

Bartlett Arboretum

Budget for Fiscal year end Aug 31, 2017

	Unaudited	DRAFT Budget	YTD	Estimate	Estimated Full Year	Variance	DRAFT Budget
	Sep 2014 - Aug 2015	Sep 2015 - Aug 2016	Sep - Dec 2015	Jan 2016-Aug 2016	Sep 2015 - Aug 2016	Sep 2015 - Aug 2016	Sep 2016 - Aug 2017
Income							
5200 - Membership Income	\$32,501	\$15,000	\$5,940	\$27,000	\$32,940	\$17,940	\$35,000
5300 - Contributions and Grants	\$151,467	\$180,000	\$31,373	\$107,000	\$138,373	(\$41,627)	\$155,000
5400 - Restricted Income	\$55,300	\$45,000	\$35,250	\$10,000	\$45,250	\$250	\$60,000
5500 - Education Income	\$125,575	\$60,000	\$20,290	\$53,000	\$73,290	\$13,290	\$125,000
5600 - Event Income	\$151,317	\$100,000	\$3,647	\$45,000	\$48,647	(\$51,353)	\$150,000
5700 - Miscellaneous Income	\$15,654	\$10,000	\$3,842	\$7,000	\$10,842	\$842	\$10,000
5800 - City of Stamford Subsidy	\$275,000	\$309,000	\$91,667	\$184,999	\$276,666	(\$32,334)	\$285,000
5900 - Investment Income	\$243	\$150	\$100	\$150	\$250	\$100	\$250
Total Income	\$807,056	\$719,150	\$192,109	\$434,149	\$626,258	(\$92,892)	\$820,250
Expense							
6000 - Expenses							
6100 - Salaries	\$284,790	\$321,933	\$78,683	\$180,776	\$259,459	(\$62,474)	\$298,665
6200 - Payroll Taxes/ Employee Benefit	\$50,032	\$78,000	\$20,527	\$56,870	\$77,398	(\$602)	\$71,680
6300 - General Expenses	\$135,284	\$40,000	\$5,495	\$30,800	\$36,295	(\$3,705)	\$135,232
6400 - Administrative	\$175,799	\$90,000	\$52,524	\$75,000	\$127,524	\$37,524	\$195,824
6500 - Insurance	\$32,140	\$35,000	\$25,322	\$11,000	\$36,322	\$1,322	\$36,000
6600 - Office Expenses	\$62,094	\$35,000	\$16,479	\$26,068	\$42,547	\$7,547	\$53,850
6700 - Development and Marketing	\$26,691	\$55,000	\$21,686	\$25,027	\$46,713	(\$8,287)	\$29,000
Total 6000 - Expenses	\$766,830	\$654,933	\$220,716	\$405,542	\$626,258	(\$28,675)	\$820,250
Net (Loss)/Income before depreciation*	\$40,226	\$64,217	(\$28,607)	\$28,608	\$0	(\$64,217)	(\$0)

Note 1:

Fiscal year end Aug 31, 2015 has been audited and is materially in line with the unaudited numbers above with variances of less than \$2K in revenue and \$8K in total expenses

Copies of the audited financials will be made available at the Board of Reps meeting

These numbers do not include the final insurance settlement for the destruction of the cottage by hurricane Sandy

Note 2:

Salaries estimated for fiscal year end Aug 31, 2016 are less than budget mainly due to the departure of 2 groundskeeping staff and the hiring of an outside contractor

Administrative expenses are higher mainly to reflect the cost of the outside maintenance contract \$32K

Office expenses are higher to reflect \$10K for strategic planning and board training, paid for by specific fundraising



