

**REGIONAL PARKS FOUNDATION**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2013**

**This Page Left Intentionally Blank**

## **INTRODUCTORY SECTION**

This Page Left Intentionally Blank

**REGIONAL PARKS FOUNDATION**  
**Financial Statements**  
**For the Year Ended December 31, 2013**

**Table of Contents**

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Table of Contents .....	i
Board of Directors and Management Personnel.....	ii
<b>FINANCIAL SECTION</b>	
<b>Independent Auditor's Report.....</b>	<b>1</b>
<b>Financial Statements</b>	
Statement of Financial Position.....	3
Statement of Activities .....	4
Statement of Functional Expenses .....	5
Statement of Cash Flows .....	6
Notes to Financial Statements .....	7

**REGIONAL PARKS FOUNDATION**

**BOARD OF DIRECTORS AND  
MANAGEMENT PERSONNEL**

**DECEMBER 31, 2013**

**BOARD OF DIRECTORS**

Rand H. Swenson  
William Acevedo  
William Yarborough  
Robert Jacques  
Chris Abess  
Jess Brown  
Jay Gilson, CPA  
Christina Clark  
Sarah Connick  
Jenny Mack  
Chip Conradi  
Thomas Meier  
James W. Potts III  
John Dilsaver  
Tim Sbranti  
George Sloan

**MANAGEMENT**

Nancy Baglietto-Director of Operations, Programs and Development  
Carol Johnson, Executive Director

## **FINANCIAL SECTION**

This Page Left Intentionally Blank



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Regional Parks Foundation  
Oakland, California

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the Regional Park Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statement 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 audit. We conducted our audit 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 from material misstatement.

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

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

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Regional Park Foundation as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Report on Summarized Comparative Information*

We have previously audited the Regional Park Foundation's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 22, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Maze & Associates*

Pleasant Hill, California

March 14, 2014

REGIONAL PARKS FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents (Note 2B)	\$897,223	\$342,922
Investments (Note 3)	2,663,061	2,364,776
Contributions receivable (Note 4)	50	650
Grant receivable		140,000
Prepaid expenses	45,617	39,298
Total Current Assets	<u>3,605,951</u>	<u>2,887,646</u>
Property and equipment, net of accumulated depreciation of \$54,635 and \$49,430, respectively (Note 5)	<u>6,658</u>	<u>9,126</u>
Total Assets	<u><u>\$3,612,609</u></u>	<u><u>\$2,896,772</u></u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	\$520,319	\$92,851
Accrued liabilities	19,052	28,573
Total Current Liabilities	<u>539,371</u>	<u>121,424</u>
<b>NET ASSETS</b>		
Unrestricted (Note 6A)	423,675	416,307
Board Designated (Note 6B)	347,079	284,092
Total unrestricted	<u>770,754</u>	<u>700,399</u>
Temporarily restricted (Note 6C)	1,976,795	1,765,620
Permanently restricted (Note 6D)	325,689	309,329
Total Net Assets	<u>3,073,238</u>	<u>2,775,348</u>
Total Liabilities and Net Assets	<u><u>\$3,612,609</u></u>	<u><u>\$2,896,772</u></u>

