



**ATLANTA, GEORGIA**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

**PIEDMONT PARK CONSERVANCY, INC.  
INDEX TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

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**Jones and Kolb**  
Certified Public Accountants  
Atlanta, Georgia

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Piedmont Park Conservancy, Inc.  
Atlanta, Georgia

We have audited the accompanying financial statements of Piedmont Park Conservancy, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, 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.

***Auditor's 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 audits 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 Organization'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 Organization'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 Piedmont Park Conservancy, Inc. 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.

*Jones and Kolb*

March 11, 2021

**PIEDMONT PARK CONSERVANCY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2020 AND 2019**

**ASSETS**

	<b>2020</b>	<b>2019</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,332,720	\$ 1,800,928
Pledges receivable	-	52,500
Accounts receivable	3,567	27,355
Prepaid expenses	42,310	51,286
Beverage and gift cards inventory	47,398	67,612
	1,425,995	1,999,681
<b>PROPERTY AND EQUIPMENT</b>		
Land, building and improvements	4,517,100	4,431,406
Furniture, fixtures and equipment	631,016	620,504
	5,148,116	5,051,910
Less accumulated depreciation	2,184,230	2,071,858
	2,963,886	2,980,052
Property and equipment, net	2,963,886	2,980,052
	\$ 4,389,881	\$ 4,979,733
Total assets	\$ 4,389,881	\$ 4,979,733

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 48,417	\$ 44,108
Deferred revenue	415,488	288,954
	463,905	333,062
Total current liabilities	463,905	333,062
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	2,799,666	3,272,693
Designated by Board as operating and maintenance reserve	500,000	600,000
	3,299,666	3,872,693
Total without donor restrictions	3,299,666	3,872,693
With donor restrictions	626,310	773,978
	3,925,976	4,646,671
Total net assets	3,925,976	4,646,671
Total liabilities and net assets	\$ 4,389,881	\$ 4,979,733

The accompanying notes to financial statements  
are an integral part of these statements.

**PIEDMONT PARK CONSERVANCY, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Contributions	\$ 873,524	\$ 723,324
Rental income	278,995	983,236
Special events	471,001	665,909
Program fees	105,540	813,378
City of Atlanta support	257,914	245,461
Paycheck Protection Program grant	382,000	-
Other income	10,204	24,770
	<hr/>	<hr/>
Total revenue and contributions	2,379,178	3,456,078
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<hr/>	<hr/>
	772,947	519,931
<b>TOTAL REVENUE, CONTRIBUTIONS AND NET ASSETS RELEASED FROM RESTRICTIONS</b>	<hr/>	<hr/>
	3,152,125	3,976,009
<b>EXPENSES</b>		
Program services	2,664,299	2,702,477
Supporting services		
Management and general	394,539	287,323
Fundraising	645,197	789,503
	<hr/>	<hr/>
Total functional expenses	3,704,035	3,779,303
Direct costs of special events	21,117	270,283
	<hr/>	<hr/>
Total expenses	3,725,152	4,049,586
	<hr/>	<hr/>
Change in net assets without donor restrictions	(573,027)	(73,577)
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Support with donor restrictions	569,746	458,019
Endowment fund distributions	55,533	55,690
	<hr/>	<hr/>
Total contributions	625,279	513,709
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<hr/>	<hr/>
	(772,947)	(519,931)
Change in net assets with donor restrictions	<hr/>	<hr/>
	(147,668)	(6,222)
<b>CHANGE IN NET ASSETS</b>	<hr/>	<hr/>
	(720,695)	(79,799)
<b>NET ASSETS, Beginning of year</b>	<hr/>	<hr/>
	4,646,671	4,726,470
<b>NET ASSETS, End of year</b>	<hr/> <hr/>	<hr/> <hr/>
	\$ 3,925,976	\$ 4,646,671

The accompanying notes to financial statements  
are an integral part of these statements.

