



FINANCIAL STATEMENTS

JUNE 30, 2015



Leaf & Cole, LLP
Certified Public Accountants

**BALBOA PARK CONSERVANCY
FINANCIAL STATEMENTS
JUNE 30, 2015**

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1 - 2
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 14
Supplementary Information: Supplementary Schedule of Functional Expenses	15



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Independent Auditor's Report

To the Board of Directors
Balboa Park Conservancy

Report on the Financial Statements

We have audited the accompanying financial statements of Balboa Park Conservancy, which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Balboa Park Conservancy as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Leaf & Cole LLP

San Diego, California
September 8, 2015

**BALBOA PARK CONSERVANCY
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015**

ASSETS

Assets: (Notes 1, 2, and 3)

Cash and cash equivalents:	
Unrestricted	\$ 639,876
Restricted	388,308
Total cash and cash equivalents	1,028,184
Accounts receivable	151,600
Inventories	87,536
Prepaid expenses	35,260
Property and equipment, net	216,516
TOTAL ASSETS	\$ 1,519,096

LIABILITIES AND NET ASSETS

Liabilities: (Note 1)

Accounts payable and accrued expenses	\$ 161,451
Prepaid rents	22,664
Total Liabilities	184,115

Commitments (Notes 5 and 9)

Net Assets: (Notes 1, 6 and 7)

Unrestricted:	
Unrestricted	665,439
Board designated	281,234
Total Unrestricted	946,673
Temporarily restricted	388,308
Total Net Assets	1,334,981

TOTAL LIABILITIES AND NET ASSETS	\$ 1,519,096
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The accompanying notes are an integral part of the financial statements.

**BALBOA PARK CONSERVANCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Revenue and Support:</u>	Unrestricted	Temporarily Restricted	Total
Retail operations	\$ 1,257,583	\$ -	\$ 1,257,583
Rental income	958,503	-	958,503
Contributions	243,987	514,851	758,838
In-kind contributions	82,075	-	82,075
Event management fee	45,121	-	45,121
Miscellaneous income	9,194	-	9,194
Interest income	260	-	260
Net assets released from retrictions	126,643	(126,643)	-
Total Revenue and Support	<u>2,723,366</u>	<u>388,208</u>	<u>3,111,574</u>
 <u>Expenses:</u>			
<u>Program Expenses:</u>			
Retail operations	1,249,670	-	1,249,670
Facilities	535,862	-	535,862
Balboa Park marketing	283,846	-	283,846
Projects	116,643	-	116,643
Total Program Expenses	<u>2,186,021</u>	<u>-</u>	<u>2,186,021</u>
 <u>Supporting Services:</u>			
General and administrative	475,769	-	475,769
Fundraising	28,015	-	28,015
Total Supporting Services	<u>503,784</u>	<u>-</u>	<u>503,784</u>
Total Expenses	<u>2,689,805</u>	<u>-</u>	<u>2,689,805</u>
 Change in Net Assets	 33,561	 388,208	 421,769
Net Assets at Beginning of Year	<u>913,112</u>	<u>100</u>	<u>913,212</u>
NET ASSETS AT END OF YEAR	<u>\$ 946,673</u>	<u>\$ 388,308</u>	<u>\$ 1,334,981</u>

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

**BALBOA PARK CONSERVANCY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Cash Flows From Operating Activities:</u>	
Change in net assets	\$ 421,769
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	18,269
Loss on disposal of property and equipment	70,375
(Increase) Decrease in:	
Accounts receivable	(2,752)
Inventories	(619)
Prepaid expenses	(15,057)
Increase (Decrease) in:	
Accounts payable and accrued expenses	38,019
Prepaid rents	(2,687)
Net Cash Provided by Operating Activities	<u>527,317</u>
<u>Cash Flows From Investing Activities:</u>	
Additions to property and equipment	<u>(70,078)</u>
Net Cash Used in Investing Activities	<u>(70,078)</u>
Net Increase in Cash and Cash Equivalents	457,239
Cash and Cash Equivalents at Beginning of Year	<u>570,945</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 1,028,184</u></u>

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

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Organization and Significant Accounting Policies:

Organization

Balboa Park Conservancy (“The Conservancy,” formerly: Balboa Park Central) was organized on November 3, 1923. Effective July 1, 2014, Balboa Park Central merged with the Balboa Park Conservancy and continued its existence under the name Balboa Park Conservancy, see Note 10. The Conservancy’s focus is on achieving its goals of sustainability, accessibility and possibility through raising funds to implement projects throughout Balboa Park, and through further commitment to park-wide initiatives that enhance the visitor experience.

