

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)
Pittsburgh, Pennsylvania

Financial Statements
For the years ended December 31, 2020 and 2019

and Independent Auditors' Report Thereon



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Allegheny County Parks Foundation
Pittsburgh, Pennsylvania

We have audited the accompanying financial statements of the Allegheny County Parks Foundation (Parks Foundation), a component unit of the County of Allegheny, Pennsylvania, which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Schneider Downs & Co., Inc.
www.schneiderdowns.com



One PPG Place
Suite 1700
Pittsburgh, PA 15222
TEL 412.261.3644
FAX 412.261.4876

65 E. State Street
Suite 2000
Columbus, OH 43215
TEL 614.621.4060
FAX 614.621.4062

1660 International Drive
Suite 600
McLean, VA 21102
TEL 571.380.9003

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Parks Foundation as of December 31, 2020 and 2019, 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.

Schneider Downs & Co., Inc.

Pittsburgh, Pennsylvania
March 23, 2021

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

STATEMENTS OF FINANCIAL POSITION

	December 31	
	2020	2019
ASSETS		
Cash and cash equivalents		
Without donor restrictions	\$ 507,776	\$ 430,030
With donor restrictions	1,684,705	1,373,472
	2,192,481	1,803,502
Contributions receivable	584,630	769,205
Prepays and other assets	4,922	4,494
Fixed assets, net	16,545	21,770
	\$ 2,798,578	\$ 2,598,971
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 13,416	\$ 47,986
Due to Allegheny County	-	86,453
Accrued expenses	-	1,491
Deferred revenue	135,430	73,755
Capital lease liability	16,545	21,770
	165,391	231,455
NET ASSETS		
Without donor restrictions		
Undesignated	341,641	324,211
Board-designated	76,500	36,000
	418,141	360,211
Total Net Assets Without Donor Restrictions	418,141	360,211
With donor restrictions	2,215,046	2,007,305
	2,633,187	2,367,516
	\$ 2,798,578	\$ 2,598,971

See notes to financial statements.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT						
Government	\$ 2,540	\$ 90,226	\$ 92,766	\$ 17,815	\$ 131,175	\$ 148,990
Foundations and trusts	143,550	795,180	938,730	208,250	868,545	1,076,795
Special events	270,852	-	270,852	410,408	-	410,408
Individuals	109,565	144,532	254,097	85,708	19,385	105,093
Corporations	7,401	27,520	34,921	9,563	52,641	62,204
In-kind contributions	16,283	-	16,283	45,537	4,465	50,002
Interest	1,821	16	1,837	2,374	171	2,545
	552,012	1,057,474	1,609,486	779,655	1,076,382	1,856,037
Net assets released from restrictions:						
Satisfaction of donor restrictions	849,733	(849,733)	-	1,018,838	(1,018,838)	-
Total Revenues And Support	1,401,745	207,741	1,609,486	1,798,493	57,544	1,856,037
FUNCTIONAL EXPENSES						
Program services	710,199	-	710,199	849,971	-	849,971
Fundraising	219,390	-	219,390	484,961	-	484,961
General and administrative	414,226	-	414,226	402,565	-	402,565
	1,343,815	-	1,343,815	1,737,497	-	1,737,497
Change In Net Assets	57,930	207,741	265,671	60,996	57,544	118,540
NET ASSETS						
Beginning of year	360,211	2,007,305	2,367,516	299,215	1,949,761	2,248,976
End of year	\$ 418,141	\$ 2,215,046	\$ 2,633,187	\$ 360,211	\$ 2,007,305	\$ 2,367,516

See notes to financial statements.

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ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020			
	Program Services	Fundraising	General and Administrative	Total Expenses
Salaries	\$ 191,300	\$ 123,481	\$ 237,952	\$ 552,733
Professional services and consultants	145,515	31,185	84,634	261,334
Contractor services	177,217	-	-	177,217
Design consultants	160,874	6,729	-	167,603
Fringe benefits	19,619	12,665	24,406	56,690
Payroll taxes	14,664	9,466	18,241	42,371
Event expenses	-	22,210	32	22,242
Rent - in-kind	-	-	13,800	13,800
Information technology	83	4,410	8,671	13,164
Insurance	-	-	7,956	7,956
Communications	-	-	5,294	5,294
Depreciation and amortization	-	-	5,225	5,225
Postage	115	4,218	891	5,224
Dues and subscriptions	-	929	2,511	3,440
Fees	4	2,657	411	3,072
Travel and entertainment	526	830	1,393	2,749
Supplies	-	85	1,755	1,840
Other expenses	100	425	983	1,508
Printing and copying	182	100	71	353
	<u>\$ 710,199</u>	<u>\$ 219,390</u>	<u>\$ 414,226</u>	<u>\$ 1,343,815</u>
Total	<u>\$ 710,199</u>	<u>\$ 219,390</u>	<u>\$ 414,226</u>	<u>\$ 1,343,815</u>