**PIEDMONT PARK CONSERVANCY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Program Services</u>			<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
	<u>Park Events</u>	<u>Park Maintenance and Beautification</u>	<u>Total Program Services</u>			
Salaries	\$ 723,762	\$ 618,655	\$ 1,342,417	\$ 182,467	\$ 360,185	\$ 1,885,069
Staff health and retirement benefits	64,168	78,539	142,707	10,483	22,078	175,268
Payroll taxes	52,270	43,151	95,421	11,891	21,911	129,223
 Total personnel	 840,200	 740,345	 1,580,545	 204,841	 404,174	 2,189,560
Park maintenance	-	325,395	325,395	-	-	325,395
Professional services and fees	-	-	-	81,366	95,431	176,797
Office expenses	39,827	12,826	52,653	58,014	52,525	163,192
Rental expenses	132,126	-	132,126	-	-	132,126
Security services	-	108,475	108,475	-	-	108,475
Occupancy	95,530	-	95,530	-	-	95,530
Insurance	42,348	25,327	67,675	8,755	1,464	77,894
Information technology	21,354	5,339	26,693	10,676	39,583	76,952
Supplies and vehicle expenses	27,439	44,769	72,208	-	-	72,208
Advertising and promotion	8,741	796	9,537	13,142	38,796	61,475
Aquatic center	42,991	-	42,991	-	-	42,991
Other expenses	31,438	-	31,438	3,665	1,192	36,295
Conferences and meetings	514	354	868	178	5,081	6,127
 Total expenses before depreciation	 1,282,508	 1,263,626	 2,546,134	 380,637	 638,246	 3,565,017
Depreciation	69,509	48,656	118,165	13,902	6,951	139,018
 Total expenses	 <u>\$ 1,352,017</u>	 <u>\$ 1,312,282</u>	 <u>\$ 2,664,299</u>	 <u>\$ 394,539</u>	 <u>\$ 645,197</u>	 <u>\$ 3,704,035</u>

The accompanying notes to financial statements  
are an integral part of this statement.

**PIEDMONT PARK CONSERVANCY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Program Services</u>			<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
	<u>Park Events</u>	<u>Park Maintenance and Beautification</u>	<u>Total Program Services</u>			
Salaries	\$ 620,006	\$ 487,831	\$ 1,107,837	\$ 139,858	\$ 474,999	\$ 1,722,694
Staff health and retirement benefits	53,881	69,347	123,228	7,068	34,481	164,777
Payroll taxes	47,031	34,838	81,869	9,510	31,336	122,715
 Total personnel	 720,918	 592,016	 1,312,934	 156,436	 540,816	 2,010,186
Park maintenance	-	301,809	301,809	-	-	301,809
Professional services and fees	-	-	-	41,859	48,242	90,101
Office expenses	46,080	18,199	64,279	33,464	61,714	159,457
Rental expenses	314,742	-	314,742	-	-	314,742
Security services	-	108,260	108,260	-	-	108,260
Occupancy	85,405	-	85,405	-	-	85,405
Insurance	46,319	30,464	76,783	8,920	2,127	87,830
Information technology	3,550	1,775	5,325	1,777	30,041	37,143
Supplies and vehicle expenses	64,592	48,688	113,280	-	-	113,280
Advertising and promotion	14,714	1,389	16,103	21,160	90,806	128,069
Aquatic center	142,802	-	142,802	-	-	142,802
Other expenses	29,997	-	29,997	7,149	2,159	39,305
Conferences and meetings	2,147	3,727	5,874	1,864	6,252	13,990
 Total expenses before depreciation	 1,471,266	 1,106,327	 2,577,593	 272,629	 782,157	 3,632,379
Depreciation	73,461	51,423	124,884	14,694	7,346	146,924
 Total expenses	 <u>\$ 1,544,727</u>	 <u>\$ 1,157,750</u>	 <u>\$ 2,702,477</u>	 <u>\$ 287,323</u>	 <u>\$ 789,503</u>	 <u>\$ 3,779,303</u>

The accompanying notes to financial statements  
are an integral part of this statement.

