

EMERALD NECKLACE CONSERVANCY, INC.

FINANCIAL STATEMENTS

with

INDEPENDENT AUDITORS' REPORT

YEARS ENDED SEPTEMBER 30, 2024 AND 2023

Smith  Sullivan
& Brown PC

CERTIFIED PUBLIC ACCOUNTANTS

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EMERALD NECKLACE CONSERVANCY, INC.
REPORT ON FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2024 AND 2023



Mission Statement

To restore and improve the Emerald Necklace for all.

EMERALD NECKLACE CONSERVANCY, INC.

REPORT ON FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2024 AND 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Emerald Necklace Conservancy, Inc.
Boston, Massachusetts

Opinion

We have audited the accompanying financial statements of Emerald Necklace Conservancy, Inc. (a Massachusetts nonprofit organization), which comprise the statement of financial position as of September 30, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Emerald Necklace Conservancy, Inc. as of September 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

To the Board of Directors
Emerald Necklace Conservancy, Inc.


In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Emerald Necklace Conservancy, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Emerald Necklace Conservancy, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The nonaccounting information shown on pages 3 - 9, which is the responsibility of the management, is presented for purposes of additional analysis and is not a required part of the financial statements. The nonaccounting information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.



Westborough, Massachusetts
March 31, 2025

EMERALD NECKLACE CONSERVANCY, INC.

MANAGEMENT DISCUSSION OF ACTIVITIES AND STRATEGIC GOALS

SEPTEMBER 30, 2024

FY 2024 was an exciting year for the Emerald Necklace Conservancy (the “Conservancy”). The Conservancy continued to focus on core mission-driven work: park maintenance and restoration, people-centered programming and visitor services, and advocacy to protect and care for the historic Emerald Necklace; while also beginning to implement the growth and objectives outlined in the FY 2024 - FY 2028 Strategic Plan.

The Conservancy’s five strategic objectives will set the Conservancy up to achieve its strategic vision to create a thriving, symbiotic socioecological system where people and parks provide for each other. The first four objectives focus on what the Conservancy will do, and the fifth objective is representative of the “roots” of the Conservancy, outlining how it will build internal capacity and systems to support the other objectives.

1. Facilitate and promote excellent, equitable park maintenance and restoration.
2. Pursue targeted park improvement projects with broad social and/or environmental benefits.
3. Deepen opportunities for diverse park activation and human connection to nature, primarily through partnerships.
4. Establish the Conservancy as an essential voice in civic thought and action in Greater Boston.
5. Level up organizational practices and capacity commensurate with the Conservancy’s growth and prominence.

To meet these objectives, the Conservancy had 15 full-time staff positions in FY 2024, one part-time permanent staff position, eight part-time or seasonal staff members, two Northeastern University (“NEU”) students (6-month term each) through NEU’s Co-op program, and several consultants. The all-volunteer Board of Directors had 29 members and included the following committees: Executive; Finance and Investment; Governance; Advancement; Project Review; Audit; and Liff Fund. The Board of Directors met quarterly and the Executive Committee, consisting of 10 members, met eight times. The all-volunteer Park Advisors was comprised of representatives of 25 parks friends’ groups, community organizations and institutions and met bi-monthly to focus on system-wide park concerns and undertake collaborative projects. The Park Advisors have three working groups: Advocacy; Access; and Restoration and Maintenance.

Program Activities:

Olmsted Tree Society and Park Maintenance:

In FY 2022, the Conservancy wrapped up the first seven-year pruning cycle of all the Emerald Necklace trees in our 10,000+ tree inventory. In FY 2024, the Conservancy began the second seven-year cycle of pruning the inventory; the Conservancy pruned 715 trees in Olmsted Park which will keep the trees and park healthy and safe for years to come. In addition, in late FY 2024, the Conservancy conducted a re-inventory of the trees in the Back Bay Fens to prepare for the next park pruning project to take place in FY 2025.

The Conservancy’s watering truck watered more trees than ever in FY 2024, from June through October, 200 young trees throughout the Necklace were watered by the Conservancy team each week. Watering these young trees is a critical effort in supporting their establishment as urban planting sites are often difficult environments for growth: with heavy soil compaction, salinity, and impervious surfaces, and without adequate natural water until the trees can grow deep enough to access it. The Conservancy’s regular watering schedule helps ensure young trees take to their new environment and encourages deep root growth towards natural sources of water, which is critical for their long-term health.

EMERALD NECKLACE CONSERVANCY, INC.

MANAGEMENT DISCUSSION OF ACTIVITIES AND STRATEGIC GOALS

SEPTEMBER 30, 2024

(Continued)

For the fourth year in a row, the Conservancy planted new trees in the parks to celebrate Arbor Day at the end of April 2024 with the support and guidance of the Boston Parks and Recreation Department. The plantings in FY 2024 were done in Olmsted Park and were in partnership with PowerCorps trainees as well as urban forestry staff from the City of Boston, community volunteers, and certified arborists from Bartlett Tree Experts who donated the trees. Each of the 10 young trees were labeled with an informational placard and watered weekly by the Conservancy through October 2024. These trees will continue to be watered by the Conservancy over the next several years to ensure their health and longevity.

The Conservancy planted an additional eight trees in Jamaica Pond Park following Party in the Park. These native trees were planted by Conservancy staff and volunteers and were immediately incorporated into our regular watering program to support their establishment. The Conservancy also worked with Massachusetts Department of Conservation and Recreation (“DCR”) staff to identify locations for replanting along Park Drive and The Fenway in the Back Bay Fens, resulting in 25 new trees being added to that neighborhood.

The Conservancy also planted over 200 native shrubs and perennial plants in the Back Bay Fens as part of our continued investment in the planted area along The Fenway to improve the ecosystem. These plantings were watered and monitored throughout the summer, and further plantings will be considered based on survivorship rates.

For the third summer in a row, the Conservancy partnered with PowerCorps, the City of Boston’s green jobs training program, which provides young adults with training, career readiness support and connections to employers in the green industry. Alongside Conservancy staff, PowerCorps crews worked on restoration and maintenance projects in Olmsted Park, Franklin Park, Jamaica Pond, Riverway, and the Back Bay Fens. These projects focused on removing invasive plants to restore native habitat and doing so in priority locations that have been identified by the city and the community as needing further work. These PowerCorps crews covered over 110-acres of parkland throughout the Emerald Necklace, often returning to sites to ensure that seasonal growth is also being maintained. This ongoing relationship the Conservancy has with PowerCorps illustrates the importance of the Conservancy’s partnerships and the positive impact these partnerships can have on the health and care of the Emerald Necklace. The Conservancy is working to expand relationships with the PowerCorps program to create further opportunities for internships and specialized green skills training.

Advocacy:

In FY 2024, the Conservancy continued to advocate for several important projects and initiatives throughout the Emerald Necklace:

- The Charlesgate Revitalization project will relink areas of Emerald Necklace parks for pedestrians, cyclists and all users, with special focus on the Charlesgate area at the nexus of Kenmore Square, the Fenway and the Back Bay. Significant progress was made in FY 2024 on the Charlesgate Revitalization Project. In November 2022, the Massachusetts Department of Transportation (MassDOT) announced they had secured funding for two major projects surrounding Charlesgate: one that will replace the structurally deficient Bowker Overpass over I-90, and one to replace and reconfigure the Storrow Drive eastbound bridge over the Bowker overpass ramps. These two projects will help better manage traffic patterns, maximize parkland, and reestablish connections in the Emerald Necklace at Charlesgate.

EMERALD NECKLACE CONSERVANCY, INC.

MANAGEMENT DISCUSSION OF ACTIVITIES AND STRATEGIC GOALS

SEPTEMBER 30, 2024

(Continued)

- The long-time advocacy of the Charlesgate Alliance, Emerald Necklace Conservancy and others has led to MassDOT increasing the scale and budget for these two projects, originally planned as replacements “in-kind” for less than \$75M combined. Now at a total of \$180M, these projects will make landmark improvements to connectivity between Boston parks including the Back Bay Fens, Commonwealth Avenue and the Charles River Esplanade for both pedestrians and bicyclists. These projects will increase available and usable public greenspace in the area by several acres and make vast improvements to the ecology of the Muddy River through a critical daylighting of a key section of the Muddy River where it meets the Charles River at Charlesgate. The Conservancy and the Charlesgate Alliance commend MassDOT for these investments and look forward to working alongside our public partners as these projects come to fruition over the next several years.
- The Conservancy continued to advocate for the protection of former parkland and the protection of open space in and around Franklin Park. For several years the Conservancy and many community leaders have advocated for the consideration of publicly determined options for the future of the 13-acres of former parkland after the Commonwealth’s planned demolition of Shattuck Hospital. It is key that the public and the communities needs be engaged in parkland and public land planning and decision making. The Conservancy collaborated with various community groups and leaders concerned about the proposal for the reuse of parkland for housing for the formally homeless and other services in the park and within the neighboring environmental justice communities. As of late FY 2024, the proposed plans from Boston Medical Center are currently on hold. The Conservancy, along with community leaders and other advocates continue to explore alternative uses for the land. This collaborative effort aims to engage the community in envisioning new possibilities that align with local needs and priorities. Various stakeholders are likely evaluating options that could enhance community health, provide green space, or otherwise respond to community needs. Continued dialogue and feedback from residents will be crucial in shaping the future of the site and ensuring that any developments reflect the interests of the community.
- In FY 2024, the Conservancy continued its advocacy for Franklin Park, the largest park of the Emerald Necklace and the protection of several fundamental open space and environmental protections throughout the Commonwealth, including the Constitution’s Article 97/ “Public Land Protection Act” and environmental reviews, such as reviews by Massachusetts Environmental Policy Act (MEPA). At the end of calendar year 2024 City of Boston and a group of investors released a plan for the development for the demolition of the existing White Stadium in Franklin Park and the creation of a new, much larger for-profit and sports and entertainment complex for numerous acres of Franklin Park. The Conservancy is in full support of a renovation of White Stadium for the benefit of all Boston Public School student-athletes who currently utilize the stadium and for the communities that surround Franklin Park. The plan was not community determined, is not in line with the Franklin Park Action plan, the recently completed plan developed by City of Boston with community involvement. The project has continued without the reviews required, and the Conservancy and 20 citizen plaintiffs filed a legal complaint to defend the parkland and protect the community’s rights to the public land. The case is on-going.
- In partnership with DCR, the Conservancy advocated for safety improvements to the Arborway for improved cyclist and pedestrian access. DCR worked on the preferred alternative and its associated traffic report, including making adjustments based on feedback that they received over the last few months from stakeholder meetings. The preferred alternative and traffic report are being finalized, DCR expects to advance the project into design development.