2019

<u>Program Services</u>	<u>Fundraising</u>	<u>General and Administrative</u>	<u>Total Expenses</u>
\$ 100,711	\$ 143,329	\$ 264,450	\$ 508,490
85,382	2,736	51,919	140,037
84,371	-	-	84,371
553,155	-	-	553,155
8,055	11,464	21,152	40,671
7,945	11,307	20,863	40,115
55	264,994	1,657	266,706
3,210	3,855	6,735	13,800
49	3,709	8,541	12,299
1,460	2,079	3,835	7,374
933	1,329	2,452	4,714
-	-	4,937	4,937
13	610	637	1,260
-	400	2,484	2,884
-	3,142	150	3,292
1,937	1,079	4,342	7,358
2,156	6,868	5,018	14,042
441	28,020	2,631	31,092
98	40	762	900
<u>\$ 849,971</u>	<u>\$ 484,961</u>	<u>\$ 402,565</u>	<u>\$ 1,737,497</u>

See notes to financial statements.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 265,671	\$ 118,540
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	5,225	4,937
Contributions to endowment	-	(300,000)
Changes in assets and liabilities:		
Contributions receivable	34,575	350,499
Prepays and other assets	(428)	(2,034)
Accounts payable	(121,023)	28,030
Accrued expenses	(1,491)	1,491
Deferred revenue	61,675	36,255
	244,204	237,718
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital lease obligations	(5,225)	(4,937)
Proceeds from contributions restricted for endowment	150,000	150,000
	144,775	145,063
Net Cash Provided By Operating Activities	244,204	237,718
Net Cash Provided By Financing Activities	144,775	145,063
Net Increase In Cash And Cash Equivalents	388,979	382,781
CASH AND CASH EQUIVALENTS		
Beginning of year	1,803,502	1,420,721
End of year	\$ 2,192,481	\$ 1,803,502

NONCASH OPERATING AND FINANCING ACTIVITIES

During the year ended December 31, 2019, the Parks Foundation terminated its financing on approximately \$3,500 of its property and equipment and subsequently entered into a new capital lease agreement for approximately \$26,000.

See notes to financial statements.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 - ORGANIZATION

The Allegheny County Parks Foundation (Parks Foundation), a component unit of the County of Allegheny, Pennsylvania (Allegheny County), was established in 2007 to stimulate public investment in the Allegheny County parks system. The Parks Foundation and Allegheny County administration have partnered with Allegheny County Council in parks betterment. Historically, Allegheny County has committed to provide operating funds to the Parks Foundation. In 2013, Allegheny County committed to providing a total of \$750,000 in operating funds to the Parks Foundation over a three-year period starting in 2013. According to the agreement with Allegheny County, at Allegheny County's sole and exclusive discretion, an additional \$250,000 was provided to the Parks Foundation in both 2016 and in 2017. During 2018, Allegheny County committed to providing a total of \$1,000,000 in operating funds to the Parks Foundation over a four-year period starting in 2018. At the sole discretion of Allegheny County, the agreement can be extended for three additional one-year terms through 2024 at \$250,000 per year.

The Parks Foundation's initial Board of Directors (Board) was elected by representatives of Allegheny County. Subsequent directors are jointly elected by the Parks Foundation's Board and Allegheny County. An agreement with Allegheny County indicates that Allegheny County is committed to match funds, dollar for dollar, raised by the Parks Foundation in the amount of \$10,000,000 for approved capital projects. The approved and proposed capital projects' design, finance and construction will be governed by the individual capital project agreements. To date, as of December 31, 2020, Allegheny County had matched or committed to match approximately \$5,500,000 of capital projects for the Parks Foundation. At December 31, 2020 and 2019 matching funds of approximately \$67,000 and \$42,000, respectively, were recorded in contributions receivable.

At December 31, 2020, one donor accounted for approximately 25% of total revenue and support and three donors accounted for 83% of total contributions receivable. At December 31, 2019, three donors accounted for approximately 47% of total revenue and support and two donors accounted for 90% of total contributions receivable.

