

SEATTLE PARKS FOUNDATION

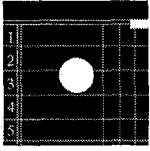
AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

JUNE 30, 2019

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Dave Bembridge, CPA PS

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Independent Auditor's Report

Board of Directors
Seattle Parks Foundation
Seattle, Washington

Report on the Financial Statements

We have audited the accompanying statements of financial position of the Seattle Parks Foundation (a not-for-profit organization) as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

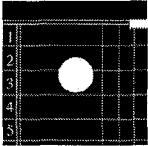
Management's Responsibility for the Financial Statements

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 audit to obtain reasonable assurance about whether the financial statements are free of 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.



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Independent Auditor's Report (continued)

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

Opinion

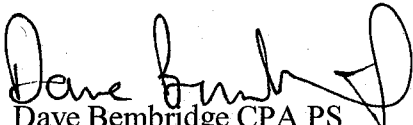
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Seattle Parks Foundation as of June 30, 2019, and the results of their operations and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Report on Summarized Comparative Information

We have previously audited Seattle Parks Foundation's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 3, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

 CPA PS
Dave Bembridge CPA PS
Certified Public Accountants
November 15, 2019

**SEATTLE PARKS FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019**

ASSETS

	<u>2019</u>	<u>2018</u>
Cash and Cash Equivalents	\$2,230,900	\$2,920,666
Certificates of Deposit-Long Term (Note 4)	1,320,082	1,293,616
Investments (Note 5)	6,853,192	5,966,762
Pledges Receivable, net (Note 6)	1,386,002	1,274,784
Pre-paid Expenses and Deposit	2,899	3,483
Property and Equipment		
Office Equipment, at cost	40,293	37,689
Accumulated Depreciation	<u>(32,057)</u>	<u>(26,610)</u>
Net Property and Equipment	<u>8,236</u>	<u>11,079</u>
 Total Assets	 <u>\$11,801,311</u>	 <u>\$11,470,390</u>

LIABILITIES AND NET ASSETS

Liabilities

Accounts Payable	\$176,505	\$196,033
Total Liabilities	176,505	196,033

Net Assets

Net Assets without Donor Restrictions (Note 7)	7,337,245	6,891,504
Net Assets with Donor Restrictions (Note 9)	<u>4,287,561</u>	<u>4,382,853</u>
 Total Net Assets	 <u>11,624,806</u>	 <u>11,274,357</u>
Total Liabilities and Net Assets	<u>\$11,801,311</u>	<u>\$11,470,390</u>

The accompanying notes are an integral part of these financial statements.

**SEATTLE PARKS FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>JUNE 30, 2019</u>			<u>Summarized JUNE 30,</u>
	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>	<u>2018 Total</u>
<u>Operating Support and Revenue</u>				
Pledges Raised (Net of Fees for Services)	\$44,804	\$2,847,810	\$2,892,614	\$3,525,776
Government Contracts	959,846	-	959,846	358,410
Event Revenue	-	24,955	24,955	-
In-Kind Donations (Note 13)	-	-	-	5,251
Total Funds Raised	<u>1,004,650</u>	<u>2,872,765</u>	<u>3,877,415</u>	<u>3,889,437</u>
Fees for Services	246,494	-	246,494	306,838
Gain (Loss) on Investments	4,543	195	4,738	259,713
Gain (Loss) on Certificates of Deposit	14,250	-	14,250	(13,827)
Gain (Loss) on Donated Stocks	(289)	-	(289)	1,829
Dividends and Interest	<u>314,202</u>	<u>11,097</u>	<u>325,299</u>	<u>206,706</u>
Total Operating Support and Revenue	<u>1,583,850</u>	<u>2,884,057</u>	<u>4,467,907</u>	<u>4,650,696</u>
Net Assets Released from Restrictions	<u>2,695,149</u>	<u>(2,695,149)</u>	<u>-</u>	<u>-</u>
	<u>\$4,278,999</u>	<u>\$188,908</u>	<u>\$4,467,907</u>	<u>\$4,650,696</u>
<u>Expenses</u>				
Program Services (Page 6)	3,286,819	-	3,286,819	3,283,408
Supporting Services (Page 6)				
Management and General	301,728	-	301,728	301,327
Fundraising and Development	<u>243,711</u>	-	<u>243,711</u>	<u>259,124</u>
Total Supporting Services	<u>545,439</u>	-	<u>545,439</u>	<u>560,451</u>
Total Expenses	<u>3,832,258</u>	<u>-</u>	<u>3,832,258</u>	<u>3,843,859</u>
<u>Change in Net Assets</u>	446,741	188,908	635,649	806,837
Net Assets – Beginning of the Year	6,891,504	4,382,853	11,274,357	10,798,084
Transfer out to Former Park Projects (Note 14)	<u>(1,000)</u>	<u>(284,200)</u>	<u>(285,200)</u>	<u>(330,564)</u>
Net Assets – End of the Year	<u>\$7,337,245</u>	<u>\$4,287,561</u>	<u>\$11,624,806</u>	<u>\$11,274,357</u>

