

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY  
FOUNDATION, INC.**

Madison, Wisconsin

**CONSOLIDATED FINANCIAL STATEMENTS  
and  
INDEPENDENT AUDITOR'S REPORT**

For the Years Ended December 31, 2017 and 2016



**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**  
Madison, Wisconsin

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Olbrich Botanical Society, Inc.  
Madison, Wisconsin

We have audited the accompanying consolidated financial statements of Olbrich Botanical Society, Inc. (a nonprofit organization) and Olbrich Botanical Society Foundation, Inc. (a nonprofit organization), collectively, the Society, which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Olbrich Botanical Society, Inc., and Olbrich Botanical Society Foundation, Inc., as of December 31, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Report on Consolidating Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 26-31 is presented for purposes of additional analysis of the consolidated financial statements, rather than to present the financial position and changes in net assets of the individual organizations, and is not a required part of the consolidated 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements, or the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Madison, Wisconsin  
April 5, 2018

*Smith & Gesteland, LLP*  
SMITH & GESTELAND, LLP

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

December 31

	2017	2016
<b>ASSETS</b>		
Cash and cash equivalents	\$ 614,242	\$ 2,029,429
Unconditional promises to give	5,900	1,550,908
Due from City of Madison	8,071	17,825
Inventories	106,243	86,280
Prepaid expenses	17,608	10,082
Beneficial interest in assets held by Madison		
Community Foundation	91,748	66,616
Investments	7,520,573	5,699,474
Assets restricted for long-term purposes		
Cash restricted for capital campaign	366,561	691,324
Certificates of deposit restricted for capital campaign	2,707,753	
Unconditional promises to give for capital campaign, net of discount	1,156,946	1,319,720
Interest receivable restricted for capital campaign	9,810	
Total assets	<b>\$ 12,605,455</b>	<b>\$ 11,471,658</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 93,411	\$ 82,757
Deferred revenue	1,588	3,424
Total liabilities	94,999	86,181
<b>NET ASSETS</b>		
Unrestricted	6,745,071	5,833,640
Temporarily restricted	5,502,580	5,289,032
Permanently restricted	262,805	262,805
Total net assets	12,510,456	11,385,477
Total liabilities and net assets	<b>\$ 12,605,455</b>	<b>\$ 11,471,658</b>

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

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**CONSOLIDATED STATEMENTS OF ACTIVITIES**

For the Years Ended December 31

	2017	2016
<b>UNRESTRICTED NET ASSETS</b>		
<b>SUPPORT AND REVENUE</b>		
Gift shop sales	\$ 433,885	\$ 389,749
Gift shop expenses	<u>(379,454)</u>	<u>(332,069)</u>
Gift shop sales - net	54,431	57,680
Contributions	816,078	1,042,234
Membership dues	369,958	335,570
Education	81,279	77,713
Special events	533,565	483,847
Investment income	860,562	415,848
Miscellaneous	<u>13,541</u>	<u>12,287</u>
Total unrestricted support and revenue	<u>2,729,414</u>	<u>2,425,179</u>
<b>EXPENSES</b>		
Program services		
Education	303,923	281,513
Garden/conservatory development	416,677	316,976
Special events	337,384	399,235
Public relations	421,909	295,691
Volunteer	<u>6,991</u>	<u>4,937</u>
Total program services expenses	<u>1,486,884</u>	<u>1,298,352</u>
Supporting activities		
Management and general	116,243	100,004
Fundraising and development	238,817	244,104
Membership development	<u>100,280</u>	<u>107,527</u>
Total supporting activities expenses	<u>455,340</u>	<u>451,635</u>
Total expenses	<u>1,942,224</u>	<u>1,749,987</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>		
Satisfaction of purpose and time restrictions	<u>124,241</u>	<u>20,193</u>
Change in unrestricted net assets	<u>\$ 911,431</u>	<u>\$ 695,385</u>

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

	<u>2017</u>	<u>2016</u>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions	\$ 337,789	\$ 4,044,473
Satisfaction of purpose and time restrictions	<u>(124,241)</u>	<u>(20,193)</u>
Change in temporarily restricted net assets	<u>213,548</u>	<u>4,024,280</u>
Change in net assets	<u>\$ 1,124,979</u>	<u>\$ 4,719,665</u>