See accompanying notes to financial statements

REGIONAL PARKS FOUNDATION  
STATEMENT OF ACTIVITIES  
AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2013  
WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2013	2012
<b>REVENUES</b>					
Private gifts, grants and benefits	\$258,848	\$623,035	\$16,360	\$898,243	\$857,250
Contributed services and property (Note 8)	907,128			907,128	485,222
Membership fees	558,192	16,535		574,727	513,902
Investment income, net (Note 3)	275,779	45,683		321,462	189,981
Net assets released from restrictions:					
Satisfaction of usage requirements	474,078	(474,078)			
<b>Total Revenues</b>	<b>2,474,025</b>	<b>211,175</b>	<b>16,360</b>	<b>2,701,560</b>	<b>2,046,355</b>
<b>EXPENSES</b>					
Program services	2,039,841			2,039,841	1,528,073
Supporting services:					
General and administrative	236,366			236,366	271,568
Fundraising and development	127,463			127,463	101,390
<b>Total Expenses</b>	<b>2,403,670</b>			<b>2,403,670</b>	<b>1,901,031</b>
<b>Change in Net Assets</b>	<b>70,355</b>	<b>211,175</b>	<b>16,360</b>	<b>297,890</b>	<b>145,324</b>
<b>Net Assets at Beginning of Year</b>	<b>700,399</b>	<b>1,765,620</b>	<b>309,329</b>	<b>2,775,348</b>	<b>2,630,024</b>
<b>Net Assets at End of Year</b>	<b>\$770,754</b>	<b>\$1,976,795</b>	<b>\$325,689</b>	<b>\$3,073,238</b>	<b>\$2,775,348</b>

See accompanying notes to financial statements

REGIONAL PARKS FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2013  
WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2012

	Program Services	General & Administrative	Fundraising & Development	Totals	
				2013	2012
FUNCTIONAL EXPENSES					
Support for EBRPD (Note 9)	\$860,814			\$860,814	\$824,494
In kind labor distributions (Note 8)	632,128			632,128	481,470
Scholarships	271,899			271,899	218,357
Contract services		\$86,600		86,600	146,974
Membership program			\$95,975	95,975	71,573
Computer expense		36,009		36,009	35,180
Bank charges		26,056		26,056	24,152
Investment expense		21,812		21,812	20,854
Professional services			16,443	16,443	18,300
Legal and accounting		14,128		14,128	13,764
Grant writing & database consulting			15,045	15,045	11,517
Marketing, collateral & graphic design		12,145		12,145	
Postage and courier fees		10,438		10,438	9,414
Depreciation (Note 5)		5,206		5,206	4,307
In kind property distributions (Note 8)	275,000			275,000	3,752
Public relations/Promotion		728		728	3,562
Dues and subscriptions		3,767		3,767	2,775
Conferences and meetings		6,525		6,525	2,283
Office supplies		1,699		1,699	2,037
Miscellaneous		6,289		6,289	1,900
Travel and entertainment		2,528		2,528	1,575
D & O Insurance		1,400		1,400	1,481
Taxes		1,036		1,036	1,310
Total Functional Expenses	<u>\$2,039,841</u>	<u>\$236,366</u>	<u>\$127,463</u>	<u>\$2,403,670</u>	<u>\$1,901,031</u>

See accompanying notes to financial statements

REGIONAL PARKS FOUNDATION  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$297,890	\$145,324
Adjustments to reconcile net assets to net cash provided by operating activities:		
Depreciation	5,206	4,307
Unrealized loss (gains) on investments	(177,587)	(95,302)
Changes in operating assets and liabilities:		
Contributions receivable	600	29,582
Grant receivable	140,000	
Prepaid expenses	(6,319)	(2,769)
Accounts payable	427,468	61,595
Accrued liabilities	(9,521)	1,160
Net Cash Provided by Operating Activities	<u>677,737</u>	<u>143,897</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of capital assets	(2,738)	(4,530)
Purchase of investments	(784,692)	(1,011,005)
Proceeds from sale of investments	663,994	839,617
Net Cash (Used) by Investing Activities	<u>(123,436)</u>	<u>(175,918)</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	554,301	(32,021)
Cash and cash equivalents, beginning of year	<u>342,922</u>	<u>374,943</u>
Cash and cash equivalents, end of year	<u><u>\$897,223</u></u>	<u><u>\$342,922</u></u>

See accompanying notes to financial statements

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

**NOTE 1 - ORGANIZATION**

The Regional Parks Foundation (the Foundation) was established in 1969 to support the East Bay Regional Park District (the District). The Foundation's mission is to support the Regional Parks through fundraising that provides broader public access, resource protection and preservation, education and recreational programs, and the acquisition of parklands. One of the top priorities is to ensure that underserved populations have equal access to the East Bay Regional Park District's parks, trails, programs and services. Sources of revenue and support include direct public support, interest income, and contributed services and property.