The accompanying notes are an integral part of these financial statements.

**SEATTLE PARKS FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<u>Cash Flows from Operating Activities</u>		
Change in Net Assets	\$635,649	\$806,837
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	5,447	5,604
Discount on Long Term Pledges	9,735	(15,101)
Gain/Loss on Investments	(4,738)	(259,713)
Gain/Loss on LT Certificates of Deposit	(25,469)	10,047
Changes in:		
Pledges Receivable	(120,953)	(559)
Pre-paid Expenses and Deposit	584	1,618
Accrued Interest on LT Certificates of Deposit	(997)	(984)
Accounts Payable	<u>(19,528)</u>	<u>75,256</u>
Net cash from operating activities	479,730	623,005
Transfer out to Former Park Projects	(285,200)	(330,564)
<u>Cash Flows from Investing Activities</u>		
LT Certificates of Deposit net of Redemptions	-	(200,000)
Proceeds from Dispositions of Investments	1,052,511	101
Investments Purchased	(1,697,819)	-
Dividends Reinvested	(236,384)	(165,742)
Purchase of Equipment	<u>(2,604)</u>	<u>(4,072)</u>
Net Cash from Investing Activities	<u>(884,296)</u>	<u>(369,713)</u>
<u>Net Increase in Cash</u>	(689,766)	(77,272)
Cash and Cash Equivalents at the Beginning of the Year	<u>2,920,666</u>	<u>2,997,938</u>
Cash and Cash Equivalents at the End of the Year	<u>\$2,230,900</u>	<u>\$2,920,666</u>

The accompanying notes are an integral part of these financial statements.

**SEATTLE PARKS FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising & Development</u>	<u>2019 Total</u>	<u>Summarized 2018 Total</u>
<u>Staff Expenses</u>					
Salaries	\$491,747	\$169,977	\$128,866	\$790,590	\$768,698
Payroll Taxes	35,981	12,437	9,429	57,847	63,590
Medical Benefits	40,368	13,953	10,579	64,900	68,031
Retirement Plan	8,746	3,024	2,292	14,062	15,050
Recruiting and Payroll Fees	4,621	1,597	1,211	7,429	90
Transportation Benefit	4,572	1,580	1,198	7,350	7,939
Training and Conferences	902	169	56	1,127	15,340
Total Staff Expenses	<u>586,937</u>	<u>202,737</u>	<u>153,631</u>	<u>943,305</u>	<u>938,738</u>
<u>Non-Staff Expenses</u>					
Park and Capital Projects	986,561	-	-	986,561	1,594,523
Consulting/Professional Fees	1,372,151	36,131	20,250	1,428,532	862,873
Recognition and Cultivation Events	6,655	-	16,596	23,251	33,076
Bad Debts	-	7,489	-	7,489	4,220
Office Supplies and Maintenance	6,410	2,216	1,680	10,306	11,217
Rent	20,192	6,979	5,291	32,462	30,777
Donations	4,465	-	-	4,465	7,262
Outreach, Appeals and Stewardship	33,337	-	17,959	51,296	32,744
Publications	2,351	-	12,345	14,696	21,199
Depreciation	3,388	1,171	888	5,447	5,604
Telecommunications and IT	10,917	3,491	2,629	17,037	25,607
Meeting Expenses	76,607	2,882	2,161	81,650	40,186
Insurance	2,944	1,018	771	4,733	4,635
Equipment and Software	9,358	3,235	2,453	15,046	13,717
Brokerage & Bank Fees	2,998	26,980	-	29,978	28,633
Travel	5,435	-	1,448	6,883	12,150
Data Systems and Fundraising Fees	19,157	6,622	5,020	30,799	30,210
Memberships, Dues, Subscriptions	265	92	69	426	2,041
Project Supplies and Materials	134,707	-	-	134,707	144,036
Licenses, Taxes, Fees	1,984	685	520	3,189	411
Subtotal Non-Staff Expenses	<u>2,699,882</u>	<u>98,991</u>	<u>90,080</u>	<u>2,888,953</u>	<u>2,905,121</u>
Total Expenses	<u>\$3,286,819</u>	<u>\$301,728</u>	<u>\$243,711</u>	<u>\$3,832,258</u>	<u>\$3,843,859</u>