Mission

To keep Balboa Park magnificent, by sustaining and enhancing its beauty and its historic, cultural and recreational character, for the enduring enjoyment of all.

Vision

To enable a destination where visitors recreate and are inspired, enriched, educated and wish to return regularly; to provide a place of excitement and imagination known throughout the world as the “jewel” of the San Diego region; to ensure a haven for recreation, reflection, inspiration and innovation; unique worldwide in its diversity of programs and activities. This vision embraces three overarching goals for action by The Conservancy:

- Sustainability: The Conservancy will assume a leadership role in seeking solutions to improving and enhancing Balboa Park for the use of future generations of visitors.
- Accessibility: The Conservancy will take ownership for ensuring that access to, from and within Balboa Park is improved.
- Possibility: The Conservancy will create a process to keep Balboa Park interesting and entertaining to visitors by seeking and using cutting edge ideas and technology to continually renew the visitor experience.

Values

- Collaboration: Through working with all of Balboa Park stakeholders to maintain, improve and enhance Balboa Park.
- Transparency: Through dialogue with the San Diego community/region, including private and public participants.
- Understanding of and respect for the whole of Balboa Park: Through identification of priorities and projects, both large and small, that can be accomplished in a timely and effective manner.

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Organization and Significant Accounting Policies: (Continued)

Organization (Continued)

The Conservancy's programs include the following:

Retail Operations

The Conservancy's Balboa Park Visitor Center informs, educates and serves over 500,000 annual visitors to Balboa Park. The Balboa Park Visitor Center, the largest in the region, is staffed by multilingual co-workers and volunteers with diverse backgrounds who are trained to promote Park-wide institutions and activities. The Balboa Park Visitor Center operates a gift store to offset the cost of visitor services and sells Balboa Park multi-museum passes, zoo and harbor tickets to visitors.

Facilities

The Conservancy provides security and maintains the House of Hospitality and grounds including the electrical and mechanical systems within the building. The Conservancy's facilities department also cleans and services the restrooms which serve the restaurant, meeting rooms, tenants and visitors numbering over 1,000,000 each year.

Balboa Park Marketing

The Conservancy jointly manages and maintains the Balboa Park website www.balboapark.org with the Balboa Park Online Collaborative. It attracts more than 100,000 unique visitors a year. The Conservancy provides marketing service and support to a four-tiered customer base: 1. Balboa Park organizations and institutions; 2. City of San Diego Park & Recreation Department; 3. Local, regional and national and international media; and 4. Residents, business travelers and tourists of San Diego.

Projects

The Conservancy's process for selecting capital improvement projects includes regular collaboration with and ongoing input from Balboa Park stakeholders and the City of San Diego. Using this inclusive process, in the fall of 2013 The Conservancy's volunteer board decided to proceed with the organization's inaugural capital project - the rehabilitation and restoration of the iconic Botanical Building in Balboa Park.

Situated at the center of Balboa Park's central mesa, the Botanical Building is one of the most visited and photographed structures in the park. The Botanical Building was constructed for the 1915 Panama-California Exposition as one of just four structures intended to remain as permanent.

Over the years, continued and severe constraints in public funding seriously impacted the building's appearance and infrastructure – so much so that it is currently rated in “Poor” condition, according to the Facility Condition Index; the benchmark used to compare the relative condition of a public facilities. Additionally, over time, significant changes were made to the building that altered its original appearance and features.

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Organization and Significant Accounting Policies: (Continued)

Organization (Continued)

Projects (Continued)

To accomplish this project, The Conservancy has embarked on a campaign to raise \$3 million to restore the Botanical Building to its original splendor and enhance its place as a centerpiece within Balboa Park. The Conservancy has raised \$407,090 of the \$3 million at June 30, 2015.

Significant Accounting Policies

Method of Accounting

The financial statements of The Conservancy have been prepared on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America (GAAP) and, accordingly, reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The financial statements present information regarding the financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

- Unrestricted net assets – Net assets not subject to donor imposed stipulations
- Temporarily restricted net assets – Net assets subject to donor imposed stipulations that will be met by actions of The Conservancy and/or the passage of time. When a donor stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
- Permanently restricted net assets – Net assets subject to donor imposed stipulations requiring that they be maintained permanently by The Conservancy. The income from these assets is available for either general operations or specific programs as specified by the donor.

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 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.

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Organization and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Fair Value Measurements

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). The Conservancy had no financial instruments at June 30, 2015.

Allowance for Doubtful Accounts

Bad debts are recognized on the allowance method based on historical experience and management's evaluation of outstanding receivables. Management believes that all accounts receivable were fully collectible; therefore no allowance for doubtful accounts was recorded at June 30, 2015.