**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**  
Madison, Wisconsin

**CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS**

For the Years Ended December 31

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net assets, January 1, 2016	\$ 5,168,255	\$ 1,234,752	\$ 262,805	\$ 6,665,812
Change in donor intentions	(30,000)	30,000		
Change in net assets for the year ended December 31, 2016	<u>695,385</u>	<u>4,024,280</u>	<u>                    </u>	<u>4,719,665</u>
Net assets, December 31, 2016	5,833,640	5,289,032	262,805	11,385,477
Change in net assets for the year ended December 31, 2017	<u>911,431</u>	<u>213,548</u>	<u>                    </u>	<u>1,124,979</u>
Net assets, December 31, 2017	<u>\$ 6,745,071</u>	<u>\$ 5,502,580</u>	<u>\$ 262,805</u>	<u>\$ 12,510,456</u>

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

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Years Ended December 31

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 1,124,979	\$ 4,719,665
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized and unrealized gain on investments	(732,350)	(315,378)
Bad debt expense	6,100	1,414
Discount on unconditional promises to give for capital campaign	(28,753)	38,346
Cash collections restricted for capital campaign	(451,926)	(508,100)
Change in assets and liabilities:		
Due from City of Madison	9,754	2,559
Interest receivable	(9,810)	
Other receivables		1,643
Unconditional promises to give	1,538,908	(1,544,722)
Unconditional promises to give for capital campaign	191,527	(973,160)
Inventories	(19,963)	(12,915)
Prepaid expenses	(7,526)	3,927
Accounts payable and accrued expenses	10,654	11,461
Deferred revenue	(1,836)	110
Net cash provided by operating activities	<u>1,629,758</u>	<u>1,424,850</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of investments	(5,455,371)	(4,400,631)
Proceeds from investment sales	4,366,622	4,498,651
Contribution to agency endowment	(14,500)	(15,000)
Distributions from agency endowment	2,227	2,154
Investment income retained in agency endowment	(12,859)	(3,400)
(Increase) decrease in cash restricted for capital campaign	324,763	(484,437)
Purchase of certificates of deposit restricted for capital campaign	(2,707,753)	
Net cash used in investing activities	<u>(3,496,871)</u>	<u>(402,663)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Cash collections restricted for capital campaign	<u>451,926</u>	<u>508,100</u>
Net cash provided by financing activities	<u>451,926</u>	<u>508,100</u>
Net change in cash and cash equivalents	(1,415,187)	1,530,287
Cash and cash equivalents - beginning of year	<u>2,029,429</u>	<u>499,142</u>
Cash and cash equivalents - end of year	<u>\$ 614,242</u>	<u>\$ 2,029,429</u>

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

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 - INFORMATION ABOUT THE SOCIETY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Olbrich Botanical Society, Inc. was incorporated as a not-for-profit organization, located in Madison, Wisconsin, to aid and support Olbrich Botanical Gardens, to help advance the science of horticulture, to help promote the art of gardening, and to promote educational activities related to horticulture and gardening. Olbrich Botanical Society Foundation, Inc. is a not-for-profit organization that manages assets for the purpose of supporting Olbrich Botanical Society, Inc. The organizations are primarily supported by contributions from the general public and by annual events.

A summary of the significant accounting policies applied in the preparation of the accompanying consolidated financial statements follows:

**A. PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements include the accounts of Olbrich Botanical Society, Inc. and Olbrich Botanical Society Foundation, Inc. (collectively, the Society). All significant transactions and balances between the organizations have been eliminated. Olbrich Botanical Society, Inc. has a beneficial interest in the net assets of Olbrich Botanical Society Foundation, Inc. and generally accepted accounting principles recommend that consolidated financial statements be prepared as the two organizations are financially related and have common board members.

**B. BASIS OF PRESENTATION**

The Society is required to report information regarding its financial position and activities according to the three classes of net assets as follows:

*Unrestricted Net Assets* - Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

*Temporarily Restricted Net Assets* - Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions.

*Permanently Restricted Net Assets* - Net assets that have been restricted by donors to be maintained by the Society in perpetuity.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 - INFORMATION ABOUT THE SOCIETY AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES (continued)**

**C. CASH AND CASH EQUIVALENTS**

For purposes of the statements of cash flows, the Society considers all highly liquid investments purchased with original maturities of three months or less, except for funds held at brokerage firms, to be cash equivalents. Cash restricted for long-term purposes is separately identified in the statements of financial position as assets restricted for long-term purposes.

**D. CERTIFICATES OF DEPOSIT**

Certificates of deposit, except for funds held at brokerage firms, are reflected in the financial statements at cost, which approximates fair value because of the short-term duration of these instruments. Certificates of deposit, which have maturities of one year or longer from the original acquisition date, are not considered to be cash equivalents for purposes of presenting cash flows.

