	-	-	319,945	-	-	319,945	295,812
Direct expense	65,228	-	-	-	65,228	-	-	65,228	56,321
Insurance	44,679	-	-	-	44,679	-	-	44,679	47,529
Professional development	942	-	-	-	942	-	-	942	334
Total expenses	800,000	-	-	-	800,000	-	-	800,000	750,000
Capital Plan	578,888	-	-	-	578,888	-	-	578,888	690,232
Other capital	-	-	-	-	-	-	-	-	49,846
Total capital expenditures	578,888	-	-	-	578,888	-	-	578,888	740,078
Total expenses and capital expenditures	\$ 1,378,888	\$ -	\$ -	\$ -	\$ 1,378,888	\$ -	\$ -	\$ 1,378,888	\$ 1,490,078

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, 2022**

PROGRAMMATIC

	MAINTENANCE, HORTICULTURE AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAM- MATIC	ADMIN- ISTRATION	FUND- RAISING	TOTAL
Salaries and related expenses	\$ 350,004	\$ -	\$ -	\$ -	\$ 350,004	\$ -	\$ -	\$ 350,004
Contracted services	295,812	-	-	-	295,812	-	-	295,812
Direct expense	56,321	-	-	-	56,321	-	-	56,321
Insurance	47,529	-	-	-	47,529	-	-	47,529
Professional development	334	-	-	-	334	-	-	334
Total expenses	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>750,000</u>
Capital Plan	690,232	-	-	-	690,232	-	-	690,232
Other capital	49,846	-	-	-	49,846	-	-	49,846
Total capital expenditures	<u>740,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>740,078</u>	<u>-</u>	<u>-</u>	<u>740,078</u>
Total expenses and capital expenditures	<u><u>\$ 1,490,078</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,490,078</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,490,078</u></u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES AND ENHANCEMENTS -
SUPPORT FROM THE GREENWAY BUSINESS IMPROVEMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	2023							2022
	PROGRAMMATIC							
	MAINTENANCE, HORTICULTURE AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAM- MATIC	ADMIN- ISTRATION	FUND- RAISING	TOTAL
Salaries and related expenses	\$ 524,514	\$ -	\$ -	\$ -	\$ 524,514	\$ -	\$ -	\$ 524,514
Contracted services	367,852	-	-	-	367,852	-	-	367,852
Direct expense	92,461	-	-	-	92,461	-	-	92,461
Insurance	63,828	-	-	-	63,828	-	-	63,828
Professional development	1,345	-	-	-	1,345	-	-	1,345
Total expenses	1,050,000	-	-	-	1,050,000	-	-	1,050,000
Enhancements - Capital	724,404	-	-	-	724,404	-	-	724,404
Enhancements - Operating	293,598	-	-	-	293,598	-	-	293,598
Total enhancements	1,018,002	-	-	-	1,018,002	-	-	1,018,002
Total expenses	<u>\$ 2,068,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,068,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,068,002</u>
								<u>\$ 1,471,139</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES AND ENHANCEMENTS -
SUPPORT FROM THE GREENWAY BUSINESS IMPROVEMENT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2022**

	PROGRAMMATIC							
	MAINTENANCE, HORTICULTURE AND RANGERS	PROGRAMS	PUBLIC ART	OUTREACH	TOTAL PROGRAM- MATIC	ADMIN- ISTRATION	FUND- RAISING	TOTAL
Salaries and related expenses	\$ 494,699	\$ -	\$ -	\$ -	\$ 494,699	\$ -	\$ -	\$ 494,699
Contracted services	377,846	-	-	-	377,846	-	-	377,846
Direct expense	66,501	-	-	-	66,501	-	-	66,501
Insurance	60,536	-	-	-	60,536	-	-	60,536
Professional development	418	-	-	-	418	-	-	418
Total expenses	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Enhancements - Capital	307,289	-	-	-	307,289	-	-	307,289
Enhancements - Operating	163,850	-	-	-	163,850	-	-	163,850
Total enhancements	<u>471,139</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>471,139</u>	<u>-</u>	<u>-</u>	<u>471,139</u>
Total expenses	<u><u>\$ 1,471,139</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,471,139</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,471,139</u></u>