*Bartlett Arboretum & Gardens*

**BARTLETT ARBORETUM ASSOCIATION, INC.**

**FINANCIAL STATEMENTS**

**AT AUGUST 31, 2015  
AND FOR THE YEAR THEN ENDED**

**BARTLETT ARBORETUM ASSOCIATION, INC.**

**TABLE OF CONTENTS**

Independent Auditors' Report

Statement of Financial Position  
at August 31, 2015

Exhibit A

Statement of Activities  
for the Year Ended August 31, 2015

Exhibit B

Statement of Changes in Net Assets  
for the Year Ended August 31, 2015

Exhibit C

Statement of Cash Flows  
for the Year Ended August 31, 2015

Exhibit D

Notes to Financial Statements

VAN BRUNT, DUBIAGO & COMPANY, LLC  
CERTIFIED PUBLIC ACCOUNTANTS

NICHOLAS DUBIAGO, CPA, CT  
DINO L. REDA, CPA, CT, NY  
STEPHEN J. TIBERIO, CPA, CT  
WILLIAM W. WILSON, CPA, CT

ANTHONY M. FERRO, CPA, CT  
ANNA M. GECA, CPA, CT

1100 SUMMER STREET  
STAMFORD, CT 06905

TEL: (203) 359-0700  
FAX: (203) 323-9811  
Info@vbd-cpa.com

**INDEPENDENT AUDITORS' REPORT**

**TO THE BOARD OF DIRECTORS OF  
BARTLETT ARBORETUM ASSOCIATION, INC.**

We have audited the accompanying financial statements of Bartlett Arboretum Association, Inc. (a nonprofit organization), which comprise the statement of financial position as of August 31, 2015, and the related statements of activities, changes in net assets 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.

**Auditors' 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 Bartlett Arboretum Association, Inc. as of August 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Van Brunt, Dubiago & Company, LLC*

January 25, 2016

## BARTLETT ARBORETUM ASSOCIATION, INC.

STATEMENT OF FINANCIAL POSITION  
AT AUGUST 31, 2015

## ASSETS

## CURRENT ASSETS

Cash	\$ 532,747
Certificate of Deposit	15,693
Inventory	473
Prepaid Expenses	<u>10,282</u>
<b>TOTAL CURRENT ASSETS</b>	<u>559,195</u>

## PROPERTY AND EQUIPMENT

Improvement – Grant	2,800,478
Improvement – Non-Grant	87,585
Land	150,000
Equipment and Vehicles	124,623
Building and Land Improvements	<u>90,896</u>
Total	3,253,582
Less Accumulated Depreciation	<u>1,254,932</u>
<b>PROPERTY AND EQUIPMENT – NET</b>	<u>1,998,650</u>

<b>TOTAL ASSETS</b>	<u>\$2,557,845</u>
---------------------	--------------------

## LIABILITIES AND NET ASSETS

## CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	\$ 27,914
Deferred Revenue – City of Stamford	<u>229,167</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>257,081</u>

## NET ASSETS

Unrestricted	2,041,925
Temporarily Restricted	93,839
Permanently Restricted	<u>165,000</u>
<b>TOTAL NET ASSETS</b>	<u>2,300,764</u>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$2,557,845</u>
---	--------------------

## BARTLETT ARBORETUM ASSOCIATION, INC.

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total All Funds</u>
<b>SUPPORT AND REVENUES</b>				
Corporate Contributions	\$ 56,013	\$ -	\$ -	\$ 56,013
Individual and Other Contributions	120,755	-	-	120,755
Grants	25,000	-	-	25,000
Membership Dues	32,500	-	-	32,500
In-Kind Contributions	5,000	-	-	5,000
Plant Sale	18,784	-	-	18,784
Education	78,355	32,980	-	111,335
Camp and School Programs	14,240	-	-	14,240
Investment Income	237	-	6	243
Gala and Other Events	134,664	-	-	134,664
City of Stamford Subsidy	275,000	-	-	275,000
Insurance Proceeds	132,617	-	-	132,617
Rental and Gift Shop Income	9,642	-	-	9,642
Net Assets Released from Restrictions	3,048	(3,048)	-	-
<b>TOTAL SUPPORT AND REVENUES</b>	<u>905,855</u>	<u>29,932</u>	<u>6</u>	<u>935,793</u>
<b>EXPENSES</b>				
Program Services				
Education	28,129	-	-	28,129
Payroll and Related Expenses	165,904	-	-	165,904
Insurance	2,470	-	-	2,470
Facilities Maintenance	57,348	-	-	57,348
Supplies and Grounds Maintenance	24,051	-	-	24,051
Fall and Spring Plant Sale	6,841	-	-	6,841
Utilities	42,031	-	-	42,031
Development, Marketing, Gala, Grant and Other Events	124,383	-	-	124,383
Total Program Services	<u>451,157</u>	<u>-</u>	<u>-</u>	<u>451,157</u>
Management and Operating				
Payroll and Related Expenses	179,730	-	-	179,730
Professional	16,057	-	-	16,057
Office, Bank, Credit Card Fees, Other	31,094	-	-	31,094
Equipment Lease	11,135	-	-	11,135
Insurance	29,387	-	-	29,387
Interest Expense	4,350	-	-	4,350
Utilities	42,031	-	-	42,031
Depreciation	202,562	-	-	202,562
Loss on Disposal of Vehicle	9,137	-	-	9,137
Total Management and Operating	<u>525,483</u>	<u>-</u>	<u>-</u>	<u>525,483</u>
<b>TOTAL EXPENSES</b>	<u>976,640</u>	<u>-</u>	<u>-</u>	<u>976,640</u>
<b>CHANGE IN NET ASSETS</b>	<u>\$ (70,785)</u>	<u>\$ 29,932</u>	<u>\$ 6</u>	<u>\$ (40,847)</u>