**E. INVESTMENTS**

Investments in marketable securities with readily determinable fair values are stated at their fair value based on quoted market prices in the consolidated statements of financial position. Realized and unrealized gains and losses are included in the accompanying consolidated statements of activities. Realized gains and losses on sales of investments are determined on the basis of specific identification of the security sold.

**F. ESTIMATES**

The preparation of consolidated financial statements in accordance 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.

**G. INCOME TAXES**

Olbrich Botanical Society, Inc. and Olbrich Botanical Society Foundation, Inc. are exempt public charities under Section 501(c)(3) of the Internal Revenue Code and therefore are not subject to federal or state income and franchise tax.

The Society is subject to income tax regulations in the United States federal jurisdiction, and the State of Wisconsin. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 - INFORMATION ABOUT THE SOCIETY AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES (continued)**

**H. INVENTORIES**

Inventories consist of merchandise held for resale and are valued at the lower of cost or market determined by the first-in, first-out (FIFO) method.

**I. CONTRIBUTIONS**

Contributions are recognized as revenue when received or unconditionally pledged. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Contributions received with donor stipulations that limit the use of the donated assets are reported as restricted support. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions.

Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using appropriate risk-adjusted interest rates applicable to the years in which the promises are to be received. All amounts are considered to be fully collectible.

**J. MEMBERSHIP DUES**

Membership dues are considered to be contributions and are recognized as support in the period received. Dues are non-refundable.

**K. FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of the Society's programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

**L. SALES TAX**

The Society records sales tax on the net method. All applicable taxes are recorded as a liability when incurred.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 - INFORMATION ABOUT THE SOCIETY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

M. ADVERTISING COSTS

Advertising costs are charged to operations when incurred. Advertising expense, including gifts-in-kind, was \$238,374 and \$191,480 for the years ended December 31, 2017 and 2016, respectively.

**NOTE 2 - RELATIONSHIP BETWEEN THE SOCIETY AND THE CITY OF MADISON**

The Society and the City of Madison Parks Division work together for the benefit of Olbrich Botanical Gardens, which is owned by the City of Madison (City). The Society donates all capital assets it purchases to the City. There were no capital asset purchases in 2017 or 2016. The City provides free use of space in the Olbrich Botanical Gardens building for the offices and gift shop of the Society in exchange for certain administrative functions. No values have been determined for the use of space or administrative functions. The Society had a net receivable from the City in the amount of \$8,071 and \$17,825 at December 31, 2017 and 2016, respectively, for funds the City collected on its behalf.

**NOTE 3 - INVESTMENTS**

Investments at December 31, 2017 and 2016, consisted of the following:

	<u>2017</u>	<u>2016</u>
Mutual funds	\$ 5,031,483	\$ 3,365,700
Common stocks	2,179,376	2,233,825
Money market funds	309,714	24,234
Certificates of deposit		<u>75,715</u>
	<u>\$ 7,520,573</u>	<u>\$ 5,699,474</u>

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 3 - INVESTMENTS** (continued)

Investment income for the years ended December 31 consisted of the following:

	<u>2017</u>	<u>2016</u>
Interest and dividends	\$ 137,544	\$ 119,499
Unrealized and realized gain	732,350	315,378
Madison Community Foundation (MCF) activity	12,859	3,400
Investment advisory fees	<u>(22,191)</u>	<u>(22,429)</u>
Investment income	<u>\$ 860,562</u>	<u>\$ 415,848</u>

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect investment balances and amounts reported in the consolidated statements of activities.

**NOTE 4 - FAIR VALUE MEASUREMENTS**

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between participants on the measurement date. When determining fair value, the Society considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

The framework for measuring fair value provides a fair value hierarchy that requires the Society to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization in the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The hierarchy establishes three levels of inputs that may be used to measure fair value:

- Level One - Quoted prices in active markets for identical assets or liabilities.
- Level Two - Inputs other than Level One that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level Three - Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 4 - FAIR VALUE MEASUREMENTS (continued)**

The following tables summarize those assets measured at fair value as of December 31:

