

**REGIONAL PARKS FOUNDATION**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2015**

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## **INTRODUCTORY SECTION**

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**REGIONAL PARKS FOUNDATION**  
**Financial Statements**  
**For the Year Ended December 31, 2015**

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**REGIONAL PARKS FOUNDATION**

**BOARD OF DIRECTORS AND  
MANAGEMENT PERSONNEL**

**DECEMBER 31, 2015**

**BOARD OF DIRECTORS**

William Acevedo  
William Yarborough  
John Dilsaver  
Robert Jacques  
Lisa Baldinger  
Jess Brown  
Christina Clark  
Chip Conradi  
Cynthia Deaver  
Patricia Deutsche  
Nathan Falk  
Peter Liu  
Jenny Mack  
Thomas Meier  
Helene Morrison  
Brian Sharpes  
George Sloan  
Rand Swenson

**MANAGEMENT**

Carol Johnson, Executive Director

**FINANCIAL SECTION**

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## 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, 2015, 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 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 Foundation'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 Foundation'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, 2015, 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 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 29, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Maze Associates*

Pleasant Hill, California  
May 26, 2016

REGIONAL PARKS FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2015  
WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2014

	2015	2014
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents (Note 2B)	\$729,529	\$492,052
Investments (Note 3)	2,778,065	2,782,205
Contributions receivable (Note 4)	145	12,550
Prepaid expenses	80,969	38,923
Total Current Assets	3,588,708	3,325,730
Property and equipment, net of accumulated depreciation of \$58,987 and \$56,931, respectively (Note 5)	3,789	5,845
Total Assets	\$3,592,497	\$3,331,575
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	\$100,078	\$101,774
Accrued liabilities	35,690	34,666
Total Current Liabilities	135,768	136,440
<b>NET ASSETS (NOTE 2A)</b>		
Unrestricted (Note 6A)	422,623	433,057
Board Designated (Note 6B)	361,725	362,252
Total Unrestricted	784,348	795,309
Temporarily restricted (Note 6C)	2,346,102	2,073,647
Permanently restricted (Note 6D)	326,279	326,179
Total Net Assets	3,456,729	3,195,135
Total Liabilities and Net Assets	\$3,592,497	\$3,331,575

See accompanying notes to financial statements

REGIONAL PARKS FOUNDATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Totals</u>	
				2015	2014
<b>REVENUES</b>					
Private gifts, grants and benefits	\$225,509	\$757,371	\$100	\$982,980	\$1,005,862
Contributed services and property (Note 8)	740,721			740,721	15,095,314
Membership fees	698,732	30,890		729,622	657,001
Investment income, net (Note 3)	16,885	2,615		19,500	146,156
Net assets released from restrictions:					
Satisfaction of usage requirements	518,421	(518,421)			
<b>Total Revenues</b>	<u>2,200,268</u>	<u>272,455</u>	<u>100</u>	<u>2,472,823</u>	<u>16,904,333</u>
<b>EXPENSES</b>					
Program services	1,841,777			1,841,777	16,361,153
Supporting services:					
General and administrative	217,962			217,962	242,255
Fundraising and development	151,490			151,490	179,028
<b>Total Expenses</b>	<u>2,211,229</u>			<u>2,211,229</u>	<u>16,782,436</u>
<b>Change in Net Assets</b>	<u>(10,961)</u>	<u>272,455</u>	<u>100</u>	<u>261,594</u>	<u>121,897</u>
<b>Net Assets at Beginning of Year</b>	<u>795,309</u>	<u>2,073,647</u>	<u>326,179</u>	<u>3,195,135</u>	<u>3,073,238</u>
<b>Net Assets at End of Year</b>	<u>\$784,348</u>	<u>\$2,346,102</u>	<u>\$326,279</u>	<u>\$3,456,729</u>	<u>\$3,195,135</u>