The accompanying financial statements are intended to present the financial position and changes in financial position of the Parks Foundation, and not the financial position of Allegheny County taken as a whole.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying financial statements follows:

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 the reported amounts of assets and liabilities and disclosures 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.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Basis - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues and support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Parks Foundation and the changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations. The Board has designated, from net assets without donor restrictions, net assets for operating funds.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by action of the Parks Foundation and/or the passage of time, or that are maintained in perpetuity by the Parks Foundation. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Contributions with or without donor restrictions are recorded as revenue when received or pledged. Contributions with donor restrictions are reported in the statements of activities and changes in net assets as net assets released from restrictions when a stipulated time restriction ends or purpose restriction is accomplished.

Conditional promises to give are not included as support until the conditions are substantially met.

Contributions Receivable - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. At December 31, 2020, approximately \$585,000 is expected to be collected within one year. Decisions to charge off receivables are based on management's judgment after consideration of facts and circumstances surrounding potential uncollectible accounts. The Parks Foundation did not consider an allowance for doubtful accounts to be necessary at December 31, 2020 or 2019.

Cash and Cash Equivalents - The Parks Foundation maintains, at a financial institution, cash that may exceed federally insured amounts at times. For purposes of the statements of cash flows, the Parks Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. At December 31, 2020, the Parks Foundation had \$2,214,021 on deposit at a financial institution, \$250,000 of which was insured by the Federal Deposit Insurance Corporation (FDIC). The remaining balance of \$1,964,021 was uninsured, exposed to custodial risk and was not otherwise collateralized.

Fixed Assets and Depreciation - Furniture, computer equipment and software with a purchase price in excess of \$500 is capitalized if the estimated useful life is estimated to be three or more years and is valued at cost for purchased assets and fair value for contributed assets. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the respective assets. The Parks Foundation reviews the recoverability of the carrying value of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset might not be recoverable.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenue - Sponsorship revenue is recognized as revenue when the event takes place. Amounts received in advance of the event are deferred until the period the event occurs. Deferred revenue may also include advanced contributions that are refundable to the donor until related expenses are incurred.

Functional Expenses - Expenses are summarized and categorized based on their functional classification as either program or supporting expenses. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Salaries, fringe benefits, payroll taxes, printing and copying, supplies, communications and insurance are allocated on the basis of time and effort. Rent in-kind is allocated on the basis of square footage. All other expenses are allocated based on actual usage. These expenses are allocated on a reasonable basis that is consistently applied.

Income Taxes - The Parks Foundation is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as an entity that is not a private foundation. Accordingly, no provision for income taxes is recorded in the financial statements. The Parks Foundation has not identified any material uncertain tax positions requiring an accrual or disclosure in the financial statements. The Parks Foundation is no longer subject to examinations by taxing authorities in any major tax jurisdiction for years before December 31, 2017.

Recent Accounting Pronouncement - In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-02 Leases (Topic 842) (ASU 2016-02), which introduces a new approach to lease accounting that requires a lessee to recognize assets and liabilities for the rights and obligations created by leases. ASU No. 2020-05 further delayed the effective date of ASU 2016-02 to fiscal years beginning after December 15, 2021. Early adoption is permitted. The Parks Foundation is currently evaluating the impact that this ASU will have on its financial statements.

NOTE 3 - LIQUIDITY AND AVAILABILITY

The Parks Foundation receives grants and contributions with donor restrictions to be used in accordance with the associated purpose restrictions. As described in Note 1, the Parks Foundation also receives significant time-restricted funds based on an agreement with Allegheny County to be used as operating funds.

The Parks Foundation considers contributions without donor restrictions and contributions with donor restrictions for use in current programs that are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses and program expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Parks Foundation's fiscal year.

The Parks Foundation manages its cash available to meet general expenditures by operating within a prudent range of financial soundness and stability while maintaining sufficient funds to provide reasonable assurance that program obligations with donor restrictions that support mission fulfillment will continue to be met to ensure the stability of the Parks Foundation.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 3 - LIQUIDITY AND AVAILABILITY (Continued)

The table below presents financial assets available for general expenditures within one year at December 31:

	2020	2019
Total Financial Assets:		
Cash and cash equivalents	\$ 2,192,481	\$ 1,803,502
Contributions receivable	584,630	769,205
	2,777,111	2,572,707
Donor-imposed restrictions:		
Funds subject to time restrictions	-	250,000
Funds subject to purpose restrictions	1,965,046	1,507,305
	1,965,046	1,757,305
Financial Assets Available to Meet General Expenditures	\$ 812,065	\$ 815,402

Included in cash and cash equivalents without donor restrictions is \$76,500 and \$36,000 in board-designated funds as of December 31, 2020 and 2019, respectively, that could be made available to fund general expenditures if necessary. In the event the need arises to utilize board-designated funds, the reserve could be drawn upon through approval by the board.