EMERALD NECKLACE CONSERVANCY, INC.

MANAGEMENT DISCUSSION OF ACTIVITIES AND STRATEGIC GOALS

SEPTEMBER 30, 2024

(Continued)

- As a member of the Muddy River Maintenance and Management Oversight Committee (“MMOC”), the Conservancy continued to provide monitoring of the Muddy River Restoration Phase II project being conducted by the United States Army Corps of Engineers. The Phase II project was completed in November 2023, and the MMOC will continue to monitor the final steps including temporary fence removals and new plantings.
- The Conservancy continued to advocate for increased local, state and federal investment in parks maintenance and capital improvements. This advocacy work by the Conservancy and many others is critical in our efforts to encourage more critical funding of our parks.
- The Project Review Committee, a committee with members from both the Board of Directors and Park Advisors, reviewed development projects around the Emerald Necklace to provide feedback and comment in order to encourage and support development that is least impactful and most supportive to the Emerald Necklace.
- The Conservancy continued to advocate in FY 2024 for the development of systematic guidelines that could apply to development citywide, which, unlike many cities, Boston does not have. On January 19, 2023, the Boston Planning and Development Agency approved the Longwood Place project which will provide \$1M in funds for a study on the effects of shadow on parks. In FY 2024, the City of Boston moved forward with the study process and has created a website with a timeline (<https://www.boston.gov/departments/parks-and-recreation/study-shadow-impacts-bostons-parks>). The Conservancy looks forward to continuing to advocate for this important effort which aims to protect all parks. For more about sunshine policy advocacy, see here: <https://www.emeraldnecklace.org/restoration/advocacy/>

Park Care “Field” Volunteer Programs:

The Conservancy’s corporate volunteer days, *Days in the Dirt*, and our free public volunteer opportunities, *Tuesdays with Roses* and *Second Saturdays*, remained a popular offering for individuals and groups in FY 2024. Over 1,280 people volunteered with the Conservancy from October 2023 - September 2024 and helped maintain and restore the Emerald Necklace by raking leaves, picking up garbage, removing invasive plants, or planting new trees and shrubs. Volunteers spent 2,829 hours caring for the Emerald Necklace-work that is critical to the Conservancy’s mission.

The annual *Muddy River Cleanup* was held on April 20 and drew 280 volunteers, who removed over 3,700 pounds of trash and invasive plants from the parks. While attendance was lower for the 2024 Cleanup than in previous years due to rain on the day of, the cleanup was still a great success, since it provided much-needed spring maintenance across all of the Necklace’s parks and introduced many new volunteers to the Conservancy. A total of six companies and nineteen community groups from around Greater Boston joined the annual cleanup.

Cultural Partnerships and Parks Equity:

In FY 2024, the Conservancy continued the work started in 2022 during *Olmsted Now: Greater Boston’s Olmsted Bicentennial*. During the bicentennial year, the Emerald Necklace Conservancy partnered with the Frederick Law Olmsted National Historic Site (Fairsted) in Brookline to honor Olmsted’s legacy and the ideals with which he imbued the public spaces he designed: as sites of shared use, shared health and shared power. This coalition formed *Olmsted Now: Greater Boston’s Olmsted Bicentennial*.

EMERALD NECKLACE CONSERVANCY, INC.

MANAGEMENT DISCUSSION OF ACTIVITIES AND STRATEGIC GOALS

SEPTEMBER 30, 2024

(Continued)

In FY 2024, the Conservancy partnered with organizations already hosting events in the parks to offer more opportunities for inclusive programming elements like American sign-language (“ASL”) interpretation, BIPOC-led musical performances, and signage in multiple languages. Partners included: BAMSfest, Jamaica Plain (JP) Porchfest and Fenway Porchfest. The Conservancy also partnered with the Brookline Community Foundation to host the second annual *Brookline Community ParkFest* in Olmsted Park in Brookline, which was a day of family-friendly activities, dance performance and music, and informational booths from local organizations.

Youth Education and Connecting Boston’s Youth to their Public Parks:

The Conservancy’s *Green Team* is a summer youth environmental career exploration program which provides environmental education, leadership training and real work experience in the parks during an intensive six weeks through a partnership with the Boston Office of Youth Employment and Opportunity. In FY 2024, 11 Boston teens from Boston Public Schools participated in this paid educational employment program. Two part-time Crew Leaders and two Assistant Crew Leaders were hired and trained to assist education staff in program implementation. Participants regularly worked in various Emerald Necklace parks maintaining the landscape; took field trips and educational tours within the Necklace and beyond; participated in an anti-bullying and inclusion workshop; explored career pathways in environmental fields with the USDA Forest Service and Arnold Arboretum professional staff; participated in team building, and career soft-skills development activities.

Canopy Classroom is a place-based, environmental education program that is consistent with Boston Public School curriculum and state standards. The field-trip program held in Emerald Necklace parks connects Boston third graders with the importance of science in the real world and their daily lives. In FY 2024, the Conservancy worked with 28 schools and provided 1,019 student engagements through Canopy Classroom, increasing the number of engagements by 289 students this year compared to last year, and the most engagements for the program since it started in 2016.

In FY 2024, the Conservancy conducted the second year in a three-year pilot program called *Natural Ways*. Students in the program participate in summer nature connection activities, including but not limited to fishing, shelter building, campfire building, nature walks and games, all designed to develop their connection to the natural world, build an increased awareness of their senses, and deepen connections in their communities. This year, the Conservancy partnered with Codman Square Community Development Corporation, Roxbury Tenants of Harvard, and original partner Dorchester YMCA, for 155 youth engagements up from 45 in FY 2023.

In FY 2024, the Conservancy increased capacity in the Education Department hiring a full-time Education Manager. With this increase in staffing, the Conservancy was able to conduct six adult and family education programs. These programs welcomed 191 participants in FY 2024.

Signage and Navigation:

In FY 2024, the Conservancy installed updated educational displays in the Shattuck Visitor Center. These new displays add new focus on the Indigenous history of the parkland, the Charlesgate Revitalization, the Conservancy’s work and general information about all parks in the Emerald Necklace. In addition, the Conservancy added an interactive iPad to the center which enables visitors to learn more about the Conservancy, Frederick Law Olmsted and the Emerald Necklace. Visitation at the Shattuck Visitor Center increased in FY 2024 with over 4,400+ visitors, up 34% over FY 2023.

EMERALD NECKLACE CONSERVANCY, INC.

MANAGEMENT DISCUSSION OF ACTIVITIES AND STRATEGIC GOALS

SEPTEMBER 30, 2024

(Continued)

The Conservancy continued to display temporary signage throughout the Necklace to promote events, bring attention to the Shattuck Visitor Center, provide wayfinding through the parks, share information about the Muddy River Restoration Phase II, a project through the United States Army Corps of Engineers, and more.

Administration:

In FY 2024, the Conservancy added capacity by hiring a Director of Marketing and Communications, allowing the previous Director of Development and External Relations position to primarily focus on development and fundraising. In addition, the Conservancy added a Director of Community Partnerships position in the summer of FY 2024. This role focuses on the Conservancy's Cultural Partnerships work and develop relationships with new and existing partner organizations, groups and individuals to further the mission of the Conservancy.

Fundraising:

In FY 2024, the Conservancy had a very strong fundraising year, securing a total of \$4M in contributed revenue from individuals, foundations, corporations, government grants and fiscal sponsorship income. This comprehensive giving total includes annual operating revenue (\$3M); new gifts to the Charlesgate Park Revitalization Project (\$89,500), commitments to the Endowment (\$500,000), and restricted gifts received for specific program support and projects. The development team met its goals for growing the number of donors at the five-figure and six-figure levels and continued to shift its operations from transactional to relational fundraising, achieving increased donations from many of its core supporters. One hundred percent of the Conservancy's Board of Directors once again contributed to the organization's success with their time, expertise and a philanthropic gift.