Inventories

Inventories of the Visitor Center merchandise consist primarily of books, periodicals, tickets and other gift items. Inventories are valued at the lower of average cost (first-in, first-out) or market.

Capitalization and Depreciation

The Conservancy capitalizes all expenditures in excess of \$5,000 for property and equipment at cost, while donations of property and equipment are recorded at their estimated fair values. Such donations are reported as unrestricted unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted. Absent donor stipulations regarding how long those donated assets must be maintained, The Conservancy reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Conservancy reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over the estimated useful asset lives as follows:

Leasehold improvements	5 - 30 years
Furniture and equipment	3 - 10 years

Depreciation expense totaled \$18,269 for the year ended June 30, 2015.

Maintenance and repairs are charged to operations as incurred. Upon sale or disposition of property or equipment, the asset account is reduced by the cost and the accumulated depreciation account is reduced by the depreciation taken prior to the sale or disposition. Any resultant gain or loss is recorded as income or expense.

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Organization and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Compensated Absences

Accumulated unpaid vacation and other employee benefit amounts totaling \$22,483 at June 30, 2015, are accrued when incurred and included in accounts payable and accrued expenses.

Revenue Recognition

Rental Income

Advance receipts of rental income are deferred or classified as liabilities until earned. Prepaid rents totaled \$22,664 at June 30, 2015.

Contributions

Contributions are recognized when the donor makes a promise to give to The Conservancy that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net asset depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Grant Income

In March 2015, The Conservancy received a grant totaling \$400,000 for a WiFi expansion in Balboa Park and agreed to pass through the funds to Balboa Park Online Collaborative (BPOC), who was responsible for completing the project specified in the terms of the grant. The project was completed and all grant funds were disbursed during the year ended June 30, 2015. The Conservancy has not reported this grant revenue or expenses in its statement of activities for the year ended June 30, 2015, since the funds were not subject to the control of The Conservancy.

Donated Materials and Services

The Conservancy utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The donated services of volunteers did not meet the requirements above; therefore no amounts for these services were recognized in the financial statements.

The Conservancy has received donations for professional services. The professional services are recorded at their fair value and totaled \$10,500 for the year ended June 30, 2015. The amount has been included in both revenue and expense in the accompanying financial statements.

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Organization and Significant Accounting Policies: (Continued)

Significant Accounting Policies (Continued)

Donated Materials and Services (Continued)

The Conservancy has received donations of advertising and marketing materials and furniture, fixtures and equipment during the year. The donations are recorded at their fair value and totaled \$70,000 and \$1,575, respectively, for the year ended June 30, 2015. The amount has been included in both revenue and expense in the accompanying financial statements.

Allocated Expenses

The Conservancy allocates its expenses on a functional basis among its various programs and supporting services. Expenditures which can be identified with a specific program or support services are allocated directly, according to their natural expenditure classification. Costs that are common to several functions are allocated among the program and supporting services on the basis of time records, space utilized, and estimates made by The Conservancy's management.

Income Taxes

The Conservancy is a public charity and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code except on net income derived from unrelated business activities. The Conservancy believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Conservancy is not a private foundation.

The Conservancy's Return of Organization Exempt from Income Tax for the years ended June 30, 2015, 2014, 2013 and 2012 are subject to examination by Internal Revenue Service and State taxing authorities, generally three to four years after the returns were filed.

Concentration of Credit Risk

The Conservancy maintains its cash in bank deposit accounts and money market funds which, at times, may exceed federally insured limits. The Conservancy has not experienced any losses in such accounts. The Conservancy believes it is not exposed to any significant credit risk on cash and cash equivalents.

Cash and Cash Equivalents

For purposes of the statement of cash flows, The Conservancy considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents.

Subsequent Events

The Conservancy has evaluated events through September 8, 2015 which is the date the financial statements were available to be issued, and concluded that there were no events or transactions that needed to be disclosed.