NOTE 4 - FIXED ASSETS

The following is a summary of fixed assets at December 31:

	2020	2019
Equipment	\$ 35,684	\$ 35,684
Less - Accumulated depreciation and amortization	19,139	13,914
	\$ 16,545	\$ 21,770

At December 31, 2020 and 2019, fixed assets include assets under capital lease of \$26,124 with accumulated amortization of \$9,579 and \$4,354, respectively.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31 are restricted for the following purposes or periods:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose:		
North Park Observation Tower	\$ 400,000	-
South Cascades Restoration	376,323	\$ 391,795
Hartwood Sculpture Garden	305,734	323,431
Parks Eco Plan Implementation	107,925	-
North Park Story Pole	100,000	-
Allegheny Green Web	74,764	177,193
Settlers Cabin-Pinkertons Run	70,269	70,269
Bench Program	53,957	2,990
White Oak and Round Hill Eco Plans	49,411	-
Parks Connectivity Feasibility Study	20,000	-
South Oval Green Parking	14,470	25,332
Parks Streams Assessment Study	12,000	-
Parks Trail Discovery Guide	12,000	-
Settlers Cabin-Panhandle Trail	10,000	10,000
South-Nevin Shelter Restoration	8,973	-
Tree Program	8,771	-
Community Trails and Health	8,749	8,749
Fundraising	7,041	13,770
Boyce + Round Hill + Settlers Cabin Sign Implementation	4,661	4,661
Hartwood Sculptures	3,183	7,919
Friends of South Park Projects	3,150	2,050
Communication and Marketing	2,990	2,990
Friends of Harrison Hills	2,820	1,900
South-Vale of Cashmere	2,300	-
South-Paul Riis Trail Signs	2,000	-
Youth Park Stewardship	1,215	1,000
Settlers Cabin-Waterfall Trail	1,332	10,000
Parks Project Stewardship Program	714	-
South Park Eco Plan Implementation	140	23,018
HARRH Donor Designated Project	100	-
NORTH Donor Designated Project	54	-
North Park Multi-Use Trail	-	22,013
Boyce-Pierson Run Meadow	-	7,306
Volunteer Mobilization	-	40,335
Round Hill Animal Shelters	-	2,506
Hartwood-Little Pine Creek Restoration	-	1,626
Community Awareness	-	55,679
Eagle Scout Program	-	773
	<u>1,665,046</u>	<u>1,207,305</u>
Subject to Expenditure for Specified Purpose Total	1,665,046	1,207,305

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS (Continued)

	2020	2019
Balance Forward Subject to Expenditure for Specified Purpose Total	\$ 1,665,046	\$ 1,207,305
Subject to Passage of Time Total	250,000	500,000
Perpetual in nature:		
Hartwood Sculpture Garden Endowment	300,000	300,000
	\$ 2,215,046	\$ 2,007,305

Net assets were released from donor restrictions by incurring expenses that satisfied the restricted purpose or by occurrence of the passage of time or other events specified by donors or grantors, as follows, for the years ended December 31:

	2020	2019
Satisfaction of purpose restrictions:		
Hartwood Sculpture Garden	\$ 180,323	\$ 150,810
Allegheny Green Web	102,429	71,415
Community Awareness	54,015	9,162
White Oak and Round Hill Eco Plans	42,589	-
Bench Program	40,870	21,230
Volunteer Mobilization	38,000	1,409
South Cascades Restoration	31,727	57,545
South Park Eco Plan Implementation	22,968	13,235
North Park Multi-Use Trail	22,013	205,210
South Oval Green Parking	21,757	103,883
Tree Program	9,984	-
Fundraising	9,064	-
Settlers Cabin-Waterfall Trail	8,668	21,700
Boyce-Pierson Run Meadow	7,306	4,194
Round Hill Animal Shelters	2,506	11,341
South-Nevin Shelter Restoration	1,927	-
Hartwood-Little Pine Creek Restoration	1,626	13,444
Youth Park Stewardship	1,449	1,884
Boyce Donor Designated Project	450	-
Parks Project Stewardship Program	62	-
Settlers Cabin-Pinkertons Run	-	19,143
Children's Projects	-	14,000
Chimney Swift Towers	-	11,925
Boyce + Round Hill + Settlers Cabin Sign Implementation	-	9,556
Subtotal Subject to Expenditure for Specified Purpose	599,733	741,086

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS (Continued)