**PIEDMONT PARK CONSERVANCY, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (720,695)	\$ (79,799)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation	139,018	146,924
Amortization	-	1,250
Decrease in pledges receivable	52,500	52,950
(Increase) decrease in accounts receivable	23,788	(17,756)
(Increase) decrease in prepaid expenses	8,976	(18,658)
(Increase) decrease in beverage and gift cards inventory	20,214	(33,212)
Increase (decrease) increase in accounts payable	4,309	(17,827)
Increase in deferred revenue	126,534	5,296
Total adjustments	<u>375,339</u>	<u>118,967</u>
Net cash and cash equivalents provided by (used in) operating activities	<u>(345,356)</u>	<u>39,168</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	<u>(122,852)</u>	<u>(28,239)</u>
Net cash and cash equivalents used in investing activities	<u>(122,852)</u>	<u>(28,239)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment for loan origination fee	<u>-</u>	<u>(1,250)</u>
Net cash and cash equivalents used in financing activities	<u>-</u>	<u>(1,250)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(468,208)</u>	<u>9,679</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>1,800,928</u>	<u>1,791,249</u>
<b>CASH AND CASH EQUIVALENTS</b>		
End of year	<u><u>\$ 1,332,720</u></u>	<u><u>\$ 1,800,928</u></u>

The accompanying notes to financial statements  
are an integral part of these statements.



**PIEDMONT PARK CONSERVANCY, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Piedmont Park Conservancy, Inc. ("PPC") is a nonprofit organization created in 1989 for the purpose of the restoration and preservation of Piedmont Park (the "Park"), a City of Atlanta (the "City") public park in Atlanta, Georgia. PPC has invested over \$66 million in capital improvements for the Park since its inception in 1989. PPC's mission is to preserve and enhance Piedmont Park and its programs. PPC offers a diverse set of programs and services. The unifying theme to PPC's offerings is that they all enhance or preserve the Park. Services such as landscaping, beautification and management of volunteers contribute to the preservation of Piedmont Park while special events, educational programs, venue rentals and park amenities enhance the overall park experience.

PPC strives to maintain a strong, diverse and active Board of Directors (the "Board") composed of individuals consisting of community and business members, environmental stewards and local governmental officials. PPC operates under a set of Corporate Bylaws administered by a 10-member Executive Committee focused on sustainable growth, organizational stability and operational excellence.

PPC operates on a five year strategic plan that prioritizes five objectives and a vision that the Park is an iconic park for all neighborhoods of metro Atlanta. The current strategic plan is for 2019 to 2023 and the five objectives include:

1. Ensure a safe, clean, green and accessible park for all
2. Drive park expansion and BeltLine integration
3. Build a wide and diverse range of activities and facilities accessible for all
4. Grow an engaged and active community of supporters, neighbors, users and stakeholders
5. Deliver strong Board governance and operational excellence

In February 2012, the Atlanta City Council approved and passed a Memorandum of Understanding (the "MOU") outlining PPC's relationship with the City, defining in broad terms the responsibilities of PPC and the City regarding the operation of the Park. The 2012 MOU had a five-year term with a provision for one five-year renewal term, and either the City or PPC may terminate the MOU, without cause, with 30 days written notice. The MOU does not affect agreements with the City regarding PPC's operation of certain City facilities for the benefit of the Park. In 2017, PPC reached an agreement with the City for the terms of a new five-year MOU.

The MOU contains provisions allowing PPC to manage concessions and rental facilities and display banners in the Park recognizing organizations making large donations. The MOU requires PPC to ensure that vendors engaged by PPC to perform work in the Park carry certain insurance and indemnification provisions. The MOU also clarifies the City's public safety responsibilities in the Park and documents the City's commitment to fund security and janitorial services managed by PPC that supplement the City's basic police services and pay for fixed infrastructure repairs and utilities.

**PIEDMONT PARK CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

B. PPC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, only unrelated business taxable income, as defined by Section 512(a)(1) of the Code, is subject to tax.

C. The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

D. The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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, contributions and expenses during the reporting period. Actual results could differ from those estimates.

E. All highly liquid investments with initial maturities of three months or less are considered to be cash equivalents.

F. PPC maintains cash balances at financial institutions which may, at times, exceed the federally insured limits. Management periodically reviews the financial viability of the financial institutions and does not anticipate any credit risk related losses.