The Foundation is not a direct employer. The District contributes the services of its employees to the Foundation (see Note 8). In addition, the District owns the majority of furniture, fixtures and equipment, as well as buildings used by the Foundation.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, Financial Statements of Not-for-Profit Organizations. Under ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

The financial statements are presented on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Under the provisions of ASC No. 958, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation, and changes therein, are classified and reported as follows:

*Unrestricted net assets* – net assets that are not subject to donor-imposed stipulations.

*Temporarily restricted net assets* – net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

*Permanently restricted net assets* – net assets subject to donor-imposed stipulations that are to be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned or related investments for general or specific purposes.

**B. Cash and Cash Equivalents**

The Foundation considers all short-term investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents were \$897,223 and \$342,922 at December 31, 2013 and 2012, respectively.

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

<b>NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)</b>
--

**C.    *Investments***

The Foundation accounts for investments under FASB 958 (formerly, SFAS No. 124, "*Accounting for Certain Investments Held by Not-for-Profit Organizations.*") Under FASB ASC 958, investments are reported at their fair values in the statement of financial position. Fair values are provided by quoted market prices. Investment income, gains and losses are included as increases or decreases in unrestricted, temporarily restricted, or permanently restricted net assets in the statement of activities.

**D.    *Property and Equipment***

Property and equipment are recorded at cost, unless they are donated. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated assets for a specific purpose. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method for financial statement purposes. Expenses for maintenance and repairs are charged to expenses as incurred. Replacements and capital improvements of assets are capitalized. The Foundation has assigned a useful life of five years to all fixed assets.

**E.    *Contributions***

The Foundation accounts for contributions under FASB ASC 958 (formerly, SFAS No. 116, "*Accounting for Contributions Received and Contributions Made,*") whereby contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions. Restrictions that are met in the year received are recorded as unrestricted.

Unconditional promises to give are recognized as revenues or gains in the period received and as assets depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

**F.    *Designated Support***

All unrestricted financial support received by the Foundation is considered to be designated by the Board of Directors to support programs which benefit the East Bay Regional Park District.



**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

<b>NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)</b>
--

***G. Income Taxes***

The Foundation is exempt from income tax under Section 501(c)(3) of The U.S. Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Foundation paid no taxes on unrelated business income in the years ended December 31, 2013 or 2012.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the organization's tax returns. Management has determined that the Foundation does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Foundation's tax returns will not be challenged by the taxing authorities and that the Foundation will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Foundation's tax returns remain open for federal income tax examination for three years from the date of filing.

***H. Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***I. Advertising***

Advertising costs are expensed as incurred. Advertising expense amounted to \$728 and \$3,562 for the years ended December 31, 2013 and 2012, respectively, and is included in public relations in the statement of functional expenses.

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market. The three levels are defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect management's judgment about the assumptions that market participants would use in pricing the asset or liability.

**K. Comparative Data**

The financial statement information for the year ended December 31, 2012, presented for comparative purposes, is not intended to be a complete financial statement presentation. For a complete presentation, please refer to the financial statements for that fiscal year.

**NOTE 3 - INVESTMENTS**

Substantially all of the Foundation's investments are in the custody of and managed by six different investment management firms with coordination and oversight provided by UBS Financial Services, Inc. The following table summarizes the Foundation's investments at December 31:

	Fair Value	
	2013	2012
Equities	\$1,391,872	\$941,922
Bonds/Securities	634,917	638,585
Mutual fund	338,103	385,425
UBS money market	298,169	398,844
Totals	<u>\$2,663,061</u>	<u>\$2,364,776</u>

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

**NOTE 3 – INVESTMENTS (Continued)**

Investment return for the years ended December 31 consisted of the following:

	<u>2013</u>	<u>2012</u>
Dividends and interest income	\$71,433	\$73,135
Realized gain on investments	72,442	21,544
Unrealized gain (loss) on investments	<u>177,587</u>	<u>95,302</u>
Total	<u>\$321,462</u>	<u>\$189,981</u>

**NOTE 4 - CONTRIBUTIONS RECEIVABLE**

Contributions receivable at December 31, 2013 and 2012 of \$50 and \$650 respectively, are due within one year or less. Management has deemed all contributions receivable to be fully collectible, therefore, no allowance for uncollectible receivables was deemed necessary as of December 31, 2013 or 2012.