	2020	2019
Balance Forward Subject to Expenditure for Specified Purpose	\$ 599,733	\$ 741,086
Boyce + South Avian Citizen Training	-	6,570
Hartwood + Settlers Cabin Eco Plan	-	6,388
South - Corrigan Drive Pool Reuse	-	5,509
Hartwood Sculpture Garden Education & Outreach	-	5,465
Friends of South Park Projects	-	2,679
Boyce Eco Plan Implementation	-	848
Eagle Scout Program	-	293
	599,733	768,838
Subject to Expenditure for Specified Purpose Total	599,733	768,838
Expiration of time restrictions	250,000	250,000
	\$ 849,733	\$ 1,018,838

NOTE 6 - ENDOWMENT

The Parks Foundation's endowment consists of a donor-restricted gift to support the long-term maintenance of the Hartwood Acres sculpture collection. The intent is to hold the funds for a long-term period in order to generate sufficient income to elect a spending rate in future periods in accordance with applicable state laws. As of December 31, 2020, \$300,000 has been contributed to the endowment, all of which has been received and is being maintained in cash and cash equivalents.

NOTE 7 - PAYCHECK PROTECTION PROGRAM LOAN

The Parks Foundation is a recipient of a Paycheck Protection Program (PPP) loan with a financial institution of \$100,430 granted by the Small Business Administration under the Coronavirus Aid, Relief and Economic Security Act, which is reflected as deferred revenue as of December 31, 2020. Under the program terms, PPP loans are forgiven and recognized as grant revenue if the loan proceeds are used to maintain compensation costs and employee headcount, and other qualifying expenses (mortgage interest, rent and utilities) incurred following receipt of the loan. The Parks Foundation met the forgiveness criteria and \$101,306 of the loan, including accrued interest, was forgiven on March 17, 2021. Therefore, the amount included in deferred revenue will be recognized as grant revenue in fiscal year 2021.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 8 - LEASES

In 2013, the Parks Foundation entered into an agreement with Allegheny County for donated space at the Boyce Park Administration building. The agreement was for three years with an option for two, one-year extensions. In 2018, the Parks Foundation entered into a new agreement with Allegheny County for the same donated space, which is for three years with one option for a two-year extension. For 2020 and 2019, the Foundation recorded in-kind contributions of \$13,800.

The aggregate annual amount of the minimum lease payments required under capitalized lease obligations is approximately \$5,200 in fiscal years 2021 through 2023 and \$900 in fiscal year 2024.

NOTE 9 - EMPLOYEE BENEFIT PLAN

Effective January 1, 2020, the Parks Foundation established a retirement plan for its employees. Prior to 2020, in lieu of establishing a retirement plan, the Parks Foundation contributed 2% of salary annually to the personal retirement accounts of each of its employees. Retirement expense for the years ended 2020 and 2019 was approximately \$17,000 and \$6,000, respectively.

NOTE 10 - ALLEGHENY COUNTY AGREEMENT

Under the agreement with Allegheny County, the design, finance and construction of capital projects will be governed by individual project agreements. Depending on the nature of the costs and the project agreement, the Parks Foundation may pay the respective costs directly to a third party and be reimbursed by Allegheny County for the 50% match of the associated costs, or Allegheny County may pay the third party directly and the Parks Foundation will reimburse Allegheny County for 50% of the associated costs. The Parks Foundation will only recognize a matching contribution from Allegheny County in the statements of activities and changes in net assets for contracts and costs whereby Allegheny County reimburses the Parks Foundation directly. The matching contribution will not be recognized until a memorandum of understanding is executed and expenditures are incurred related to the project. Allegheny County has committed to fund approximately \$239,000 of design costs for ongoing projects, of which approximately \$160,000 has been funded at December 31, 2020. Additionally, Allegheny County has committed to fund approximately \$38,000 for construction costs of ongoing projects, of which approximately \$900 has been funded at December 31, 2020.

NOTE 11 - RISKS AND UNCERTAINTIES

The ongoing coronavirus pandemic could materially and adversely affect the Parks Foundation and its operations. Government-imposed travel restrictions and quarantines may result in direct operational and administrative disruptions to the Parks Foundation's operations. Additionally, the Parks Foundation's grantors, donors, partners and the community may be adversely affected by these disruptions, which in turn could negatively impact the Parks Foundation's results. The Parks Foundation is unable to accurately predict how restrictions related to coronavirus pandemic will affect the results of its operations because the disease's severity and the duration of the outbreak are uncertain. While it is premature to accurately predict the ultimate impact of these developments, the Parks Foundation expects its results for the year ending December 31, 2021 to be impacted.

ALLEGHENY COUNTY PARKS FOUNDATION
(A Component Unit of the County of Allegheny, Pennsylvania)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 12 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 23, 2021, the date that the financial statements were available to be issued.

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