G. PPC records unconditional pledges in the period made by donors and allowances are provided for amounts estimated as uncollectible. All contributions are available for unrestricted purposes unless specifically restricted by the donor. At December 31, 2019, all pledges are expected to be collected within one year of the financial statements date, and no allowance has been recorded. Pledges receivable at December 31, 2019 were \$52,500 and approximately 95% were due from two donors.

H. Accounts receivable, net of allowances for uncollectible accounts, are recorded at the amount of cash estimated as realizable. PPC provides reserves for uncollectible accounts when specific accounts are deemed uncollectible. Accounts receivable are considered delinquent based upon how recently payments have been received. At December 31, 2020 and 2019, all amounts are expected to be collected, and no allowance for uncollectible accounts has been recorded.

I. PPC maintains an inventory of beverages for use in special events and for facility rental events. Beverage inventory is valued at cost at the time of purchase. PPC also holds Home Depot gift cards that were received as part of a grant from the Home Depot Foundation. These gift cards are valued based on their preloaded dollar amount from Home Depot.

J. Purchased property and equipment are capitalized at cost if the individual item exceeds \$2,500. Donated assets are capitalized at the fair market value of the asset on the date of contribution. Additions and replacements are capitalized to the property and equipment accounts, while repairs and maintenance are charged to expense as incurred. Property and equipment are depreciated over the estimated useful lives of the related assets using the straight-line method.

**PIEDMONT PARK CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

Useful lives of these assets range from five to forty years. Depreciation expense was \$139,018 and \$146,924 for the years ended December 31, 2020 and 2019, respectively.

K. Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – These net assets are available for use in general operations and are not subject to donor or grantor restrictions. The governing Board has designated an amount, from net assets without donor restrictions, for an operating and maintenance reserve. At December 31, 2020 and 2019, the operating and maintenance reserve balance was \$500,000 and \$600,000, respectively.

Net assets with donor restrictions – These net assets are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature; for example, restrictions that may or will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature; for example, stipulating that resources be maintained in perpetuity. The donors of these assets permit PPC to use all of the income earned on related investments for general or specific purposes. More specifically, items included in net assets with donor restrictions are gifts for which restrictions have not been met.

When restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as "net assets released from restrictions."

L. PPC recognizes contributions when cash, securities or other assets, unconditional promises to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

M. Rental income and program fees are recognized upon occurrence of the related event. Special events revenue equal to the fair value of direct benefits to donors and contributions income for the excess received are recognized when the event takes place. Amounts received and expenses paid prior to the events are recorded as deferred revenue and prepaid expenses, respectively, in the Statements of Financial Position.

N. PPC records donated services as a contribution and expense if the services create or enhance a non-financial asset, or the services would (1) need to be purchased by PPC if not provided by a contribution, (2) require specialized skills, and (3) are provided by individuals with those skills. Donated materials and services are reflected as contributions in the accompanying financial statements at their estimated value on the date of receipt. During the years ended December 31, 2020 and 2019, PPC recorded approximately \$115,000 and \$172,000, respectively,

**PIEDMONT PARK CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

of donated services, materials and advertising, related to various fundraising events and professional services.

O. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include salaries and benefits, which are allocated on the basis of estimated time and effort, while office and direct program expenses are allocated based on their specific functions and events.

P. Management has evaluated subsequent events through March 11, 2021, which is the date these financial statements were available to be issued.

**2. LIQUIDITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, comprise the following as of December 31:

	<b>2020</b>	<b>2019</b>
Cash and cash equivalents	\$ 1,332,720	\$ 1,800,928
Pledges and accounts receivable	3,567	79,855
Gift cards inventory	26,104	36,000
 Total current financial assets	 1,362,391	 1,916,783
 Less amounts unavailable for general expenditure:		
Board designated operating and maintenance reserve	(500,000)	(600,000)
Net assets with donor restrictions	(626,310)	(773,978)
 Financial assets available for general expenditures	 \$ 236,081	 \$ 542,805

PPC has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. If liquidity needs arise in the future, PPC can draw from the \$500,000 line of credit available with a financial institution, which matures in November 2021. Management's intent is to renew the line of credit effective upon maturity.