**NOTE 5 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31:

	<u>2013</u>	<u>2012</u>
Computer equipment	\$61,293	\$58,556
Accumulated depreciation	<u>(54,635)</u>	<u>(49,430)</u>
Property and Equipment, net	<u>\$6,658</u>	<u>\$9,126</u>

Depreciation expense was \$5,206 and \$4,307 at December 31, 2013 and 2012, respectively.

**NOTE 6 - NET ASSETS**

**A. *Unrestricted***

Unrestricted net assets are not subject to donor-imposed stipulations. Unrestricted net assets at December 31, 2013 and 2012 amounted to \$423,675 and \$416,307, respectively.

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

<b>NOTE 6 - NET ASSETS (Continued)</b>
--

***B. Board Designated Regional Park Foundation Endowment***

In 2008 the Foundation established the Regional Park Foundation Endowment Fund. The purpose of the Fund is to support projects to further the charitable and educational purposes of the East Bay Regional Parks District. The intent of the Fund is to provide a permanent source of income for the stated purposes on a long-term basis. Only a portion of the earnings of the Fund will be spent with the excess being added to the principal balance. In 2008 the Foundation made an initial contribution in the form of a Quasi Endowment by designating \$250,000 from the Foundation's Unrestricted /Fund Balance to the Fund. The \$250,000 designation is included in the Unrestricted Fund net assets.

***C. Temporarily Restricted***

Temporarily restricted net assets represent contributions whose use by Regional Parks Foundation is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by action of Regional Parks Foundation pursuant to those stipulations. At December 31, 2013 and 2012, temporarily restricted net assets of \$1,976,795 and \$1,765,620 respectively, were available for use subject to donor-imposed restrictions, generally for the support of the District and its programs.

***D. Permanently Restricted***

Permanently restricted net assets represent contributions whose use by the Regional Park Foundation is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Foundation.

Investment income is reported as an increase in unrestricted, temporarily restricted, or permanently restricted net assets, depending on donor stipulations, if any, on the use of the income.

Campership Program - A permanently restricted contribution of \$40,000 was received in 2000. Interest income earned on these assets is restricted for use in the Campership program.

Regional Park Foundation Endowment - Permanently restricted contributions of \$66,500 have been received as of December 31, 2013. These contributions are associated with the purposes of the Regional Park Foundation Endowment Fund.

Botanic Garden Endowment – Permanently restricted contributions of \$219,189 have been received as of December 31, 2013. Interest income earned on these assets is restricted for the specific charitable and educational programs related to the East Bay Regional Park District's Botanic Garden.

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

**NOTE 6 - NET ASSETS (Continued)**

At December 31 the balances of these funds are as follows:

	2012	Additions	2013
Campership Program	\$40,000		\$40,000
Regional Park Foundation Endowment	66,500		66,500
Botanic Garden Endowment	202,829	\$16,360	219,189
Permanently Restricted Assets	<u>\$309,329</u>	<u>\$16,360</u>	<u>\$325,689</u>

**NOTE 7 - ENDOWMENTS**

In 2009, the FASB issued ASC 958-205-45, Classification of Donor Restricted Endowment Funds Subject to UPMIFA, which provides guidance on the net asset classification of donor restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). UPMIFA was enacted in California on September 30, 2009 with an effective date of January 1, 2009. The net asset classification provisions of FASB ASC 958-205-45 were adopted by the Foundation in 2009.