The accompanying notes are an integral part of these financial statements.

**SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

NOTE 1 - ORGANIZATION

Seattle Parks Foundation is an independent 501 (c) (3) nonprofit that promotes philanthropy and advocates for public policies and investment to support and sustain a thriving system of community-led park and public space projects that improve the health and happiness of all Seattle residents. Since its founding in 1999, donors have given more than \$56 million through Seattle Parks Foundation to support 181 successful park projects across the city.

We currently serve as fiscal sponsor for over 80 groups championing new and enhanced park space, school playgrounds, tree canopy projects, pedestrian and bike trails, stream daylighting, and myriad other projects—large and small—across Seattle. We provide these Community Partners with the administrative, financial, fundraising, communications, and advocacy services they need to make our city a safer, more beautiful, and more welcoming place for all of us to live.

In addition to supporting Fiscal Partners across the city, we are concentrating efforts and resources on major, long-term green space initiatives in the underserved neighborhoods of Rainier Beach, Little Brook/Lake City, and the Duwamish River Valley. We are partnering with local groups and facilitating collaboration between these communities, other nonprofits, and city agencies to advance a coordinated public space agenda—one that integrates equitable planning and investment into a comprehensive approach to community development.

In fiscal year 2019, donors to Seattle Parks Foundation contributed over \$4.7 million to support this work. In addition, we awarded \$332,000 from our Community Parks Fund to support capital improvements at Rainier Beach Urban Farm & Wetlands and First Hill Park, community design process at Concord Elementary School, and ongoing programming support to Little Brook Youth Corps. We also used the Community Fund to match contributions to our Community Partners; driving over 1,000 donations to 32 community partner groups during #GivingTuesday and GiveBIG campaigns.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Seattle Parks Foundation are as follows:

Financial Statement Presentation

These financial statements are prepared on the accrual basis of accounting and, accordingly, reflect all significant accounts receivable, accounts payable, and other liabilities.

Generally accepted accounting principles require that net assets and revenues, expenses and gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, the net assets of Seattle Parks Foundation and the changes therein are classified and reported as follows:

**SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

(continued)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets without Donor Restrictions

Net Assets without Donor Restrictions are funds not subject to donor imposed stipulations. Expirations of donor restrictions on net assets, that is, the donor imposed stipulated purpose has been accomplished, are reported as reclassifications between the applicable classes of net assets. Note 7 details the Net Assets without Donor Restrictions.

Net Assets with Donor Restrictions

Net Assets with Donor Restrictions are funds subject to donor imposed stipulations that will be met by actions of Seattle Parks Foundation and/or the passage of time. Net Assets with Donor Restrictions are released when the funds are spent for the donor stipulated purpose. Note 9 discloses the Donor Restrictions.

Use of Estimates

The preparation of these financial statements in conformity with generally accepted accounting principles has required management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of support and revenue during the reporting period. Thus, actual results could differ from these estimates.

Pledges

Pledges received are recorded as unrestricted, temporarily or permanently restricted support depending on the existence or nature of any donor restrictions. Time and purpose restrictions are reported as temporarily restricted support and then reclassified to unrestricted net assets upon expiration of the time or purpose restriction.

Income Taxes

The Parks Foundation is exempt from income taxation under the provisions of Section 501(c)3 of the Internal Revenue Code with the exception of transportation benefits. \$1,544 has been accrued for this tax. The Parks Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation.