In FY 2023, the Conservancy received two philanthropic commitments totaling \$2M to establish a general endowment to support the mission of the Conservancy. In FY 2024, the Conservancy continued to build on the endowment by securing an additional \$1M gift intention towards the endowment and unlocking a \$500k matching gift from an anonymous donor for the general endowment. The match challenge for the Conservancy's general endowment continues until December 31, 2028 and is structured in this way: for every \$1.5M in donor commitments to the endowment (outright gifts, pledges or qualifying planned gifts), the original matching donor will release \$500K in matching funds. When the challenge is fully met, it will bring the Conservancy's general endowment to the initial goal of \$7M.

In September 2024, the Conservancy received an additional transformative commitment to its growth and implementation of its strategic plan over FY 2024 - FY 2026 in the form of a \$2.5M combined gift and challenge grant. An outright gift of \$500K was accompanied by two successive \$1M challenge grant pledges: for FY 2025, all qualifying donations (gifts from new donors or increased gifts year over year between FY 2024 and FY 2025) are matched 1:1. For FY 2026, gifts will be matched 2:1 (for every \$2 in qualifying gifts, a match of \$1 will be released). This investment in the Conservancy's growth and a motivational challenge for broadening and increasing our base of supporters is a testament to the Conservancy's vision and strategic plan to meet the needs of the Emerald Necklace park system.

EMERALD NECKLACE CONSERVANCY, INC.

MANAGEMENT DISCUSSION OF ACTIVITIES AND STRATEGIC GOALS

SEPTEMBER 30, 2024

(Continued)

Working with the Marketing & Communications team, the Development team also introduced new tools and portals for reaching entry-level donors: we established a Venmo account and promoted it at the Shattuck Visitor Center, on the Conservancy's watering truck, printed onto 13,000 new foldout maps of the Emerald Necklace and on the summer appeal mailing. A GoFundMe page was also created to support the Conservancy's advocacy work for Franklin Park's White Stadium. A grant writing consultant was retained to support a robust and growing pipeline of foundation, corporate and government granting relationships. The Development Team also worked with the finance team to map out the needed investments for implementing the comprehensive FY 2024 - 2028 strategic plan into a five-year budget and action item roadmap, and created an illustrated summary document to inspire investment in the Conservancy's growth - which can be found at www.emeraldnecklace.org/sp24-28.

In sum, in FY 2024, the Conservancy focused on the first year of a five-year growth trajectory as outlined in the strategic plan. The Conservancy's core work on thoughtful parks care, people-focused partnerships and community driven policy work continued with a special focus on advocacy work to ensure the historic Emerald Necklace is protected for generations to come.

Karen Mauney-Brodek
President



EMERALD NECKLACE CONSERVANCY, INC.

STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2024

(With Summarized Comparative Totals for 2023)

<u>ASSETS</u>	<u>GENERAL OPERATIONS</u>	<u>SHATTUCK VISITOR CENTER</u>	<u>LIFF FUND</u>	<u>CHARLES GATE PROJECT</u>	<u>2024 TOTAL</u>	<u>2023 TOTAL</u>
<u>CURRENT ASSETS:</u>						
Cash and Cash Equivalents	\$ 602,571	\$ -	\$ -	\$ 2,040,162	\$ 2,642,733	\$ 2,488,557
Gifts and Grants Receivable	204,647	-	-	-	204,647	110,167
Curley House Receivable	-	-	-	-	-	64,270
Prepaid Expenses	132,414	-	-	-	132,414	58,196
Short-Term Investments	87,241	-	-	-	87,241	197,729
Total Current Assets	<u>1,026,873</u>	<u>-</u>	<u>-</u>	<u>2,040,162</u>	<u>3,067,035</u>	<u>2,918,919</u>
<u>NET PROPERTY AND EQUIPMENT</u>	<u>21,011</u>	<u>595,156</u>	<u>-</u>	<u>-</u>	<u>616,167</u>	<u>649,346</u>
<u>NON-CURRENT ASSETS:</u>						
Gifts and Grants Receivable, Non-Current	-	-	-	-	-	25,000
Long-Term Investments	-	-	4,011,625	-	4,011,625	3,443,096
Endowment Investments	2,608,236	979,210	-	-	3,587,446	2,889,686
Total Non-Current Assets	<u>2,608,236</u>	<u>979,210</u>	<u>4,011,625</u>	<u>-</u>	<u>7,599,071</u>	<u>6,357,782</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,656,120</u>	<u>\$ 1,574,366</u>	<u>\$ 4,011,625</u>	<u>\$ 2,040,162</u>	<u>\$ 11,282,273</u>	<u>\$ 9,926,047</u>
<u>LIABILITIES AND NET ASSETS</u>						
<u>CURRENT LIABILITIES:</u>						
Accounts Payable and Accrued Expenses	\$ 58,413	\$ -	\$ -	\$ -	\$ 58,413	\$ 83,044
Accrued Payroll and Related Costs	131,860	-	-	-	131,860	88,087
Total Current Liabilities	<u>190,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,273</u>	<u>171,131</u>
<u>TOTAL LIABILITIES</u>	<u>190,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,273</u>	<u>171,131</u>
<u>NET ASSETS:</u>						
Net Assets Without Donor Restrictions:						
Undesignated	568,526	595,156	-	-	1,163,682	1,402,301
Board Designated	-	-	4,011,625	-	4,011,625	3,443,096
Total Net Assets Without Donor Restrictions	568,526	595,156	4,011,625	-	5,175,307	4,845,397
Net Assets With Donor Restrictions	2,897,321	979,210	-	2,040,162	5,916,693	4,909,519
Total Net Assets	<u>3,465,847</u>	<u>1,574,366</u>	<u>4,011,625</u>	<u>2,040,162</u>	<u>11,092,000</u>	<u>9,754,916</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 3,656,120</u>	<u>\$ 1,574,366</u>	<u>\$ 4,011,625</u>	<u>\$ 2,040,162</u>	<u>\$ 11,282,273</u>	<u>\$ 9,926,047</u>

EMERALD NECKLACE CONSERVANCY, INC.

STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2023

<u>ASSETS</u>	<u>GENERAL PROGRAMS/ OPERATIONS</u>	<u>SHATTUCK VISITOR CENTER</u>	<u>LIFF FUND</u>	<u>CHARLESGATE PROJECT</u>	<u>TOTAL</u>
<u>CURRENT ASSETS:</u>					
Cash and Cash Equivalents	\$ 573,223	\$ -	\$ -	\$ 1,915,334	\$ 2,488,557
Gifts and Grants Receivable	110,167	-	-	-	110,167
Curley House Receivable	64,270	-	-	-	64,270
Prepaid Expenses	58,196	-	-	-	58,196
Short-Term Investments	197,729	-	-	-	197,729
Total Current Assets	<u>1,003,585</u>	<u>-</u>	<u>-</u>	<u>1,915,334</u>	<u>2,918,919</u>
<u>NET PROPERTY AND EQUIPMENT</u>	<u>31,518</u>	<u>617,828</u>	<u>-</u>	<u>-</u>	<u>649,346</u>
<u>NON-CURRENT ASSETS:</u>					
Gifts and Grants Receivable, Non-Current	25,000	-	-	-	25,000
Long-Term Investments	-	-	3,443,096	-	3,443,096
Shattuck Endowment Investments	2,055,739	833,947	-	-	2,889,686
Total Non-Current Assets	<u>2,080,739</u>	<u>833,947</u>	<u>3,443,096</u>	<u>-</u>	<u>6,357,782</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,115,842</u>	<u>\$ 1,451,775</u>	<u>\$ 3,443,096</u>	<u>\$ 1,915,334</u>	<u>\$ 9,926,047</u>
<u>LIABILITIES AND NET ASSETS</u>					
<u>CURRENT LIABILITIES:</u>					
Accounts Payable and Accrued Expenses	\$ 83,044	\$ -	\$ -	\$ -	\$ 83,044
Accrued Payroll and Related Costs	88,087	-	-	-	88,087
Total Current Liabilities	<u>171,131</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,131</u>
<u>TOTAL LIABILITIES</u>	<u>171,131</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,131</u>
<u>NET ASSETS:</u>					
Net Assets Without Donor Restrictions:					
Undesignated	784,473	617,828	-	-	1,402,301
Board Designated	-	-	3,443,096	-	3,443,096
Total Net Assets Without Donor Restrictions	<u>784,473</u>	<u>617,828</u>	<u>3,443,096</u>	<u>-</u>	<u>4,845,397</u>
Net Assets With Donor Restrictions	2,160,238	833,947	-	1,915,334	4,909,519
Total Net Assets	<u>2,944,711</u>	<u>1,451,775</u>	<u>3,443,096</u>	<u>1,915,334</u>	<u>9,754,916</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 3,115,842</u>	<u>\$ 1,451,775</u>	<u>\$ 3,443,096</u>	<u>\$ 1,915,334</u>	<u>\$ 9,926,047</u>

EMERALD NECKLACE CONSERVANCY, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(With Summarized Comparative Totals for 2023)