The Foundation has investment policies that attempt to provide a predictable stream of funding to programs supported by operations as well as endowment donations. Endowment assets include those assets of donor-restricted funds that the Foundation may hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Assets are invested in a manner that is intended to produce results that exceed the respective benchmark while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term objectives within prudent risk constraints.

The endowment net asset composition by type of fund as of December 31, 2013, consists of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds		\$70,506	\$325,689	\$396,195
Board-designated endowment funds	\$322,079			322,079
Total fund	<u>\$322,079</u>	<u>\$70,506</u>	<u>\$325,689</u>	<u>\$718,274</u>

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

**NOTE 7 – ENDOWMENTS (Continued)**

The changes in endowment net assets for the year ended December 31, 2013, are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$284,092	\$27,835	\$309,329	\$621,256
Investment Return:				
Investment income	9,033	10,138		19,171
Realized Gain	9,225	10,300		19,525
Unrealized Gain (Loss)	22,615	25,245		47,860
Net appreciation (depreciation)	40,873	45,683		86,556
Contributions			16,360	16,360
Release of assets for fees and taxes	(2,888)	(3,012)		(5,900)
Endowment net assets, end of year	<u>\$322,077</u>	<u>\$70,506</u>	<u>\$325,689</u>	<u>\$718,272</u>

The endowment net asset composition by type of fund as of December 31, 2012, consists of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds		\$27,835	\$309,329	\$337,164
Board-designated endowment funds	\$284,092			284,092
Total fund	<u>\$284,092</u>	<u>\$27,835</u>	<u>\$309,329</u>	<u>\$621,256</u>

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

**NOTE 7 – ENDOWMENTS (Continued)**

The changes in endowment net assets for the year ended December 31, 2012, are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$262,376	\$8,014	\$208,065	\$478,455
Investment Return:				
Investment income	9,431	8,504		17,935
Realized Gain	2,963	1,453		4,416
Unrealized Gain (Loss)	12,203	12,552		24,755
Net appreciation (depreciation)	15,166	14,005		29,171
Contributions			101,264	101,264
Release of assets for fees and taxes	(2,881)	(2,688)		(5,569)
Endowment net assets, end of year	<u>\$284,092</u>	<u>\$27,835</u>	<u>\$309,329</u>	<u>\$621,256</u>

**NOTE 8 - CONTRIBUTED SERVICES, SUPPLIES AND PROPERTY**

Contributed services, supplies, and property are recorded at estimated fair value at the date of the donation. Fair value is determined by appraisals or estimates made by the Foundation. During 2013 and 2012, the Foundation received contributed services, supplies, and property with an estimated fair value of \$907,128 and \$485,222 respectively.

Of this amount, the donors contributed staffing and other services valued at \$632,128 and \$481,470 for the years ended December 31, 2013 and 2012, respectively. These amounts are reflected as both revenue and expense in the statement of activities.

The Foundation received donor property contributions of two parcels of land along the North Richmond Shoreline with an estimated fair value of \$275,000 for the year ended December 31, 2013. The donors contributed property and supplies for the year ended December 31, 2012 had an estimated fair value of \$3,752.

**NOTE 9 - RELATED PARTY TRANSACTIONS**

For the years ended December 31, 2013 and 2012, respectively, the Foundation made distributions of \$860,814 and \$824,494 to the East Bay Regional Park District to support the programs, services, and projects at the respective parks.

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2013**

**NOTE 10 - CONCENTRATIONS**

**A. *Contributors***

In 2013 and 2012, the East Bay Regional Park District contributed services that accounted for 34% and 24% respectively, of the Foundation's total support and revenue.

**B. *Membership Fees***

In 2013 and 2012, respectively, park membership fees accounted for 21% and 25% of the Foundation's total support and revenue.

**NOTE 11 – SUBSEQUENT EVENTS**

Regional Parks Foundation evaluated subsequent events for recognition and disclosure through March 14, 2014, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2013 that requires recognition or disclosure in such financial statements.