Management has considered the tax positions taken in its tax returns and believes that all of the positions taken by the Foundation in its federal and state tax returns are more likely than not to be sustained upon examination. The Foundation's federal tax returns could be subject to examination for three years after they are filed.

Cash & Cash Equivalents

Cash and cash equivalents include all highly liquid assets with maturity dates of one year or less. Certificates of Deposit with maturity dates of more than one year are shown separately as Certificates of Deposit-Long Term.

SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
(continued)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Property and equipment are stated at cost except for donated equipment, which is recorded at fair value at the date of the gift. Purchases of property and equipment with a value greater than \$1,000 are capitalized. Depreciation is recorded using the straight line method over the useful life of the asset. The depreciation charge for the years ended June 30, 2019 and 2018 was \$5,447 and \$5,604, respectively.

Investments – Publicly Traded Securities

Investments in publicly traded securities are valued at fair value using Level I methodology set by accounting standards, which means using unadjusted quoted prices in active markets for identical assets. Unrealized gains and losses are included in the changes in net assets.

Pledges Receivable

Pledges Receivable are valued at the amount of the pledge discounted to present value for the portions of pledges receivable after more than one year. An allowance for doubtful pledges has been estimated based upon management's assessment of pledges receivable.

Fees for Services

The Parks Foundation retains fees under the terms of certain fiscal sponsorships, capital campaigns, and initiatives. These fees are excluded from gross revenues for parks projects and separately stated in the statement of activities.

In-Kind Donations

Donated goods and space are valued at their fair market value. Donated services are recognized in the financial statements at their fair value if the following criteria are met:

- The services require specialized skills, and the services are performed by individuals possessing those skills.
- The services would typically need to be purchased if not donated.

The fair value of non-specialized volunteer services is not recognized in the accompanying financial statements since they do not meet the criteria for recognition under generally accepted accounting principles.

Publicly traded securities are received on occasion for gift and pledge payments. These securities are not held for investment and are sold as soon as possible after receipt. The Parks Foundation records these receipts as cash contributions or cash payments against pledges. These receipts totaled \$139,976 and \$136,415 for the fiscal years ending June 30, 2019 and 2018, respectively.

Functional Expense Allocation

Management estimates the Foundation's salary expense allocation based on individual time spent by employees by function. Management's estimated allocation of other expenses is based on the salary allocation, unless a different allocation is more appropriate.

**SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**
(continued)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of New Accounting Standard

The Financial Accounting Standards Board's Accounting Standards Update No. 2016-14 (ASU 2016-14) has been adopted. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and lack of consistency in the type of information provided about expenses and the investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets are now reported as net assets with donor restrictions. Note 3 on liquidity has also been added.

The accompanying summarized information from the 2018 financial statements has been restated to conform to the presentation and disclosure requirements of ASU 2016-14.

NOTE 3 - LIQUIDITY AND AVAILABILITY

Seattle Parks Foundation prepares an annual budget that is approved by the board of directors. The budget generally allows for sufficient financial assets to be available to cover expenditures and liabilities as they come due. Expenditures are tracked and compared to budgeted amounts on a monthly basis. The monthly budget reports are reviewed by the board of directors. In the event of unanticipated financial shortfalls, the board has established an operating reserve. With approval of the board, these funds may be used to temporarily support operations in order to maintain business continuity.

The following reflects the financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of donor-imposed restrictions, maturity dates of certificates of deposit or internal designations. Amounts not available include the funds set aside for operating reserves that could be drawn upon if the board approves that action.

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Cash and Cash Equivalents	\$2,230,900	\$2,920,666
Investments	6,853,192	5,966,762
Pledges Receivable	<u>1,386,002</u>	<u>1,274,784</u>
Total Financial Assets	10,470,094	10,162,212
Net Assets with Donor Restrictions	(4,287,561)	(4,382,853)
Pledges Receivable in Greater Than One Year Net of Discount	(583,820)	(448,555)
Board Designated Operating Reserve (Note 8)	(6,015,121)	(6,008,759)
Released by Board for Project Expenditures (Supplementary Information, page 1)	<u>849,672</u>	<u>812,686</u>
Financial Assets Available for Expenditures within one year	<u>\$433,264</u>	<u>\$134,731</u>

SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
(continued)

NOTE 4 – CERTIFICATES OF DEPOSIT

Certificates of Deposit held are as follows:

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Redemption Value of Certificates held	\$2,300,000	\$2,700,000
Unrealized Gain (Loss)	14,304	(13,827)
Accrued Interest	8,090	9,153
Short Term Deposits included in Cash and Cash Equivalents	<u>(1,002,312)</u>	<u>(1,401,710)</u>
Long Term Deposits	<u>\$1,320,082</u>	<u>\$1,293,616</u>

NOTE 5 – INVESTMENTS

Investments are publicly traded securities managed by a professional management firm for the Streissguth Gardens Endowment Fund and the Board Designated Fund.

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Investments in Publicly Traded Securities	<u>\$6,853,192</u>	<u>\$5,966,762</u>
<u>Investment Income</u>		
Gain (Loss) on Publicly Traded Securities	4,738	259,713
Investment Fees	(29,533)	(29,196)
Dividends and Interest	<u>235,811</u>	<u>165,742</u>
	<u>\$211,016</u>	<u>\$396,259</u>

NOTE 6 - PLEDGES RECEIVABLE

Pledges receivable for Seattle Parks Foundation projects are as follows:

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Pledges Receivable due in less than one year	\$811,282	\$835,329
Pledges Receivable due after one year and less than five years	630,000	485,000
Less: Allowance for doubtful pledges	(9,100)	(9,100)
Less: Unamortized discount on pledges	<u>(46,180)</u>	<u>(36,445)</u>
	<u>\$ 1,386,002</u>	<u>\$1,274,784</u>

The allowance for uncollectible pledges has been estimated by management, based in part on historic write-off experience and an assessment of the balance of outstanding pledges receivable. Bad Debts totaling \$7,489 (2018 - \$4,220) were written off during the year.

NOTE 7 – NET ASSETS WITHOUT DONOR RESTRICTIONS

Net Assets without Donor Restrictions are comprised of the following:

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Board Designated Operating Reserve (Note 8)	\$6,015,121	\$6,008,759
Undesignated	1,322,124	882,745
Total	<u>\$7,337,245</u>	<u>\$6,891,504</u>

SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
(continued)

NOTE 8 – BOARD DESIGNATED FUND

The Foundation's Board of Directors established a reserve for future planned operating activities, emergencies and opportunities.

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Balance at Beginning of the Year	\$6,008,759	\$5,863,731
Gain (Loss) on Investments	4,644	318,061
Dividends and Interest	229,902	159,502
Investment Fees	(28,170)	(27,849)
Funds Released on Projects	(200,014)	(304,686)
Balance at End of the Year	<u>\$6,015,121</u>	<u>\$6,008,759</u>

The Board Designated Fund is comprised of:

Cash	608,346	316,818
Investments	<u>5,406,775</u>	<u>5,691,941</u>
	<u>\$6,015,121</u>	<u>\$6,008,759</u>

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

Net Assets with Donor Restrictions have the following donor stipulated purposes:

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Streissguth Gardens Permanent Endowment Fund (Note 10)	224,846	223,195
Funds Designated for Specific Program Activities (Note 11)	<u>4,062,715</u>	<u>4,159,658</u>
Total	<u>\$4,287,561</u>	<u>\$4,382,853</u>

NOTE 10 – STREISSGUTH GARDENS ENDOWMENT FUND

The Parks Foundation received permanently restricted gifts from private donors to establish an endowment fund. The purpose of the fund is to provide supplemental maintenance funds for the Streissguth Gardens.

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Balance at the Beginning of the Year	\$288,749	\$267,515
Dividends and Interest	11,097	7,709
Investment Gains	195	11,995
Donations	1,651	1,877
Matching Funds from Board Designated Fund	1,300	1,000
Investment Fees	(1,363)	(1,347)
Funds Spent on Garden Maintenance	-	-
Balance at the End of the Year	<u>\$301,629</u>	<u>\$288,749</u>

**SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

(continued)

NOTE 10 – STREISSGUTH GARDENS ENDOWMENT FUND (continued)