	<u>WITHOUT DONOR RESTRICTIONS</u>			<u>WITH</u>	<u>TOTAL ACTIVITIES</u>	
	<u>UNDESIGNATED</u>	<u>BOARD DESIGNATED LIFF FUND</u>	<u>TOTAL WITHOUT DONOR RESTRICTIONS</u>	<u>DONOR RESTRICTIONS</u>	<u>2024</u>	<u>2023</u>
<u>SUPPORT, REVENUES AND RECLASSIFICATIONS:</u>						
<i>Public Support and Event Revenues:</i>						
Gifts, Grants and Contributions	\$ 1,897,909	\$ 7,150	\$ 1,905,059	\$ 1,549,916	\$ 3,454,975	\$ 4,329,143
Special Event Proceeds <i>(Note 8)</i>	-	670,960	670,960	-	670,960	599,610
Less: Cost of Direct Benefits to Donors	-	(317,208)	(317,208)	-	(317,208)	(301,837)
Donated Goods and Services	87,823	-	87,823	-	87,823	57,991
<i>Other Revenues:</i>						
Fiscally Sponsored Projects	-	-	-	83,304	83,304	382,465
Investment Return	13,880	719,655	733,535	309,355	1,042,890	492,621
<i>Reclassification of Net Assets - Released from Restrictions:</i>						
Satisfaction of Donor Restrictions	1,447,429	(512,028)	935,401	(935,401)	-	-
<u>TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS</u>	<u>3,447,041</u>	<u>568,529</u>	<u>4,015,570</u>	<u>1,007,174</u>	<u>5,022,744</u>	<u>5,559,993</u>
<u>EXPENSES:</u>						
Program Services	2,188,113	-	2,188,113	-	2,188,113	1,297,819
Administrative	740,123	-	740,123	-	740,123	616,115
Fund Raising	757,424	-	757,424	-	757,424	744,186
<u>TOTAL EXPENSES</u>	<u>3,685,660</u>	<u>-</u>	<u>3,685,660</u>	<u>-</u>	<u>3,685,660</u>	<u>2,658,120</u>
<u>CHANGE IN NET ASSETS</u>	<u>(238,619)</u>	<u>568,529</u>	<u>329,910</u>	<u>1,007,174</u>	<u>1,337,084</u>	<u>2,901,873</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>1,402,301</u>	<u>3,443,096</u>	<u>4,845,397</u>	<u>4,909,519</u>	<u>9,754,916</u>	<u>6,853,043</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 1,163,682</u>	<u>\$ 4,011,625</u>	<u>\$ 5,175,307</u>	<u>\$ 5,916,693</u>	<u>\$ 11,092,000</u>	<u>\$ 9,754,916</u>

EMERALD NECKLACE CONSERVANCY, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>WITHOUT DONOR RESTRICTIONS</u>				
	<u>UNDESIGNATED</u>	<u>BOARD DESIGNATED LIFF FUND</u>	<u>TOTAL WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL ACTIVITIES</u>
<u>SUPPORT, REVENUES AND RECLASSIFICATIONS:</u>					
<i>Public Support and Event Revenues:</i>					
Gifts, Grants and Contributions	\$ 2,089,632	\$ 14,152	\$ 2,103,784	\$ 2,225,359	\$ 4,329,143
Special Event Proceeds (Note 8)	-	599,610	599,610	-	599,610
Less: Cost of Direct Benefits to Donors	-	(301,837)	(301,837)	-	(301,837)
Donated Goods and Services	57,991	-	57,991	-	57,991
<i>Other Revenues:</i>					
Fiscally Sponsored Projects	-	-	-	382,465	382,465
Investment Return	131,790	248,589	380,379	112,242	492,621
<i>Reclassification of Net Assets - Released from Restrictions:</i>					
Satisfaction of Donor Restrictions	734,250	(392,820)	341,430	(341,430)	-
<u>TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS</u>	<u>3,013,663</u>	<u>167,694</u>	<u>3,181,357</u>	<u>2,378,636</u>	<u>5,559,993</u>
<u>EXPENSES:</u>					
Program Services	1,297,819	-	1,297,819	-	1,297,819
Administrative	616,115	-	616,115	-	616,115
Fund Raising	744,186	-	744,186	-	744,186
<u>TOTAL EXPENSES</u>	<u>2,658,120</u>	<u>-</u>	<u>2,658,120</u>	<u>-</u>	<u>2,658,120</u>
<u>CHANGE IN NET ASSETS</u>	<u>355,543</u>	<u>167,694</u>	<u>523,237</u>	<u>2,378,636</u>	<u>2,901,873</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>1,046,758</u>	<u>3,275,402</u>	<u>4,322,160</u>	<u>2,530,883</u>	<u>6,853,043</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 1,402,301</u>	<u>\$ 3,443,096</u>	<u>\$ 4,845,397</u>	<u>\$ 4,909,519</u>	<u>\$ 9,754,916</u>

EMERALD NECKLACE CONSERVANCY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

(Page 1 of 2)

	<u>TOTAL</u> <u>PROGRAM</u> <u>SERVICES</u>	<u>ADMINI-</u> <u>STRATIVE</u>	<u>FUND RAISING AND EVENTS</u>			<u>TOTAL</u> <u>FUNCTIONAL</u> <u>EXPENSES</u>
			<u>FUND</u> <u>RAISING</u>	<u>EVENTS</u>	<u>SUB-</u> <u>TOTAL</u>	
Personnel Costs	\$ 884,036	\$ 408,931	\$ 319,962	\$ 86,650	\$ 406,612	\$ 1,699,579
Consultants and Professional Fees	865,508	208,530	62,340	192,161	254,501	1,328,539
Forestry/Arborist/Horticulture Fees	143,885	-	-	-	-	143,885
Fiscally Sponsored Projects	30,380	-	-	-	-	30,380
Program Costs and Event Expenses	77,494	10,667	16,409	6,555	22,964	111,125
Donated Curley House Rent (Note 12)	33,430	15,464	12,099	3,277	15,376	64,270
Occupancy	20,539	7,892	4,289	1,161	5,450	33,881
Insurance	18,939	14,578	6,855	1,856	8,711	42,228
Depreciation and Amortization	33,179	-	-	-	-	33,179
Office Supplies and Expenses	17,805	16,675	4,530	1,008	5,538	40,018
Minor Equipment Purchases and Rentals	8,264	667	-	2,731	2,731	11,662
Communications and Technology	15,648	28,978	28,350	892	29,242	73,868
Staff Travel and Mileage	35,955	3,361	1,703	204	1,907	41,223
Staff Recruitment and Development	1,307	16	-	-	-	1,323
Advertising	801	310	846	2,080	2,926	4,037
Dues, Subscriptions and Fees	943	24,054	-	1,466	1,466	26,463
Total Expenses Per Statement of Activities	2,188,113	740,123	457,383	300,041	757,424	3,685,660
Costs of Direct Benefits to Donors	-	-	-	317,208	317,208	317,208
Total Functional Expenses	\$ 2,188,113	\$ 740,123	\$ 457,383	\$ 617,249	\$ 1,074,632	\$ 4,002,868

EMERALD NECKLACE CONSERVANCY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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	PROGRAM SERVICES							<u>TOTAL</u> <u>PROGRAM</u> <u>SERVICES</u>
	<u>VISITOR</u> <u>SERVICES</u>	<u>COMMUNITY</u> <u>PROGRAMS</u>	<u>YOUTH</u> <u>PROGRAMS</u>	<u>VOLUNTEER</u> <u>PROGRAM</u>	<u>MAINT./</u> <u>RESTORATION/</u> <u>PRESERVATION</u>	<u>ADVOCACY AND</u> <u>COMMUNITY</u> <u>ENGAGEMENT</u>	<u>CHARLES</u> <u>GATE</u> <u>PROJECT</u>	
Personnel Costs	\$ 222,998	\$ 101,764	\$ 143,321	\$ 61,890	\$ 97,929	\$ 231,705	\$ 24,429	\$ 884,036
Consultants and Professional Fees	34,078	79,694	-	-	18,203	708,694	24,839	865,508
Forestry/Arborist/Horticulture Fees	-	-	-	-	143,885	-	-	143,885
Fiscally Sponsored Projects	-	-	-	-	-	-	30,380	30,380
Program Costs and Event Expenses	11,329	17,637	22,144	3,669	13,058	9,640	17	77,494
Donated Curley House Rent (Note 12)	8,433	3,848	5,420	2,340	3,703	8,762	924	33,430
Occupancy	11,530	1,364	1,921	978	1,313	3,106	327	20,539
Insurance	4,777	2,180	3,070	1,326	2,099	4,964	523	18,939
Depreciation	22,673	-	-	-	10,506	-	-	33,179
Office Supplies and Expenses	1,931	9,051	22	-	98	6,703	-	17,805
Minor Equipment Purchases and Rentals	-	1,023	4,412	409	2,420	-	-	8,264
Communications and Technology	14,852	-	-	226	570	-	-	15,648
Staff Travel and Mileage	47	2,588	24,358	128	2,659	6,096	79	35,955
Staff Recruitment and Development	-	865	442	-	-	-	-	1,307
Advertising	-	-	250	-	351	200	-	801
Dues, Subscriptions and Fees	-	943	-	-	-	-	-	943
Total Program Expenses	\$ 332,648	\$ 220,957	\$ 205,360	\$ 70,966	\$ 296,794	\$ 979,870	\$ 81,518	\$ 2,188,113