	2017			
	<u>Fair Value</u>	<u>Level One</u>	<u>Level Two</u>	<u>Level Three</u>
Equity mutual funds				
Small cap	\$ 284,210	\$ 284,210	\$	\$
Mid-cap	484,928	484,928		
Large cap	698,328	698,328		
International	769,536	769,536		
Other	260,504	260,504		
Fixed income mutual funds				
Corporate and government	2,533,977	2,533,977		
Common stocks				
Consumer discretionary	297,740	297,740		
Consumer staples	129,872	129,872		
Energy	21,643	21,643		
Financials	464,176	464,176		
Health care	417,018	417,018		
Industrials	182,387	182,387		
Information technology	241,772	241,772		
Materials	128,965	128,965		
Utilities	295,803	295,803		
Money market funds	309,714		309,714	
Beneficial interest in assets held by MCF	<u>91,748</u>			<u>91,748</u>
	<u>\$ 7,612,321</u>	<u>\$ 7,210,859</u>	<u>\$ 309,714</u>	<u>\$ 91,748</u>



**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 4 - FAIR VALUE MEASUREMENTS (continued)**

	2016			
	Fair Value	Level One	Level Two	Level Three
Equity mutual funds				
Small cap	\$ 320,820	\$ 320,820	\$	\$
Mid-cap	404,629	404,629		
Large cap	37,845	37,845		
International	600,081	600,081		
Other	310,951	310,951		
Fixed income mutual funds				
Corporate and government	1,691,374	1,691,374		
Common stocks				
Consumer discretionary	472,941	472,941		
Consumer staples	199,156	199,156		
Energy	62,352	62,352		
Financials	354,732	354,732		
Health care	345,217	345,217		
Industrials	170,173	170,173		
Information technology	432,085	432,085		
Materials	113,191	113,191		
Utilities	83,978	83,978		
Money market funds	24,234		24,234	
Certificates of deposit	75,715		75,715	
Beneficial interest in assets held by MCF	66,616			66,616
	<u>\$ 5,766,090</u>	<u>\$ 5,599,525</u>	<u>\$ 99,949</u>	<u>\$ 66,616</u>

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Equity and Fixed Income Mutual Funds: Valued at quoted prices in an active market.

Common Stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Money Market Funds: Valued daily at the net asset value of the shares held at the end of the year.

Certificates of Deposit: Valued at the original investment plus accrued interest, less any applicable fees or expenses and adjusted to market using the yield method.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
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Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 4 - FAIR VALUE MEASUREMENTS (continued)**

Beneficial interest in assets held by MCF: Based on unobservable inputs used by MCF to value the underlying assets. The inputs are unobservable at the Society's level as they own shares in a pool of assets. The underlying assets and their values are observable, but the Society's share is unobservable. Other models or different assumptions may yield different results. The sensitivity of the measurement to changes in unobservable inputs may produce a significantly higher or lower fair value measurement.

The preceding valuation methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents the Society's activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level Three) as of December 31:

	<u>2017</u>	<u>2016</u>
Beginning balance	\$ 66,616	\$ 50,370
Contributions	14,500	15,000
Investment income	2,472	1,188
Realized gain	1,580	234
Unrealized gain	9,729	2,639
Distributions	(2,227)	(2,154)
Expenses and fees	<u>(922)</u>	<u>(661)</u>
Ending balance	<u>\$ 91,748</u>	<u>\$ 66,616</u>

**NOTE 5 - UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give are expected to be collected as follows at December 31:

	<u>2017</u>	<u>2016</u>
Receivable in less than one year	\$ 620,533	\$ 1,750,886
Receivable in one to five years	<u>560,000</u>	<u>1,166,182</u>
Total unconditional promises to give	1,180,533	2,917,068
Less 2.5% discount to net present value	<u>(17,687)</u>	<u>(46,440)</u>
Total unconditional promises to give, net	<u>\$ 1,162,846</u>	<u>\$ 2,870,628</u>

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 6 - DONATED SERVICES**

The value of donated services included as contributions in the consolidated financial statements and the corresponding expenses for 2017 and 2016, are as follows:

	2017					
	Education	Garden Conservatory Development	Special Events	Public Relations	Membership Development	Management and General
Advertising and promotion	\$	\$	\$ 165,708	\$ 25,625	\$	\$
Event supplies			3,038			
Supporting services	15,104	20,768	5,098	6,230		6,073
Total	\$ 15,104	\$ 20,768	\$ 173,844	\$ 31,855	\$	\$ 6,073
	2016					
	Education	Garden Conservatory Development	Special Events	Public Relations	Membership Development	Management and General
Advertising and promotion	\$	\$	\$ 15,350	\$ 132,391	\$	\$
Event supplies			9,713			
Art design			7,950		3,750	
Garden maintenance		2,592				
Event entertainment			500			
Supporting services	14,435	19,847	4,872	5,954		5,804
Total	\$ 14,435	\$ 22,439	\$ 38,385	\$ 138,345	\$ 3,750	\$ 5,804

The Society recognizes contribution revenue for certain services received at the fair value of those services. The total amount of those services was \$247,644 and \$223,158 in 2017 and 2016, respectively. The Society also recognizes contribution revenue for donated materials received at the fair value of those materials. The total amount of those materials was \$29,512 and \$53,595 in 2017 and 2016, respectively.