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 2 - Accounts Receivable:

Accounts receivable consist of the following at June 30, 2015:

The Prado at Balboa Park	\$ 144,895
Balboa Park Cultural Partnership	6,705
Total Accounts Receivable	\$ 151,600

Note 3 - Property and Equipment:

Property and equipment consist of the following at June 30, 2015:

Leasehold improvements	\$ 307,247
Furniture and equipment	162,186
Subtotal	469,433
Less: Accumulated depreciation	(252,917)
Property and Equipment, Net	\$ 216,516

Note 4 - Rental Income:

The Conservancy leases office and restaurant space under operating leases through October 2019, and other offices under month-to-month leases. Rental income totaled \$958,503 for the year ended June 30, 2015. The related future minimum lease income is as follows:

Years Ended June 30	
2016	\$ 283,889
2017	236,029
2018	233,749
2019	230,557
2020	57,639
Total	\$ 1,041,863

Note 5 – Balboa Park December Nights Event:

On August 14, 2013, The Conservancy entered into an agreement with the City of San Diego to serve as the non-profit fiduciary and managing agent for the Balboa Park December Nights Event. The December Nights Event is an annual event held in Balboa Park in December to enhance the balance of community and culture in San Diego. December Nights has been a part of the fabric of San Diego for over thirty-five years. The agreement expires on April 30, 2018.

In accordance with the agreement with the City of San Diego, The Conservancy is paid sixty percent (60%) of the net event proceeds as a managing agent fee. For the December Nights Event held in December 2014, The Conservancy earned a \$45,121 managing agent fee, which has been included in event management fee in the statement of activities for the year ended June 30, 2015.

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 6 – Unrestricted – Board Designated Net Assets:

The Board has designated unrestricted net assets for the following purposes at June 30, 2015:

Capital reserve	\$ 261,667
Botanical Building	19,567
Total Unrestricted – Board Designated Net Assets	\$ 281,234

Note 7 - Temporarily Restricted Net Assets:

Temporarily restricted net assets consist of the following at June 30, 2015:

Botanical Building	\$ 383,443
Plaza de Panama	4,865
Total Temporarily Restricted Net Assets	\$ 388,308

Note 8 - San Diego Foundation Balboa Park Conservancy Fund:

The San Diego Foundation (“SDF”) established a field of interest non-endowment fund at their organization named the San Diego Balboa Park Conservancy Fund (“Fund”). The Fund was established on September 10, 2010 under an agreement by and between the Legler Benbough Foundation, The Parker Foundation and SDF. The primary purpose of the Fund is to support the mission of The Conservancy.

Under the terms of the Fund agreement all money and property in the Fund shall be assets of SDF and shall be subject only to the control of SDF. Since SDF was explicitly granted variance power under the Fund agreement The Conservancy is not allowed to recognize its rights to assets held in the Fund until the assets are distributed to The Conservancy. The assets in the Fund totaled \$2,952 at June 30, 2015. Distributions made to The Conservancy from the Fund which have been included in grants totaled \$210,572 for the year ended June 30, 2015.

Note 9 - Commitments:

Operating Lease

The Conservancy has a noncancelable operating lease agreement with the City of San Diego for the period October, 1997 through September, 2018. The Conservancy pays a monthly minimum rent plus percentage rent based on certain income generated by the leased facilities. Rent expense for this lease totaled \$93,120 for the year ended June 30, 2015. The following is a schedule of future minimum lease payments under the lease:

<u>Years Ended</u> <u>June 30</u>	
2016	\$ 73,101
2017	73,101
2018	73,101
2019	18,275
	\$ 237,578

**BALBOA PARK CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 9 - Commitments: (Continued)

Employee Benefit Plan

The Conservancy has established a 403(b) plan covering full-time employees who have completed 90 days of service and have attained the age of nineteen. Employees may defer a percentage of their annual compensation, not to exceed the annual amount allowed by law. The Conservancy made a matching contribution equal to 100% of employee salary deferrals not to exceed 3% of employee compensation. The Conservancy contributed \$10,998 to the Plan for the year ending June 30, 2015.

Note 10 – Merger:

On July 1, 2014, under an Agreement of Merger, Balboa Park Central (“Central”) merged with the The Balboa Park Conservancy (“Conservancy”) which created The Conservancy. The corporate existence of Central continued and the separate corporate existence of the Conservancy ceased. The articles of incorporation and the by-laws of Central were amended and restated to reflect the primary rules governing the management of both entities. The merger between the Conservancy and Central did not involve the transfer of any consideration.

The merger was accounted for by combining all of the assets and liabilities of the Conservancy and Central. The amounts recognized as of the merger date for each major class of assets and liabilities and each class of net assets on July 1, 2014 were:

	<u>Conservancy</u>	<u>Central</u>	<u>Adjustment</u>		<u>Total</u>
			<u>Debit</u>	<u>Credit</u>	
Assets:					
Cash and cash equivalents	\$ 77,445	\$ 493,500	\$ -	\$ -	\$ 570,945
Accounts receivable	-	154,194	-	5,346	148,848
Other assets	1,241	105,879	-	-	107,120
Property and equipment	-	235,082	-	-	235,082
Total Assets	<u>\$ 78,686</u>	<u>\$ 988,655</u>	<u>\$ -</u>	<u>\$ 5,346</u>	<u>\$ 1,061,995</u>
Total Liabilities	<u>\$ 43,623</u>	<u>\$ 110,506</u>	<u>\$ 5,346</u>	<u>\$ -</u>	<u>\$ 148,783</u>
Net Assets	<u>\$ 35,063</u>	<u>\$ 878,149</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 913,212</u>