EMERALD NECKLACE CONSERVANCY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

(Page 1 of 2)

	<u>TOTAL</u> <u>PROGRAM</u> <u>SERVICES</u>	<u>ADMINI-</u> <u>STRATIVE</u>	<u>FUND RAISING AND EVENTS</u>			<u>TOTAL</u> <u>FUNCTIONAL</u> <u>EXPENSES</u>
			<u>FUND</u> <u>RAISING</u>	<u>EVENTS</u>	<u>SUB-</u> <u>TOTAL</u>	
Personnel Costs	\$ 704,124	\$ 186,695	\$ 347,012	\$ 85,426	\$ 432,438	\$ 1,323,257
Consultants and Professional Fees	311,034	278,670	94,768	61,790	156,558	746,262
Forestry/Arborist/Horticulture Fees	14,976	-	-	-	-	14,976
Fiscally Sponsored Projects	18,624	-	-	-	-	18,624
Grant Expense	32,000	-	-	-	-	32,000
Program Costs and Event Expenses	21,174	38,698	15,036	25,593	40,629	100,501
Donated Curley House Rent <i>(Note 12)</i>	34,931	8,310	16,848	4,181	21,029	64,270
Occupancy	42,978	7,708	15,629	3,878	19,507	70,193
Insurance	14,255	9,044	6,856	1,701	8,557	31,856
Depreciation and Amortization	18,033	4,290	8,698	2,158	10,856	33,179
Office Supplies and Expenses	16,157	9,776	6,329	588	6,917	32,850
Minor Equipment Purchases and Rentals	40,430	771	363	15,584	15,947	57,148
Communications and Technology	15,102	24,195	26,237	1,442	27,679	66,976
Staff Travel and Mileage	12,857	7,357	579	153	732	20,946
Staff Recruitment and Development	835	14,712	90	-	90	15,637
Advertising	309	349	247	3,000	3,247	3,905
Dues, Subscriptions and Fees	-	25,540	-	-	-	25,540
Total Expenses Per Statement of Activities	1,297,819	616,115	538,692	205,494	744,186	2,658,120
Costs of Direct Benefits to Donors	-	-	-	301,837	301,837	301,837
Total Functional Expenses	<u>\$ 1,297,819</u>	<u>\$ 616,115</u>	<u>\$ 538,692</u>	<u>\$ 507,331</u>	<u>\$ 1,046,023</u>	<u>\$ 2,959,957</u>

EMERALD NECKLACE CONSERVANCY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

(Page 2 of 2)

	PROGRAMS							<u>TOTAL</u> <u>PROGRAM</u> <u>SERVICES</u>
	<u>VISITOR</u> <u>SERVICES</u>	<u>COMMUNITY</u> <u>PROGRAMS</u>	<u>YOUTH</u> <u>PROGRAMS</u>	<u>VOLUNTEER</u> <u>PROGRAM</u>	<u>MAINT./</u> <u>RESTORATION/</u> <u>PRESERVATION</u>	<u>ADVOCACY AND</u> <u>COMMUNITY</u> <u>ENGAGEMENT</u>	<u>CHARLESGATE</u> <u>PROJECT</u>	
Personnel Costs	\$ 140,211	\$ 138,897	\$ 28,558	\$ 65,882	\$ 127,776	\$ 175,048	\$ 27,752	\$ 704,124
Consultants and Professional Fees	43,028	121,550	19,078	15,448	38,259	46,620	27,051	311,034
Forestry/Arborist/Horticulture Fees	-	-	-	-	14,976	-	-	14,976
Fiscally Sponsored Projects	-	-	-	-	1,650	-	16,974	18,624
Grant Expense	-	32,000	-	-	-	-	-	32,000
Program Costs and Event Expenses	667	6,473	8,090	2,375	2,367	1,202	-	21,174
Donated Curley House Rent (Note 12)	6,884	6,858	1,415	3,264	6,399	8,726	1,385	34,931
Occupancy	13,060	6,361	1,313	3,028	9,836	8,095	1,285	42,978
Insurance	2,801	2,791	576	1,328	2,644	3,551	564	14,255
Depreciation and Amortization	3,554	3,540	731	1,685	3,303	4,505	715	18,033
Office Supplies and Expenses	6,205	1,641	25	1,978	2,003	2,327	1,978	16,157
Minor Equipment Purchases and Rentals	-	34,239	4,404	962	825	-	-	40,430
Communications and Technology	4,183	1,635	338	1,613	3,300	2,844	1,189	15,102
Staff Travel and Mileage	277	273	11,481	92	323	324	87	12,857
Staff Recruitment and Development	-	-	710	-	75	50	-	835
Advertising	-	309	-	-	-	-	-	309
Dues, Subscriptions and Fees	-	-	-	-	-	-	-	-
Total Program Expenses	\$ 220,870	\$ 356,567	\$ 76,719	\$ 97,655	\$ 213,736	\$ 253,292	\$ 78,980	\$ 1,297,819

EMERALD NECKLACE CONSERVANCY, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in Net Assets	\$ <u>1,337,084</u>	\$ <u>2,901,873</u>
<i>Adjustments to Reconcile the Above to Net Cash Provided (Used) by Operating Activities:</i>		
Donated Stock	(43,531)	(44,118)
Donated Curley House Rent	64,270	64,270
Depreciation	33,179	33,179
Endowment Contributions	(500,000)	(2,000,000)
Investment Return	(1,042,890)	(492,621)
<i>(Increase) Decrease in Current Assets:</i>		
Gifts and Grants Receivable	(94,480)	449,873
Prepaid Expenses	(74,218)	(12,455)
<i>Increase (Decrease) in Current Liabilities:</i>		
Accounts Payable and Accrued Expenses	(24,631)	(14,993)
Accrued Payroll and Related Costs	43,773	(3,003)
<i>(Increase) Decrease in Non-Current Assets:</i>		
Gifts and Grants Receivable	<u>25,000</u>	<u>(8,500)</u>
Net Adjustment	<u>(1,613,528)</u>	<u>(2,028,368)</u>
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>(276,444)</u>	<u>873,505</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Investment Purchases	(1,798,175)	(2,958,521)
Net Proceeds from Sales of Investments	<u>1,728,795</u>	<u>1,188,883</u>
Net Cash Flows from Investing Activities	<u>(69,380)</u>	<u>(1,769,638)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
Proceeds from Endowment Contributions	<u>500,000</u>	<u>2,000,000</u>
Net Cash Flows from Financing Activities	<u>500,000</u>	<u>2,000,000</u>
<u>NET INCREASE IN CASH AND CASH EQUIVALENTS</u>	<u>154,176</u>	<u>1,103,867</u>
<u>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</u>	<u>2,488,557</u>	<u>1,384,690</u>
<u>CASH AND CASH EQUIVALENTS - END OF YEAR</u>	<u>\$ 2,642,733</u>	<u>\$ 2,488,557</u>

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

NOTE 1 ORGANIZATION

Emerald Necklace Conservancy, Inc. (“Emerald Necklace”, the “Conservancy” or the “Organization”) was incorporated under Massachusetts General Laws Chapter 180 in 1997. The Conservancy has received a determination letter that confirms its qualification as a tax-exempt, not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code (“IRC”). The Conservancy has been classified by the IRS as an organization which is not a private foundation under IRC Section 509(a). Accordingly, contributions made by individuals qualify for the maximum permitted charitable deduction for federal income tax purposes.

NOTE 2 PROGRAM SERVICES

The mission of the Emerald Necklace Conservancy is to restore and improve the Emerald Necklace for all. The Conservancy is a community-supported nonprofit founded in 1997 to steward and champion the Emerald Necklace, Boston’s largest park system of six distinct parks - Back Bay Fens, including Charlesgate, Riverway, Olmsted Park, Jamaica Pond, Arnold Arboretum and Franklin Park - designed by Frederick Law Olmsted to connect over fifteen neighborhoods with 1,100 acres of meadows, woodlands, waterways, paths and four parkways: Fenway, Riverway, Jamaicaaway and Arborway.

The Conservancy collaborates with the three primary public partners that oversee the Emerald Necklace: City of Boston, Town of Brookline and Commonwealth of Massachusetts. It is the only organization that brings together the Necklace’s residential neighbors, community and business leaders, park advocates and government agencies and officials to work for the renewal of this historic park system. Working with its partners, the Conservancy strengthens parks, people and policy by advocating for the Emerald Necklace and advancing access, maintenance and restoration, park stewardship and education through volunteer and youth programs and inclusive public programming. The parks serve as a healing respite from the city, a valuable commuting connector and a community convener.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The financial statements of the Emerald Necklace Conservancy, Inc. have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (“GAAP”) and accordingly, reflect all significant receivables, payables and other liabilities.

Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates; however, adherence to generally accepted accounting principles, has in management’s opinion, resulted in reliable and consistent financial reporting by the Organization.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 3 (Continued)

Fair Value of Financial Instruments:

The Organization reports its fair value measures by using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1 - Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; observable inputs other than quoted prices for the asset or liability (for example, interest rate and yield curves); and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The primary use of fair value measures in the Organization's financial statements are the initial measurement of unconditional promises to give and the recurring measurement of the Organization's investments.