See accompanying notes to financial statements

REGIONAL PARKS FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
WITH SUMMARIZED TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Services	General & Administrative	Fundraising & Development	Totals	
				2015	2014
FUNCTIONAL EXPENSES					
In kind property distributions (Note 8)					\$14,360,000
Support for EBRPD (Note 9)	\$829,494			\$829,494	932,162
In kind labor distributions (Note 8)	740,721			740,721	735,314
Scholarships	271,562			271,562	333,677
Membership program			\$110,029	110,029	141,577
Marketing, collateral & graphic design		\$61,406		61,406	54,812
Computer expense		38,604		38,604	50,335
Contract services		32,167		32,167	31,080
Bank charges		27,162		27,162	25,820
Investment expense		21,682		21,682	24,959
Grant writing & database consulting			19,061	19,061	24,703
Conferences and meetings		7,603		7,603	18,999
Legal and accounting		13,760		13,760	13,335
Professional services			22,400	22,400	12,748
Miscellaneous					5,533
Postage and courier fees		5,094		5,094	5,366
Dues and subscriptions		2,380		2,380	3,375
Depreciation (Note 5)		2,056		2,056	2,295
Travel and entertainment		1,345		1,345	2,036
Taxes		1,293		1,293	1,523
D & O Insurance		1,400		1,400	1,400
Office supplies		2,010		2,010	1,070
Public relations/Promotion					297
Total Functional Expenses	<u>\$1,841,777</u>	<u>\$217,962</u>	<u>\$151,490</u>	<u>\$2,211,229</u>	<u>\$16,782,416</u>

See accompanying notes to financial statements

REGIONAL PARKS FOUNDATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$261,594	\$121,897
Adjustments to reconcile net assets to net cash provided by operating activities:		
Depreciation	2,056	2,295
Unrealized loss (gains) on investments	148,212	(96,587)
Changes in operating assets and liabilities:		
Contributions receivable	12,405	
Grant receivable		(12,500)
Prepaid expenses	(42,046)	6,694
Accounts payable	(1,696)	(418,545)
Accrued liabilities	1,024	15,614
Net Cash Provided (Used) by Operating Activities	381,549	(381,132)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of capital assets		(1,482)
Purchase of investments	(1,392,836)	(1,135,787)
Proceeds from sale of investments	1,248,764	1,113,230
Net Cash (Used) by Investing Activities	(144,072)	(24,039)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	237,477	(405,171)
Cash and cash equivalents, beginning of year	492,052	897,223
Cash and cash equivalents, end of year	\$729,529	\$492,052
<b>SUPPLEMENTAL DISCLOSURES:</b>		
Non-Cash Activities		
Contribution of property		\$14,360,000

No taxes or interest were paid by the Foundation during 2015 or 2014.

See accompanying notes to financial statements

**REGIONAL PARKS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2015**

**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 \$729,529 and \$492,052 at December 31, 2015 and 2014, respectively.

**REGIONAL PARKS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2015**

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

**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. The Foundation capitalizes property and equipment with an original cost in excess of \$500. 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, 2015**

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

**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, 2015 or 2014.

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. *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.

**J. *Comparative Data***

The financial statement information for the year ended December 31, 2014, 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.

**REGIONAL PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2015**

**NOTE 3 - INVESTMENTS**

The Foundation's investment policy allows management to invest in the following investment types:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u> <u>Minimum Investment</u>	<u>Maximum % of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
Money Market Funds	N/A	Grade	50%	None
Fixed Income	10 years	A	60%	10%
Real Estate/REITs	N/A	N/A	10%	None
Equities - Large Cap.	N/A	N/A	60%	5%
Equities - Medium Cap.	N/A	N/A	18%	5%
Equities - Small Cap.	N/A	N/A	12%	5%
Mutual Funds	N/A	N/A	60%	5%

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:

	<u>Fair Value (Level 1)</u>	
	<u>2015</u>	<u>2014</u>
Stocks/Bonds	\$862,742	\$845,670
Equities	1,263,158	1,256,332
Mutual funds	346,000	357,796
UBS money market	306,165	322,407
<b>Totals</b>	<u><u>\$2,778,065</u></u>	<u><u>\$2,782,205</u></u>

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

	<u>2015</u>	<u>2014</u>
Dividends and interest income	\$67,835	\$70,011
Realized gain on investments	99,879	172,732
Unrealized gain (loss) on investments	(148,214)	(96,587)
<b>Total</b>	<u><u>\$19,500</u></u>	<u><u>\$146,156</u></u>

**REGIONAL PARKS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2015**

**NOTE 4 - CONTRIBUTIONS RECEIVABLE**

Contributions receivable at December 31, 2015 and 2014 of \$145 and \$12,550, 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, 2015 or 2014.

**NOTE 5 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31:

	2015	2014
Computer equipment	\$62,776	\$62,776
Accumulated depreciation	(58,987)	(56,931)
Property and Equipment, net	\$3,789	\$5,845

Depreciation expense was \$2,056 and \$2,295 at December 31, 2015 and 2014, respectively.