**BALBOA PARK CONSERVANCY
SUPPLEMENTARY SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015**

	Program Expenses					Supporting Services				Total Expenses
	Retail Operations	Facilities	Balboa Park Marketing	Projects		Total	General and Administrative	Fundraising	Total	
				Botanical Building	Plaza de Panama					
Salaries and Related Expenses:										
Salaries and wages	\$ 198,046	\$ 145,500	\$ 113,088	\$ -	\$ -	\$ 456,634	\$ 231,798	\$ -	\$ 231,798	688,432
Payroll taxes and employee benefits	63,357	52,897	26,244	-	-	142,498	49,311	-	49,311	191,809
Total Salaries and Related Expenses	<u>261,403</u>	<u>198,397</u>	<u>139,332</u>	<u>-</u>	<u>-</u>	<u>599,132</u>	<u>281,109</u>	<u>-</u>	<u>281,109</u>	<u>880,241</u>
Nonsalary Related Expenses:										
Accounting fees	-	-	-	-	-	-	24,069	-	24,069	24,069
Advertising and marketing	-	-	118,997	-	-	118,997	-	-	-	118,997
Banking expenses	18,465	-	88	-	-	18,553	932	-	932	19,485
Copier rental expense	873	-	2,848	-	-	3,721	1,538	-	1,538	5,259
Cost of sales	845,003	-	-	-	-	845,003	-	-	-	845,003
Depreciation	3,637	14,341	80	-	-	18,058	211	-	211	18,269
Donor recognition	-	-	-	-	-	-	-	627	627	627
Dues and subscriptions	565	-	708	-	-	1,273	7,600	-	7,600	8,873
Employee discounts	12,253	-	-	-	-	12,253	-	-	-	12,253
Facilities maintenance	486	97,240	-	-	-	97,726	373	-	373	98,099
Fees and permits	134	-	-	-	-	134	1,439	-	1,439	1,573
Furniture, fixtures and equipment	1,239	3,375	141	-	-	4,755	4,895	-	4,895	9,650
Information technology	6,368	890	2,700	-	-	9,958	7,599	-	7,599	17,557
Insurance	-	-	-	-	-	-	11,278	-	11,278	11,278
Legal	-	-	-	-	-	-	7,960	-	7,960	7,960
Loss on disposal of property and equipment	70,375	-	-	-	-	70,375	-	-	-	70,375
Other expenses	215	175	-	-	-	390	614	-	614	1,004
Outside services	371	-	10,826	-	-	11,197	34,289	27,388	61,677	72,874
Postage and shipping	1,101	10	236	-	-	1,347	412	-	412	1,759
Printing	327	13	3,488	-	-	3,828	29,577	-	29,577	33,405
Project expenses	-	-	-	4,080	112,563	116,643	-	-	-	116,643
Rent	1,921	89,297	580	-	-	91,798	1,322	-	1,322	93,120
Seminars and training	308	35	45	-	-	388	1,175	-	1,175	1,563
Supplies	9,521	149	517	-	-	10,187	2,336	-	2,336	12,523
Telecommunications	3,060	5,817	840	-	-	9,717	1,375	-	1,375	11,092
Travel and meetings	1,231	-	1,619	-	-	2,850	53,844	-	53,844	56,694
Uniforms	38	2,910	-	-	-	2,948	-	-	-	2,948
Utilities	2,651	123,213	801	-	-	126,665	1,822	-	1,822	128,487
Volunteer expense	8,125	-	-	-	-	8,125	-	-	-	8,125
Total Nonsalary Related Expenses	<u>988,267</u>	<u>337,465</u>	<u>144,514</u>	<u>4,080</u>	<u>112,563</u>	<u>1,586,889</u>	<u>194,660</u>	<u>28,015</u>	<u>222,675</u>	<u>1,809,564</u>
TOTAL EXPENSES	<u>\$ 1,249,670</u>	<u>\$ 535,862</u>	<u>\$ 283,846</u>	<u>\$ 4,080</u>	<u>\$ 112,563</u>	<u>\$ 2,186,021</u>	<u>\$ 475,769</u>	<u>\$ 28,015</u>	<u>\$ 503,784</u>	<u>\$ 2,689,805</u>