Financial Statement Presentation:

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. These classifications are related to the existence or absence of donor-imposed restrictions as defined below.

Net Assets Without Donor Restrictions - Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. In addition, net assets within this classification include funds which represent resources designated by the Board of Directors for specific purposes.

Net Assets With Donor Restrictions - Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity. For the years presented, the Wendy Shattuck Endowment Fund ("Shattuck Endowment") and The Endowment are required to be maintained in perpetuity, but the Conservancy is permitted to expend part of the income derived from these assets as outlined in the endowment policies. The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 3 (Continued)

Cash and Cash Equivalents:

For the purpose of these financial statements, the Organization considers equivalent to cash all money market funds and similar deposit accounts. *Cash and Cash Equivalents* includes a Fidelity Investments Money Market Account and a Citizens sweep account held in a U.S. Treasury Fund.

Receivables:

Gifts and Grants Receivable reflects amounts due from unconditional promises to give and grant commitments. *Curley House Receivable* reflects unconditional promises to give non-cash assets and commitments for pro-bono rent. Receivables are classified as current if they are scheduled for payment within one year, and non-current when the expected payment date exceeds one year. As of September 30, 2024, all receivables are classified as current. As of September 30, 2023, all non-current receivables were due within two years. Management periodically reviews specific grants, commitments and agreements to determine if any balances are uncollectible. Management believes that all receivables are collectible; therefore, no allowance for doubtful amounts has been established. If balances due are determined to be uncollectible in subsequent periods, an allowance will be established at that time. For the years presented, there were no losses on uncollectible pledges receivable.

Property and Equipment:

Property, equipment, furnishing and improvement purchases in excess of \$500 are capitalized at cost, if purchased, or if donated, at fair value on the date of receipt. Expenditures for maintenance repairs and renewals are charged to expense as incurred, whereas, major betterments are capitalized as additions to property and equipment. Depreciation of property and equipment is computed using the straight-line method, and is charged against support and revenues over the estimated useful lives of the assets, as expressed in terms of years.

Leases:

The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities in the Statements of Financial Position. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

The operating lease ROU asset includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

As most of the leases do not provide an implicit rate, the Organization has elected to use a risk-free rate since the rate inherent in the lease is unknown. The Organization has also elected the practical expedient to not separate lease and non-lease components for its leases.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 3 *(Continued)*

Donated Goods, Services and Facilities:

Emerald Necklace Conservancy, Inc. maintains a policy whereby the value of the donated goods and services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recognized as revenue on the Statement of Activities and are reported as expenses on the Statement of Functional Expenses. Members of the Board of Directors and other volunteers donated numerous hours of service which, while significant, do not meet the recognition criteria, and therefore, have not been recorded in the accompanying financial statements. For the year ended September 30, 2024, Emerald Necklace Conservancy recorded \$32,269 of pro-bono legal services, an administrative cost, and \$55,554 of Party in the Park donated goods and services, a fundraising cost. For the year ended September 30, 2023, Emerald Necklace Conservancy recorded \$ 57,991, respectively, of pro-bono legal services, an administrative cost. All donated goods and services received during the years presented were unrestricted and were recognized at fair value.

Investments:

The Organization maintains professionally managed investment portfolios which may include money market funds, bonds, publicly traded equity securities and mutual funds that are reported at fair value. Investment purchases are recorded at cost, or if donated at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Statement of Financial Position. Net investment return (loss) is reported in the Statement of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses. Cash held in brokerage accounts is reported as investments for purposes of these financial statements. Investments are classified as either short-term or long-term depending on the underlying intentions. *Endowment Investments* are classified as long-term regardless of the investment liquidity.

Endowment Funds:

Wendy Shattuck Endowment Fund:

During 2011, a donor made a contribution of \$250,000 to establish a donor-restricted endowment fund, known as the Wendy Shattuck Endowment Fund. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The agreement with the original donor provides that expenditures from the fund will be made only from the investment income earned on the fund including both realized and unrealized capital gains (spendable income). Expenditures are limited to 5% of the three-year average of net fair value of the fund and may not exceed 75% of the accumulated and unspent spendable income from not more than the two prior years. All expenditures from the fund must be in support of projects approved by the Board of Directors. Additionally, the Shattuck Fund Committee must approve all expenditures from the fund. The donor has retained the right to approve a majority of the members of this Committee and the Committee will be comprised of at least one family member of the donor.

Income and appreciation earned on the Wendy Shattuck Endowment investments are classified as net assets with donor restrictions until appropriated for expenditure by the Shattuck Fund Committee based on the above factors.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 3 (Continued)

The Endowment:

During FY 2023, the Organization received contributions of \$2,000,000 to establish a donor-restricted general operating endowment fund known as The Endowment (the "Fund"). The purpose of the Fund is to utilize income and growth in furtherance of the Organization's mission. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Fund is administered by the Organization's Investment Committee, subject to the oversight of the Board of Directors, and the Investment Committee may annually appropriate an amount that is determined to be prudent in light of the purposes of the Fund and the intent that the Fund continue in perpetuity. The spending rate is between 3.5% and 7%, as determined by the Investment Committee each year, of the average quarterly fair market value of the Fund over the preceding three years.

As required by the Commonwealth of Massachusetts, the Organization follows the guidance of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). UPMIFA establishes law for the management and investment of donor-restricted endowment funds. The Board of Directors' interpretation of state law is that the Organization, absent explicit donor stipulations to the contrary, may appropriate as much of the net appreciation as is prudent considering the Organization's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price-level trends, and general economic conditions.

The Organization takes a conservative approach to investing its endowment funds, which are maintained in money market funds and publicly traded securities and are reported as *Endowment Investments* in the accompanying Statements of Financial Position.

Gifts, Grants and Contributions:

The Organization is the beneficiary of contributions in the form of grants from other organizations, governmental agencies, donations of cash and financial assets from individuals and contributions of nonfinancial assets. Contributions, including promises to give, without donor conditions are recognized as revenue at their estimated fair value at the date of donation and classified as either with or without donor restrictions depending on the donor's stipulations or lack thereof. Unconditional, multi-year commitments are recognized in the year during which the initial commitment is made at the amount that the Organization reasonably expects to collect. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved when such amounts are considered material. Amounts receivable from donors are evaluated yearly for collectability and an allowance for uncollectible pledges is recorded as necessary.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions until the restriction are met, at which time the net assets are reclassified to net assets without donor restrictions.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 3 (Continued)

Conditional donations are those that have a measurable performance or other barrier and include a right of return of the assets or right of release of the donor from further obligation if the conditions are not met. Conditional donations are not recognized until the associated barriers are met. Any cash received before the conditions or barriers are met is reported as a refundable grant advance. When the conditions are met the revenue is reported as contributions without donor restrictions unless there are further restrictions over and above those associated with the donor conditions. In such cases, when the conditions and restrictions are met within the same reporting period, the support is recognized as contributions or grants without donor restrictions.

Special Events:

Revenue classified as *Special Event Proceeds* is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Organization recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. The Organization recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place. Accordingly, sponsorships and ticket sales received in advance of the event are reported as deferred revenue.

Donated Goods, Services and Facilities:

Emerald Necklace Conservancy, Inc. maintains a policy whereby the value of the donated goods and services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recognized as revenue on the Statement of Activities and are reported as expenses on the Statement of Functional Expenses. Members of the Board of Directors and other volunteers donated numerous hours of service which, while significant, do not meet the recognition criteria, and therefore, have not been recorded in the accompanying financial statements. For the years ended September 30, 2024 and 2023, Emerald Necklace Conservancy recorded \$32,269 and \$57,991, respectively, of pro-bono legal services, which are recognized at fair value.

Fiscal Sponsorship:

In each year presented, the Organization acted as a fiscal sponsor for several projects which are consistent with the mission of the Conservancy. Grants and contributions made for these projects through Emerald Necklace are recognized as support with donor restrictions in the year received. Funds collected and held for distribution related to these projects are released from *Net Assets With Donor Restrictions* as eligible costs are incurred. For the years ended September 30, 2024 and 2023, the Organization expended \$30,380 and \$18,624, respectively, which is included in *Fiscally Sponsored Projects* in the accompanying Statements of Functional Expenses and within net assets released from restriction in the accompanying Statements of Activities.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 3 (Continued)

Grants Expense:

During the year ended September 30, 2023, Emerald Necklace Conservancy made grants to individuals to fund projects promoting Parks Equity and Spatial Justice in parks throughout the greater Boston area. The Conservancy's policy is to record grants as an expense and corresponding obligation at the time an unconditional funding commitment is made. Conditional commitments are not recognized in the financial statements until measurable performance or other barriers have substantially been met. Future payments on commitments are contingent upon the grantees' ability to continue to meet the award criteria and is subject to re-evaluation prior to payment.

Functional Expenses:

Emerald Necklace Conservancy, Inc. allocates its expenses on a functional basis among its various programs and support services. Expenses that are common to several functions are allocated based upon space, asset and time usage. Expenses allocated based upon time consist of *Personnel Costs*. *Occupancy* and *Depreciation and Amortization* expenses are allocated based on the usage of the underlying assets.