**NOTE 6 - NET ASSETS**

**A. *Unrestricted***

Unrestricted net assets are not subject to donor-imposed stipulations. Unrestricted net assets at December 31, 2015 and 2014 amounted to \$422,623 and \$433,057, respectively.

**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 Board Designated Endowment Fund at December 31, 2015 and 2014 amounted to \$361,725 and \$362,252, respectively.

**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, 2015 and 2014, temporarily restricted net assets of \$2,346,102 and \$2,073,647 respectively, were available for use subject to donor-imposed restrictions, generally for the support of the District and its programs.

**REGIONAL PARKS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2015**

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

***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, 2015. These contributions are associated with the purposes of the Regional Park Foundation Endowment Fund.

Botanic Garden Endowment – Permanently restricted contributions of \$219,779 have been received as of December 31, 2015. 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.

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

	<u>2014</u>	<u>Additions</u>	<u>2015</u>
Campership Program	\$40,000		\$40,000
Regional Park Foundation Endowment	66,500		66,500
Botanic Garden Endowment	<u>219,679</u>	<u>\$100</u>	<u>219,779</u>
Permanently Restricted Assets	<u>\$326,179</u>	<u>\$100</u>	<u>\$326,279</u>

**REGIONAL PARKS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2015**

**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, 2015, consists of the following:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds		\$61,420	\$326,279	\$387,699
Board-designated endowment funds	<u>\$361,725</u>			<u>361,725</u>
Total fund	<u>\$361,725</u>	<u>\$61,420</u>	<u>\$326,279</u>	<u>\$749,424</u>

**REGIONAL PARKS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2015**

**NOTE 7 – ENDOWMENTS (Continued)**

The changes in endowment net assets for the year ended December 31, 2015, are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$362,252	\$61,929	\$326,179	\$750,360
Investment Return:				
Investment income	8,523	9,255		17,778
Realized Gain	12,720	13,729		26,449
Unrealized Gain (Loss)	(18,875)	(20,369)		(39,244)
Net appreciation (depreciation)	(6,155)	(6,640)		(12,795)
Contributions			100	100
Release of assets for fees and taxes	(2,895)	(3,124)		(6,019)
Endowment net assets, end of year	<u>\$361,725</u>	<u>\$61,420</u>	<u>\$326,279</u>	<u>\$749,424</u>

The endowment net asset composition by type of fund as of December 31, 2014, consists of the following:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds		\$61,929	\$326,179	\$388,108
Board-designated endowment funds	\$362,252			362,252
Total fund	<u>\$362,252</u>	<u>\$61,929</u>	<u>\$326,179</u>	<u>\$750,360</u>

**REGIONAL PARKS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2015**

**NOTE 7 – ENDOWMENTS (Continued)**

The changes in endowment net assets for the year ended December 31, 2014, are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$347,079	\$45,506	\$325,689	\$718,274
Investment Return:				
Investment income	8,829	9,585		18,414
Realized Gain	21,997	23,729		45,726
Unrealized Gain (Loss)	(12,300)	(13,274)		(25,574)
Net appreciation (depreciation)	9,697	10,455		20,152
Contributions			490	490
Release of assets for fees and taxes	(3,353)	(3,617)		(6,970)
Endowment net assets, end of year	<u>\$362,252</u>	<u>\$61,929</u>	<u>\$326,179</u>	<u>\$750,360</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 2015 and 2014, the Foundation received contributed services, supplies, and property with an estimated fair value of \$740,721 and \$15,095,314, respectively.

Of this amount, the donors contributed staffing and other services valued at \$740,721 and \$735,314 for the years ended December 31, 2015 and 2014, respectively. These amounts are reflected as both revenue and expense in the statement of activities.

**NOTE 9 - RELATED PARTY TRANSACTIONS**

For the years ended December 31, 2015 and 2014, respectively, the Foundation made distributions of \$829,474 and \$15,292,162 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, 2015**

**NOTE 10 - CONCENTRATIONS**

**A. *Contributors***

In 2015 and 2014, the East Bay Regional Park District contributed services that accounted for 30% and 4% respectively, of the Foundation's total support and revenue.

**B. *Membership Fees***

In 2015 and 2014, respectively, park membership fees accounted for 30% and 4% of the Foundation's total support and revenue.

**NOTE 11 – SUBSEQUENT EVENTS**

Regional Parks Foundation evaluated subsequent events for recognition and disclosure through May 26, 2016, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2015 that requires recognition or disclosure in such financial statements.