Permanently Restricted Funds	224,846	223,195
Temporarily Restricted Funds	74,019	64,090
Unrestricted Funds	<u>2,764</u>	<u>1,464</u>
	<u>\$301,629</u>	<u>\$288,749</u>
Cash	15,412	13,929
Investments	<u>286,217</u>	<u>274,820</u>
	<u>\$301,629</u>	<u>\$288,749</u>

NOTE 11 – FUNDS DESIGNATED FOR SPECIFIC PROGRAM ACTIVITIES

Funds are held for the following donor restricted purposes:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
5 th Avenue and Cloverdale	737	527
12 th and Elmgrove	1,673	1,580
45 th Avenue NE Safety	481	481
Aids Memorial Pathway	127,726	12,545
Arboretum Creek, Friends of	-	381
Burke Gilman Trail at Sand Point, Friends of	10,184	9,116
Capehart Restoration	-	103,856
Cascade Giving Garden	-	158
Cascade Recycled Arts Project	228	12
Cayton Corner Park	23,930	24,737
Cheasty Greenspace	8,111	7,421
Chilberg Link	178	71
Community Centered Fundraising Event	2,884	3,290
Community Land Conservancy	11,968	-
Deadhorse Canyon	3,064	3,099
Detective Cookie Park	-	1,481
Duwamish Greening Concord	70,952	70,952
Duwamish DIRT Corps	49,412	51,749
Duwamish Valley Safe Streets	7,284	1,077
Duwamish Valley Youth Corps	3,293	14,168
Duwamish Waterway Park + Capital Campaign	229,592	287,309
East Howe Steps	8,812	5,262
Eli's Park at Burke Gilman Playground	63,368	31,784
Eckstein Pickleball	702	-
Georgetown Urban Farm and Forest	-	1,273
Golden Gardens, Friends of	2,209	2,041
Growing Vine Street	541	3,711
Homer Harris Park Maintenance	6,840	6,840
Just Health Action	-	177
Lake Union Park (and Stewardship)	13,132	13,694
Lake City Neighborhood Association (Little Brook)	-	19,683
Lake City Collective	66,359	1,502
Lake to Bay	155,714	343,254

SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
(continued)

NOTE 11 – FUNDS DESIGNATED FOR SPECIFIC PROGRAM ACTIVITIES (Continued)

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Lawton Park, Friends of	4,600	4,600
Lewis Park, Friends of	10,989	-
Lid I-5	18,652	2,731
Live in D5	14,003	11,573
Madison Valley Parents and Neighbors	2,936	2,511
Magnuson Children's Garden	-	1,172
Melrose Promenade	7,637	2,212
Mighty-O Parklet	226	226
Mount Baker Town Center	154	-
Neighborhood Night Out	-	151
North Beach, Friends of	910	1,442
Olympic Hills Pocket Park/Lake City Greenways	-	943
Orca Playground	7,213	7,720
Pier 86, Friends of Art	26,251	62,714
Rainier Beach Urban Farm, Friends of	7,991	3,319
ROAR	3,699	-
Roxhill Park	326	-
Seattle Peace Concerts	-	455
Sensory Garden	11,294	-
South Park Plaza	191	-
SP Green Space	63	-
Spark the Park	15	-
Streissguth Gardens Maintenance Fund (Note 10)	74,019	64,090
Sustainability is Not...	103	-
Timber Fund	923,342	1,129,462
Tiny Trees (Note 15)	-	165,430
Torii Project, Seward Park	-	145,350
Uptown Parklet (Note 15)	-	261
Urban Parks Activation	593,967	701,600
Clise Orchid Fund (Volunteer Park Conservatory)	71,113	76,596
Volunteer Park Amphitheater	641,977	1,000
Volunteer Park Sustainability Coalition	1,287	1,190
Volunteer Park Trust	173,111	117,414
Walker Trail	164,454	201,333
Windz of Change	215	-
Yesler Swamp	3,546	1,880
Yesler Terrace	428,636	428,636
Youth Take Action (Bricktree)	421	416
	<u>\$4,062,715</u>	<u>\$4,159,658</u>

SEATTLE PARKS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
(continued)

NOTE 12 - COMPARATIVE FINANCIAL INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the organization's audited financial statements for the year ended June 30, 2018 from which the summarized information was derived.