Supporting services are those related to operating and managing Emerald Necklace Conservancy, Inc. and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Administrative - includes all activities related to Emerald Necklace Conservancy, Inc.'s internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds.

Events - includes indirect costs associated with fund raising events and the direct costs associated with the benefits received by the donors in exchange for the purchase of event tickets.

Advertising:

Emerald Necklace Conservancy, Inc. uses print advertising and other media to promote its programs and events and to solicit for contributions. Advertising costs are expensed as incurred.

Reclassifications:

Certain amounts in the prior year comparative information have been reclassified to conform to the current year presentation. Reclassifications made to the prior year information have no impact on total net assets or changes in net assets.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 4 INVESTMENTS

To the extent possible, the Organization maintains an Environmental, Social and Corporate Governance ("ESG") compliant investment portfolio. As of September 30, 2024 and 2023, investments consisted of the following components:

<u>Investment Type</u>	<u>September 30, 2024</u>		
	<u>Total</u>	<u>Quoted Prices In Active Markets For Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Money Market Funds (at Cost)	\$ 183,868	\$ -	\$ -
U.S. Treasury Funds	2,608,229	2,608,229	-
Common Stock	1,829,807	1,829,807	-
Mutual Funds - Stock Funds	1,182,351	1,182,351	-
Mutual Funds - Bond Funds	744,991	744,991	-
Exchange Traded Funds - Equity	407,977	407,977	-
Corporate Bonds	366,529	-	366,529
Government Bonds	362,560	-	362,560
Total Investments	<u>\$7,686,312</u>	<u>\$6,773,355</u>	<u>\$729,089</u>

<u>Investment Type</u>	<u>September 30, 2023</u>		
	<u>Total</u>	<u>Quoted Prices In Active Markets For Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Money Market Funds (at Cost)	\$ 314,118	\$ -	\$ -
U.S. Treasury Funds	2,053,915	2,053,915	-
Common Stock	1,560,971	1,560,971	-
Mutual Funds - Stock Funds	1,113,104	1,113,104	-
Mutual Funds - Bond Funds	697,077	697,077	-
Exchange Traded Funds - Equity	223,492	223,492	-
Corporate Bonds	297,022	-	297,022
Government Bonds	270,812	-	270,812
Total Investments	<u>\$6,530,511</u>	<u>\$5,648,559</u>	<u>\$567,834</u>

The Organization uses the following way to determine the fair value of investments:

Common Stock, Mutual Funds and Exchange Traded Funds: Traded on national securities exchanges and are determined by the published closing price on the last business day of the fiscal year.

Corporate and Government Bonds: Valued at the market quotations provided by brokers and dealers who used quotations for similar securities in active markets, which represents a market approach.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 4 (Continued)

Investments are classified as follows for the years presented:

	September 30, 2024		
<u>Non-Endowment Investments</u>	<u>Short-Term</u>	<u>Long-Term</u>	<u>Total</u>
Investments Without Donor Restrictions:			
Operations	\$87,241	\$ -	\$ 87,241
Board Designated - Liff Fund	<u>-</u>	<u>4,011,625</u>	<u>4,011,625</u>
Total Non-Endowment Investments	<u>\$87,241</u>	<u>\$4,011,625</u>	<u>\$4,098,866</u>
<u>Non-Endowment Investments</u>	September 30, 2023		
	<u>Short-Term</u>	<u>Long-Term</u>	<u>Total</u>
Investments Without Donor Restrictions:			
Operations	\$197,729	\$ -	\$ 197,729
Board Designated - Liff Fund	<u>-</u>	<u>3,443,096</u>	<u>3,443,096</u>
Total Non-Endowment Investments	<u>\$197,729</u>	<u>\$3,443,096</u>	<u>\$3,640,825</u>
<u>Endowment Investments</u>		<u>2024</u>	<u>2023</u>
Shattuck Endowment Investments		\$ 979,210	\$ 833,947
The Endowment Investments		<u>2,608,236</u>	<u>2,055,739</u>
Total Long-Term Investments - Endowments		<u>\$3,587,446</u>	<u>\$2,889,686</u>

NOTE 5 PROPERTY AND EQUIPMENT

The following is a summary of property and equipment as of September 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Vehicles	\$ 84,907	\$ 84,907
Leasehold Improvements	<u>906,904</u>	<u>906,904</u>
Subtotal	991,811	991,811
Less: Accumulated Depreciation and Amortization	<u>(375,644)</u>	<u>(342,465)</u>
Property and Equipment, Net	<u>\$ 616,167</u>	<u>\$ 649,346</u>

The Organization occupies the historic building known as the Fens Gate House under an agreement with the City of Boston. The parties agreed that the Organization could occupy the grounds for \$1 per year if the Organization restored the existing building. Upon the completion of the Fens Gate House renovations in January 2011, the Organization began using the property as a visitor and information center for the Emerald Necklace park system, now known as the Shattuck Emerald Necklace Visitor Center. The leasehold improvements consist of \$906,904 expended for the restoration. The lease was for an initial period of 10 years with three options to renew for ten years each. The lease was renewed through May 31, 2030, and management expects that it will exercise its option to renew the lease for the remaining ten-year terms. Accordingly, the leasehold improvements are being amortized over a period of 40 years. The provision for amortization of leasehold improvements was \$22,672 for each of the years presented.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 6 LINE-OF-CREDIT

The Organization has a revolving line-of-credit with Citizens Financial Group, Inc. with a borrowing limit of \$100,000. The line is secured by substantially all assets of the Conservancy with the exception of the Wendy Shattuck Endowment Fund and the funds designated by the Board of Directors as the Justine Mee Liff Fund. The line bears interest at the bank's prime rate (8% and 9.5% as of September 30, 2024 and 2023, respectively). As of September 30, 2024 and 2023, there were no borrowings on the line-of-credit.

NOTE 7 NET ASSETS

Net Assets Without Donor Restrictions:

Board Designated

In 2010, Emerald Necklace entered into a Memorandum of Agreement with the City of Boston, the Town of Brookline and the Commonwealth of Massachusetts Department of Conservation and Recreation whereby the Board of Directors initiated an effort to create and set aside a pool of funds with the intention that the funds would be, but are not required to be, invested and utilized in support of capital and other special projects. It was further agreed that these funds would be known as the Justine Mee Liff Fund (the "Liff Fund") in honor of the legacy of the City of Boston's former Parks Commissioner. While without donor restriction, these funds are to be used for specific projects in cooperation with the parties to the agreement.

The Liff Fund hosts the annual Party in the Park event and designates the use of the proceeds as further detailed in Note 8. In addition, for the years ended September 30, 2024 and 2023, the Board appropriated supplemental funds for operating support in the amount of \$155,725 and \$185,000, respectively.

Net Assets With Donor Restrictions:

Net Assets With Donor Restrictions includes unexpended contributions and grants restricted by donors and accumulated investment income earned on restricted funds for the following purposes as of September 30, 2024 and 2023:

<u>Nature of Restriction</u>	<u>2024</u>	<u>2023</u>
The Endowment	\$2,608,236	\$2,055,739
Shattuck Endowment	979,210	833,947
Lighting the Emerald Necklace	250,000	-
Curley House Lease (<i>Note 12</i>)	-	64,270
Charlesgate Park Restoration	1,468,391	1,409,331
Fiscally Sponsored Projects - Charlesgate Alliance	571,771	506,003
Fiscally Sponsored Projects - Other	39,085	40,229
Total	<u>\$5,916,693</u>	<u>\$4,909,519</u>

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 7 (Continued)

Net assets released from donor restrictions by incurring expenses which satisfied the restricted purposes, by the passage of time or by the occurrence of events specified by the donors were as follows for the years presented:

<u>Nature of Restriction</u>	<u>2024</u>	<u>2023</u>
Olmsted Now	\$ -	\$ 32,785
The Endowment	80,000	-
Charlesgate Park Restoration	30,441	32,102
Curley House Lease (Note 12)	64,270	64,270
Fiscally Sponsored Projects - Charlesgate Alliance	17,536	16,974
Fiscally Sponsored Projects - Other	1,142	1,650
Olmsted Tree Society	31,595	32,399
Franklin Park Advocacy	508,672	-
Youth Programs	71,050	-
Community Programs	36,930	-
Program Support	32,749	29,198
Park Support	<u>61,016</u>	<u>132,052</u>
Total	<u>\$935,401</u>	<u>\$341,430</u>

Shattuck Endowment:

All Shattuck Endowment net assets represent donor designated funds. The following schedule summarizes the change in Shattuck Endowment net assets for the years ended September 30, 2024 and 2023:

	<u>Subject to</u> <u>Endowment's</u> <u>Spending Policy</u>	<u>Restricted</u> <u>In Perpetuity</u>	<u>Total Endowment</u> <u>Net Assets With</u> <u>Donor Restrictions</u>
Shattuck Endowment Net Assets, September 30, 2022	\$253,139	\$525,730	\$778,869
Investment Return, Net	<u>55,078</u>	<u>-</u>	<u>55,078</u>
Shattuck Endowment Net Assets, September 30, 2023	308,217	525,730	833,947
Investment Return, Net	<u>145,263</u>	<u>-</u>	<u>145,263</u>
Shattuck Endowment Net Assets, September 30, 2024	<u>\$453,480</u>	<u>\$525,730</u>	<u>\$979,210</u>