**3. LINE OF CREDIT**

PPC has a \$500,000 line of credit with a financial institution maturing in November 2021. Borrowings under the line of credit bear interest at the institution's prime rate which was 4.00% and 4.75% at December 31, 2020 and 2019, respectively. The line of credit is secured by all

**PIEDMONT PARK CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

receivables, inventory and equipment of PPC. PPC did not have any borrowings under the line of credit during the years ended December 31, 2020 and 2019.

**4. LEASES**

During the years ended December 31, 2020 and 2019, PPC leased building space to a restaurant tenant under a noncancelable operating lease with a five-year term expiring in 2027. The agreement and extension provide for monthly base rental payments plus a percentage of gross annual sales over a specified amount. For the years ended December 31, 2020 and 2019, rental income from this lease totaled \$99,775 and \$93,163, respectively.

Future minimum base rental payments to be received under the lease are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2021	\$ 88,488
2022	105,502
2023	106,468
2024	106,468
2025	106,468
Thereafter	<u>159,702</u>
Total	<u><u>\$ 673,096</u></u>

During the year ended December 31, 2017, PPC entered into an agreement with another restaurant tenant under a noncancelable operating lease with a ten-year term. During the buildout phase, the tenant and PPC had a dispute in relation to the condition of the leased space. A letter of Termination for Default was sent to the tenant in 2019. Therefore, no rental income was recognized pursuant to this lease for the years ended December 31, 2020 and 2019. During 2020 and 2019, PPC performed improvements to the space to restore it to rentable condition.

Subsequent to the year ended December 31, 2020, PPC entered into a ten-year leasing contract with a national recognized brand tenant for the unoccupied restaurant space.

**5. NET ASSETS**

Board designated net assets consisted of \$500,000 and \$600,000 for an operating and maintenance reserve at December 31, 2020 and 2019, respectively. The purpose of the reserve is to ensure the stability of the mission, programs and operations of the Organization through protection of the regular operating budget against major unforeseen, unbudgeted repair and maintenance expenses. During 2020, the Board released \$100,000 from the reserve to restore the Community Center.

**PIEDMONT PARK CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

Changes to net assets with donor restrictions are as follows:

	<u>December 31,</u> <u>2019</u>	<u>Additions</u>	<u>Released from</u> <u>Restrictions</u>	<u>December 31,</u> <u>2020</u>
Subject to expenditure for specified purpose:				
Capital projects and park improvements	\$ 632,978	\$ 272,279	\$ (303,947)	\$ 601,310
Active Oval	91,000	-	(81,000)	10,000
Performance on the Promenade	25,000	-	(25,000)	-
COVID-19 relief	-	190,000	(175,000)	15,000
Environmental education	-	35,000	(35,000)	-
Green Market	-	60,000	(60,000)	-
Volunteer program	-	68,000	(68,000)	-
	<u>748,978</u>	<u>625,279</u>	<u>(747,947)</u>	<u>626,310</u>
Subject to the passage of time:				
Promises to give without restrictions but are unavailable until collection	25,000	-	(25,000)	-
	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>
	<u>\$ 773,978</u>	<u>\$ 625,279</u>	<u>\$ (772,947)</u>	<u>\$ 626,310</u>
	<u>December 31,</u> <u>2018</u>	<u>Additions</u>	<u>Released from</u> <u>Restrictions</u>	<u>December 31,</u> <u>2019</u>
Subject to expenditure for specified purpose:				
Capital projects and park improvements	\$ 675,700	\$ 201,209	\$ (243,931)	\$ 632,978
Active Oval	-	115,000	(24,000)	91,000
Performance on the Promenade	50,000	-	(25,000)	25,000
Field trips	-	57,500	(57,500)	-
Environmental education	4,500	-	(4,500)	-
Green Market	-	60,000	(60,000)	-
Volunteer program	-	55,000	(55,000)	-
	<u>730,200</u>	<u>488,709</u>	<u>(469,931)</u>	<u>748,978</u>
Subject to the passage of time:				
Promises to give without restrictions but are unavailable until collection	50,000	25,000	(50,000)	25,000
	<u>50,000</u>	<u>25,000</u>	<u>(50,000)</u>	<u>25,000</u>
	<u>\$ 780,200</u>	<u>\$ 513,709</u>	<u>\$ (519,931)</u>	<u>\$ 773,978</u>