NOTE 13 - IN-KIND DONATIONS

The following In-Kind donations are included in the financial statements:

	As of June 30,	
	2019	2018
Donated Services	-	\$2,375
Donated Goods	-	2,876
	\$ -	\$5,251

NOTE 14 - TRANSFER OUT TO FORMER PARK PROJECTS

During fiscal years 2018 and 2019, sponsored projects became separate Section 501(c)3 non-profit organizations. Their remaining fund balances were transferred to them. During fiscal year 2019, \$284,940 was transferred to Tiny Trees and \$260 to Uptown Parklet. In 2018, \$330,564 was transferred to Seattle Neighborhood Greenways.

NOTE 15 - RETIREMENT/SAVINGS PLAN

The Parks Foundation has a contributory retirement plan known as a SIMPLE-IRA plan. The plan covers all full-time employees who meet certain age and service requirements, and who elect to participate. Contributions are invested at the discretion of the plan participant. The plan expense for the years ending June 30, 2019 and 2018 was \$14,062 and \$15,050, respectively.

NOTE 16 - LEASE COMMITMENT

The Parks Foundation renewed its lease agreement for office premises effective from January 2019 to December 2021. The Parks Foundation is also committed to an operating lease for office equipment. The following are the minimum lease payments for the years ended June 30:

	Office	Equipment
2020	32,625	3,580
2021	16,500	3,580
2022	-	895
	\$49,125	\$8,055

NOTE 17 - SUBSEQUENT EVENTS

Management of the Foundation has evaluated events and transactions subsequent to June 30, 2019 for potential recognition or disclosure in the financial statements. Subsequent events have been evaluated through the date the financial statements became available to be issued, November 18, 2019.

SUPPLEMENTARY INFORMATION

**SEATTLE PARKS FOUNDATION
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019**

PROJECTS TO BE FUNDED BY THE BOARD DESIGNATED FUND:

	<u>Beginning</u>	<u>Allocated</u>	<u>Released</u>	<u>Remaining</u>
5 th & Cloverdale	2,040	1,000	-	3,040
12 th & Elmgrove	1,365	-	-	1,365
Aids Memorial Pathway	28,819	1,000	-	29,819
Burke Gilman Trail at Sand Point, Friends of	3,200	-	-	3,200
Cayton Corner Park	2,419	-	-	2,419
Cheasty Greenspace	46,691	-	-	46,691
Concord RAVE	-	107,000	40,074	66,926
Detective Cookie Park	1,145	1,000	2,145	-
Duwamish Concord	28,915	1,000	-	29,915
Duwamish Program Manager	-	-	-	-
Duwamish Valley Safe Streets	2,000	-	-	2,000
Duwamish Valley Youth Corp.	2,500	-	-	2,500
Duwamish Waterway	95,380	-	-	95,380
Georgetown Open Space Committee (FLUME)	-	5,000	4,891	109
Georgetown Urban Farm & Forest	2,078	-	2,078	-
Georgetown Vision Plan	14,662	-	200	14,462
Growing Vine Street	2,300	-	-	2,300
Lake City Collective	1,000	15,000	-	16,000
Lake City Framework	60,456	-	29,678	30,778
Lake City Neighborhood Association	6,685	-	6,685	-
Lake to Bay	73,485	-	73,485	-
Lid I-5	4,500	1,000	-	5,500
Link to Lake	39,531	-	2,345	37,186
Magnuson Children's Garden	2,495	1,000	2,049	1,446
Occidental Square (Timber Fund)	75,000	-	-	75,000
Olympic Hills	10,036	-	10,036	-
Orca Playground	2,865	-	-	2,865
Rainier Beach Urban Farm, Friends of	1,000	50,000	-	51,000
Roxhill Park	-	1,000	-	1,000
Seattle Peace Concerts	1,000	1,000	559	1,441
Seward Park Torii	31,543	-	24,575	6,968
Urban Parks Activation	200,000	50,000	-	250,000
Volunteer Park Amphitheater	-	1,000	-	1,000
Volunteer Park Trust	4,500	-	-	4,500
Yesler Terrace	50,000	-	-	50,000
Other Projects	<u>15,076</u>	<u>1,000</u>	<u>1,214</u>	<u>14,862</u>
	<u>\$812,686</u>	<u>\$237,000</u>	<u>\$200,014</u>	<u>\$849,672</u>