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 7 (Continued)

The Endowment:

The Endowment net assets represent donor designated funds. The following schedule summarizes the change in The Endowment net assets for the years ended September 30, 2024 and 2023:

	<u>Subject to Endowment's Spending Policy</u>	<u>Restricted In Perpetuity</u>	<u>Total Endowment Net Assets With Donor Restrictions</u>
The Endowment Net Assets, September 30, 2022	\$ -	\$ -	\$ -
Contributions	-	2,000,000	2,000,000
Investment Return, Net	<u>55,739</u>	<u>-</u>	<u>55,739</u>
The Endowment Net Assets, September 30, 2023	55,739	2,000,000	2,055,739
Contributions	-	500,000	500,000
Investment Return, Net	132,497	-	132,497
Appropriation for Expenditure	<u>(80,000)</u>	<u>-</u>	<u>(80,000)</u>
The Endowment Net Assets, September 30, 2024	<u>\$108,236</u>	<u>\$2,500,000</u>	<u>\$2,608,236</u>

NOTE 8 FUND RAISING ACTIVITIES

The Organization sponsors special fund raising events to generate contributions as well as to gain public awareness for its programs and charitable purpose. For the years presented, through the Liff Fund, the Conservancy held its *Party in the Park* event, the results of which are summarized below:

	<u>2024</u>	<u>2023</u>
Gross Proceeds	\$ 670,960	\$ 599,610
Direct Event Costs	<u>(317,208)</u>	<u>(301,837)</u>
Next Event Proceeds	<u>\$ 353,752</u>	<u>\$ 297,773</u>

The FY 2023 *Party in the Park* net event proceeds were allocated evenly to the Emerald Fund (general operating support) and the Liff Fund, and the FY 2024 net event proceeds were designated in full to the Emerald Fund.

NOTE 9 RETIREMENT PLAN

The Organization maintains a defined contribution plan for all eligible employees. The plan is qualified under Internal Revenue Code Section 403(b) and the Employee Retirement Income Security Act. For the year ended September 30, 2024, the Organization provided a retirement match of \$9,769, which is included in *Personnel Costs* in the accompanying Statement of Functional Expenses.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 10 OLMSTED TREE SOCIETY MEMORANDUMS OF AGREEMENT

In April and May 2015, the Emerald Necklace Conservancy executed Memorandums of Agreement (“MOAs”) with the City of Boston, the Town of Brookline and the Massachusetts Department of Conservation and Recreation. The MOAs detail the parties’ shared responsibility for the restoration and care for the tree canopy in the Emerald Necklace park system. The parties agreed that “the shrinking tree canopy in Boston and Brookline was a serious concern and that the aging tree canopy of the Emerald Necklace was an invaluable resource that if properly curated, would benefit generations to come”. Based on recommendations from the Emerald Necklace Tree Management Plan funded by the Conservancy’s Olmsted Tree Society, the parties agreed to: a five-year term of collaborative work, the establishment of an Operations Committee to meet quarterly to establish the annual work plan, and that the Conservancy will match the park owners’ expenditures so that the costs would be shared equally between the Conservancy and the public partners. The Conservancy and public partners have a signed MOA describing shared responsibility for both the tree work and cost which automatically renews every year unless terminated by either party per the agreements.

The MOA further details obligations of each party, license and permit stipulations, maintenance standards and insurance requirements. The parties recognize and agree to the Olmsted Tree Society’s recognition program for significant donors, which allows for the placement of agreed upon plaques on specified trees for a period of 5 - 15 years in acknowledgment of their contribution. The public partners can also recognize donors with plaques on specified trees.

NOTE 11 CONDITIONAL GRANTS

The Conservancy is party to several multi-year conditional grant commitments from one donor. Amounts paid to the Organization and recognized as revenue under these multi-year grants totaled \$1,250,000 and \$1,500,000 for the years ended September 30, 2024 and 2023, respectively, and are reported as *Gifts, Grants and Contributions* in the accompanying Statement of Activities. The remaining installments are at the sole discretion of the donor.

As of September 30, 2024 and 2023, the aggregate conditional amount of the these commitments was \$3,250,000 and \$1,500,000, respectively. As the terms of the conditions had not been met, the support has not been recognized in the accompanying financial statements.

NOTE 12 CURLEY HOUSE LEASE

On October 1, 2019, Emerald Necklace Conservancy entered into a five-year lease with the City of Boston acting by and through the Trustees of the George Robert White Fund for 10,000 square feet of space located in Boston, Massachusetts which is known as the Curley House. Rent is \$1 annually to be paid on or before the commencement date and on or before any subsequent anniversary of the commencement date during the lease term. The use of the Curley House is a gift-in-title from the Trustees of the George Robert White Fund, and the value of this gift is \$64,270 annually and \$321,350 over the term of the lease.

The Conservancy recognized a contribution for the full amount of the initial five-year lease term in FY 2020, valued at \$321,350. A corresponding pledge receivable in the amount of \$257,080 was recorded for years two to five of the lease. The net assets have been released from donor restriction in annual increments of \$64,270 to coincide with the term of the lease, at which time the receivable will be fulfilled and the rent expense recorded in the Statement of Functional Expenses.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 12 *(Continued)*

In April 2024, the Conservancy extended the original lease term for an additional five-year period commencing on October 1, 2024 and ending on September 30, 2029. The use of the facility is a gift-in-title for the additional five-year term and will be recognized and recorded in FY 2025.

NOTE 13 CONCENTRATIONS

Cash and Investments:

The Organization is subject to concentrations in credit risk relating primarily to cash and investments. For the years presented, the majority of the Organization's cash deposits and investments are held in two financial institutions. Cash deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") under the applicable limits; however, at times cash balances may exceed federally insured limits. As of September 30, 2024 and 2023 cash balances in excess of the FDIC coverage were \$1,647,130 and \$1,995,943, respectively. The Organization has not experienced any losses on uninsured cash balances.

The Organization invests in professionally managed money market and mutual funds that contain various types of marketable securities. The Organization's investments are exposed to various risks, such as fluctuations in market value, and credit risk. Thus, it is at least reasonably possible that changes in the near term could materially affect investment balances. The Organization's investment performance is reviewed by the Board of Directors on a periodic basis. To minimize risk, the Organization's cash accounts are placed with high credit quality financial institutions and the investment portfolio is diversified.

Gifts and Grants Receivable:

As of September 30, 2024 and 2023, approximately 50% and 57% of total *Gifts and Grants Receivable* are due from three donors and two donors, respectively.

Revenue Concentrations:

For the year ended September 30, 2024 and 2023, donations from two donors represent approximately 32% and 49%, respectively, of total support and revenues.

Expense Concentration:

For the year ended September 30, 2024, legal expenses related to the White Stadium lawsuit represent 42% of *Consultants and Professional Fees* in the accompanying Statement of Functional Expenses.

NOTE 14 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Additionally, the Organization has board designated investment funds that, while Management does not intend to spend these funds within the next year, these amounts could be made available for current operations, if necessary and as further stipulated in Note 7. The Conservancy estimated appropriations of \$190,000 from the Liff Fund investment portfolio under the spending policy for each of the years ending September 30, 2024 and 2025. To help manage unanticipated liquidity needs, the Organization also has a committed line-of-credit of \$100,000, which it could draw upon. See Note 6 for information about the Organization's line-of-credit.

EMERALD NECKLACE CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

(Continued)

NOTE 14 (Continued)

The following table reflects the Organization's financial assets as of September 30, 2024 and 2023, reduced by amounts not available for general expenditures within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, trust assets, perpetual endowments and accumulated earnings net of appropriations within one year or because the governing board has set aside the funds for specific reserve.

	<u>2024</u>	<u>2023</u>
Financial Assets:		
Cash and Cash Equivalents	\$ 2,642,733	\$ 2,488,557
Gifts and Grants Receivable	204,647	135,167
Curley House Receivable	-	64,270
Investments	<u>7,686,312</u>	<u>6,530,511</u>
Total Financial Assets as of September 30	10,533,692	9,218,505
Less Amounts Not Available for General Expenditures:		
Gifts and Grants Receivable, Non-Current	-	(25,000)
Charlesgate Project	(2,040,162)	(1,915,334)
Curley House Receivable	-	(64,270)
Liff Fund, Net of Estimated Appropriation	(3,821,625)	(3,253,096)
Endowment Investments	<u>(3,587,446)</u>	<u>(2,889,686)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 1,084,459</u>	<u>\$ 1,071,119</u>

For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization considers all expenditures related to their ongoing activities relating to the preservation of the Emerald Necklace parks as well as the conduct of services undertaken to support those activities to be general expenditures.

NOTE 15 CONTINGENCIES

Legal Matters:

The Organization is party to claims arising in the normal course of business. While the ultimate resolution of these claims or other proceedings cannot be predicted with certainty, Management does not expect these matters to have a materially adverse effect on the Organization's financial position or results of operations.

NOTE 16 SUBSEQUENT EVENTS

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the financial statements. Therefore, Management has evaluated subsequent events through March 31, 2025, the date which the financial statements were available for issue and other than the subsequent event disclosed in Note 12, noted no events that met the recognition and disclosure criteria.