THE ACCOMPANYING NOTES AND INDEPENDENT AUDITORS' REPORT SHOULD BE READ IN  
CONJUNCTION WITH THESE FINANCIAL STATEMENTS

## BARTLETT ARBORETUM ASSOCIATION, INC.

STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED AUGUST 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total All Funds</u>
NET ASSETS AT BEGINNING OF YEAR	\$ 2,112,018	\$ 63,907	\$ 165,686	\$ 2,341,611
Change in Net Assets	(70,785)	29,932	6	(40,847)
Transfer	<u>692</u>	<u>-</u>	<u>(692)</u>	<u>-</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,041,925</u>	<u>\$ 93,839</u>	<u>\$ 165,000</u>	<u>\$ 2,300,764</u>

THE ACCOMPANYING NOTES AND AUDITORS' REPORT SHOULD BE READ IN CONJUNCTION WITH  
THESE FINANCIAL STATEMENTS

## BARTLETT ARBORETUM ASSOCIATION, INC.

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED AUGUST 31, 2015**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets \$ (40,847)

Adjustments to Reconcile Change in Net Assets to Net Cash

Provided by Operating Activities:

Depreciation 202,562

Loss on Disposal of Vehicle 9,137

(Increase) Decrease in:

Certificate of Deposit (7)

Inventory (473)

Prepaid Expenses (10,282)

Security Deposit 330

Increase (Decrease) in:

Accounts Payable and Accrued Expenses 22,147

**NET CASH PROVIDED BY OPERATING ACTIVITIES**182,567**CASH FLOWS FROM INVESTING ACTIVITIES**Purchase of Assets (53,231)**NET CASH USED FOR INVESTING ACTIVITIES** (53,231)**CASH FLOWS FROM FINANCING ACTIVITIES**Line of Credit First Count Bank Payments (145,077)**NET CASH USED FOR FINANCING ACTIVITIES** (145,077)**NET DECREASE IN CASH** (15,741)**CASH AT BEGINNING OF YEAR** 548,488**CASH AT END OF YEAR** \$ 532,747**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**Interest Paid \$ 4,350



# BARTLETT ARBORETUM ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### 1. THE ORGANIZATION

In 1913, Francis A. Bartlett, a well-known dendrologist and founder of the internationally known F.A. Bartlett Tree Expert Company, acquired 30 acres of North Stamford woodlands to use as his residence, training school and research laboratory for his successful tree-care company. Over the years, he assembled a large number of woody plant specimens on the property from all over the world in particular from North America, Europe and Asia.

In 2002, the title to the land was transferred to the City of Stamford with Bartlett Arboretum Association, Inc., (the "Association"), responsible for all managerial and operational oversight of the property. Nestled among the historic landscape of Southwestern New England, the Bartlett Arboretum and Gardens is a natural preserve like no other in the region. The property now features 93 acres of irreplaceable open space, highlighting the best of what Connecticut's native landscape has to offer: magnificent award-winning Champion trees, charming gardens, wildflower meadows, red maple wetlands and boardwalks, woodland walking trails, varied wildlife, and native habitats. A wonderful getaway from the hustle and bustle of daily life, the Arboretum serves as a leading recreational and educational resource for area residents and visitors of all ages. For weekend gardeners to budding young botanists, the Bartlett offers a place to relax, learn, and play.

**Mission: To educate the community about botanical environments and the importance of protecting them for future generations.**

We accomplish this by:

- Preserving a 93-acre sanctuary of southwest New England natural ecosystems for generations to explore and enjoy
- Providing comprehensive environmental, horticultural and plant science educational programs for children and adults
- Providing opportunities for recreation, enjoyment and exploration of the natural world for all ages
- Maintaining a diverse collection of trees, gardens and plants that celebrate biodiversity and reflect the ecology and character of our region.
- Promoting conservation and principles of sustainable landscape management

**Vision: That all members of our community are educated and inspired about:**

- The historical, social and economic value of trees and other plants
- The importance of conservation and its role in supporting a healthy and sustainable environment

# BARTLETT ARBORETUM ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of Bartlett Arboretum Association, Inc. is presented to assist in understanding the financial statements. These financial statements and notes are the representation of the management, who is responsible for their integrity and objectivity. These accounting policies conform to the United States of America generally accepted accounting principles.

#### Financial Statement Presentation

The Association prepares its financial statements using standards established by the Financial Accounting Standards Board. Accounting standards require that a not-for-profit organization provide information regarding the net assets of the organization based on the existence or absence of donor-imposed restrictions.