**PIEDMONT PARK CONSERVANCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

**6. PAYCHECK PROTECTION PROGRAM GRANT**

During 2020, PPC received a Paycheck Protection Program ("PPP") loan in the amount of \$382,000 from the Small Business Administration ("SBA"). The loan accrued interest at 1.0% per annum, with no required payments for ten months after funding of the loan. PPC fully utilized the funds for the PPP's intended purpose. Therefore, in anticipation of the loan being forgiven in full, the balance has been recorded as Paycheck Protection Program grant revenue in the Statement of Activities and Net Assets for the year ended December 31, 2020. PPC received confirmation that the loan had been forgiven in full in January 2021.

**7. PARK IMPROVEMENT PROJECTS**

At December 31, 2020 and 2019, improvement projects in progress consist primarily of repairs and maintenance to existing facilities. In addition, operating and program expenses in the accompanying Statements of Activities include approximately \$328,000 and \$309,000 for 2020 and 2019, respectively, of facility maintenance expenses and additional safety services that were unreimbursed by the City.

**8. RETIREMENT SAVINGS PLAN**

PPC provides a 401(k) retirement savings plan (the "Plan") covering substantially all employees. Annually, PPC contributes three percent of each eligible participant's annual compensation into a retirement savings account for that participant under the Plan. PPC employees become eligible to enter the Plan on the first January 1 or July 1 following a 90-day waiting period after their date of hire. One year after a participant is eligible to enter the Plan, the participant is eligible for the PPC three percent safe harbor contribution. Eligible employees may contribute pre-tax amounts via payroll deduction into their retirement savings account under the Plan. PPC contributions to participant accounts under the Plan were \$44,234 and \$34,023 for the years ended December 31, 2020 and 2019, respectively.

**9. ENDOWMENT FUND**

In 2003, a donor contributed \$1,000,000 to PPC to establish a permanent endowment fund with the Community Foundation for Greater Atlanta, Inc. (the "Foundation"). The restricted fund agreement grants ownership and control of this endowment fund to the Foundation, with annual distributions from the fund paid to PPC to help care for the Park. Accordingly, the endowment fund is not recorded as an asset of PPC and is not recognized in the accompanying financial statements. The market value of this endowment fund was \$1,306,696 and \$1,275,124 at December 31, 2020 and 2019, respectively. Distributions to PPC from this endowment fund are recorded as contributions in the year they are received. Distributions of \$55,533 and \$55,690 were received from the endowment fund during the years ended December 31, 2020 and 2019, respectively.

**PIEDMONT PARK CONSERVANCY, INC.  
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**10. CORONAVIRUS PANDEMIC**

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") a pandemic, with the outbreak widespread across the world. PPC's Board and management are actively monitoring the impact of COVID-19 on its operations and are working to moderate operating expenses while remaining fully committed to continuing to provide critical services for the Park. Since March of 2020, PPC has cancelled all program events and converted several special events to virtual events due to social distancing guidelines. Management is working with City officials to implement a safe and orderly re-opening of the Park and PPC's program events.

**11. LITIGATION**

PPC is involved in litigation involving the disputed rental space with a former tenant. As of December 31, 2020, it is not possible to determine if there is a loss potential or what that amount might be. PPC has retained legal counsel and is vigorously defending the claim.

**12. SUBSEQUENT EVENT**

Subsequent to the year ended December 31, 2020, PPC applied for and received another PPP loan in the amount of \$352,000. The loan has the identical terms and forgiveness requirements as the previous PPP loan received in 2020 (See Note 6). PPC anticipates this loan will be fully forgiven in 2021.