The type of restrictions are described as follows:

#### *Unrestricted Net Assets*

Unrestricted net assets consist of net assets over which the governing board has discretionary control to use in carrying out the operations of the Association in accordance with its charter and by-laws and are neither permanently restricted nor temporarily restricted by donor-imposed restrictions.

#### *Temporarily Restricted Net Assets*

Temporarily restricted net assets consist of net assets whose use by the Association is subject to donor-imposed restrictions that can be fulfilled by actions of the Association pursuant to those restrictions or that expire by the passage of time.

#### *Permanently Restricted Net Assets*

Permanently restricted net assets consist of net assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Association. Permanently restricted net assets consist of endowment funds, whereby the donor has stipulated that the principal amount be maintained intact in perpetuity and that only the income from investment thereof be expended for purposes specified by the donor.

#### Method of Accounting

The Association uses the accrual method of accounting which gives recognition to income when earned and expenses when incurred.

#### Cash and Cash Equivalents

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

# BARTLETT ARBORETUM ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### Property and Equipment

Property and equipment are stated at cost. The cost of additions and betterments are capitalized and expenditures for repairs and maintenance are expensed in the period incurred. When assets are sold or retired, the related cost and accumulated depreciation are removed from the accounts with the resulting gain or loss included in income.

Depreciation and amortization of property and equipment is calculated utilizing the straight-line method over the estimated useful lives of the respective assets which range from five to twenty years.

#### Donated Materials and Services

Donated materials or equipment, when received, are reflected as contributions in the accompanying statements at their estimated fair value at date of receipt. No amounts have been reflected in the statements for 2015 for donated services since no objective basis is available to measure the value of such service; however, a substantial number of volunteers have donated significant amounts of their time in program services, maintaining the Arboretum's multiple gardens and in its fund-raising appeals.

During the year ended August 31, 2015, the Arboretum received an in kind contribution of a vehicle with an estimated fair value of \$5,000.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Contributions

The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, that is, when a stipulated time restriction ends or 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. When a donor-imposed restriction is met in the same reporting period in which the contribution is received, the contribution will be reported as unrestricted support that increases unrestricted net assets.

### 3. INCOME TAXES

Bartlett Arboretum Association, Inc. is a "not-for-profit" organization as described in Section 509(a)(1) and 170(b)(1)(A) of the Internal Revenue Code and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Bartlett Arboretum Association, Inc. accounts for uncertainty in income tax positions in the financial statements by applying a

Continued . . .

# BARTLETT ARBORETUM ASSOCIATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### 3. INCOME TAXES (Cont'd)

recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management has analyzed the tax positions taken and has concluded that as of August 31, 2015, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. Bartlett Arboretum Association, Inc. is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Federal information returns are subject to examination for a period of three years from the filing date of the return; fiscal years ending August 31, 2012-2014 remain open.

### 4. COMMITMENTS AND CONTINGENCIES

The Association leases office equipment and telephone equipment. Lease expense for operating leases in effect was \$11,135 for the year ended August 31, 2015.

The Association also signed a lease with the City of Stamford who will lease the land to the Association for a period of 50 years at \$1 a year.

### 5. LINE OF CREDIT

At August 31, 2015, the Association had from First County Bank, an unsecured line of credit, due on demand, interest only at 3.5%. There was no outstanding balance at August 31, 2015.

### 6. CONCENTRATION OF CREDIT RISK

The Association maintains cash balances at several financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At August 31, 2015, the Association had deposits which were in excess of federally insured limits.

### 7. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

Automobile for Children's Education	\$ 7,398
Collections	961
Boardwalk Expansion	18,000
Centennial Tree	2,000
Conifer Garden	25,000
Fairchild Challenge	7,500
Education	<u>32,980</u>
	<u>\$ 93,839</u>

**BARTLETT ARBORETUM ASSOCIATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**8. NET ASSETS RELEASED FROM DONOR RESTRICTIONS**

Assets were released from donor restrictions during the year ended August 31, 2015 for the following purposes:

Automobile for Children's Education	\$ 1,809
Collections	<u>1,239</u>
	<u>\$ 3,048</u>

**9. INSURANCE PROCEEDS**

During the fiscal year ended August 31, 2013, a cottage on the grounds of the Arboretum was destroyed during Hurricane Sandy. On June 1, 2015 a final settlement was reached for \$220,000 with a final settlement check received for \$127,112.

**10. SUBSEQUENT EVENTS**

Management evaluated subsequent events through January 25, 2016, the date which the financial statements were available for issue.