Additionally, the Society received 27,024 and 27,097 hours of volunteer time, provided by 1,289 and 1,268 individuals and groups during 2017 and 2016, respectively, who gave their time to the Society's programs and fundraising campaigns. No amounts have been recorded in the consolidated financial statements because the recognition criteria under generally accepted accounting principles were not met.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
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Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 7 - RETIREMENT PLAN**

All employees are eligible to participate in the Society's 401(k) retirement plan after six months of employment and upon attaining the age of 21. The Society may make matching contributions at its discretion. Participants are fully vested in their contributions to the plan. Participants become vested in the Society's matching contributions over a five-year graduated scale. The Society's contributions to the plan were \$20,283 and \$19,160 in 2017 and 2016, respectively.

**NOTE 8 - CONCENTRATION OF CREDIT RISK**

The Society's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The Society places its cash and temporary cash investments with high credit quality financial institutions. At times, such investments may be in excess of the FDIC insurance limit.

**NOTE 9 - NET ASSETS**

The Society's board of directors has chosen to place the following designations on unrestricted net assets at December 31:

	<u>2017</u>	<u>2016</u>
Olbrich Botanical Society Foundation		
Designated for education	\$ 38,049	\$ 33,115
Designated for orchid fund	39,409	34,300
Designated for general stewardship fund	940,769	818,793
Board designated endowment	<u>3,631,293</u>	<u>3,263,286</u>
Total Foundation	<u>4,649,520</u>	<u>4,149,494</u>
Olbrich Botanical Society		
Designated for agency endowment at MCF	91,748	66,616
Designated for capital campaign	729,888	
Undesignated	<u>1,273,915</u>	<u>1,617,530</u>
Total Society	<u>2,095,551</u>	<u>1,684,146</u>
Total unrestricted net assets	<u>\$ 6,745,071</u>	<u>\$ 5,833,640</u>

**OLBRICH BOTANICAL SOCIETY, INC. AND  
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Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 9 - NET ASSETS** (continued)

Permanently restricted net assets at December 31, 2017 and 2016, consist of the following:

	2017	2016
Ursula Schmitt Speakers Fund	\$ 29,852	\$ 29,852
Shirley Homburg Gift Shop Fund	11,500	11,500
Dusso Conservatory Fund	221,453	221,453
	\$ 262,805	\$ 262,805

Temporarily restricted net assets at December 31, 2017 and 2016, are available for the following purposes:

	2017	2016
<b>Olbrich Botanical Society Foundation</b>		
Stewardship Fund Garden for the Future	\$ 359,055	\$ 359,055
Stewardship Fund Land Bank	201,173	201,173
Vera Lee Orchidist	1,100,000	
Rose Garden Intern	111,454	
Total Foundation	1,771,682	560,228
<b>Olbrich Botanical Society</b>		
Horticulture	92,158	2,618,369
Conservatory	5,510	11,613
Education	34,358	6,276
Unconditional promises to give	5,900	1,750
Capital Campaign	3,548,280	2,041,044
Other	44,692	49,752
Total Society	3,730,898	4,728,804
Temporarily restricted net assets	\$ 5,502,580	\$ 5,289,032

In 2017 \$1,211,454 of temporarily restricted net assets were transferred from Olbrich Botanical Society to Olbrich Botanical Society Foundation.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
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Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 9 - NET ASSETS** (continued)

Temporarily restricted net assets were released from donor restrictions or time restrictions and expended for the following programs during 2017 and 2016:

	2017	2016
Horticulture	\$ 81,578	\$
Education	9,053	4,494
Conservatory	6,103	
Time restrictions		5,850
Other	27,507	9,849
Net assets released from restrictions	\$ 124,241	\$ 20,193

**NOTE 10 - ENDOWMENT FUND FOR OLBRICH GARDENS**

In 2006, the Society received notification of a \$300,000 contribution from the Bolz Family Foundation that established the Bolz Family Endowment Fund for Olbrich Botanical Gardens (fund) at MCF. The fund is donor advised and is an asset of MCF. The fair value of the fund at MCF was \$267,206 and \$238,432 at December 31, 2017 and 2016, respectively. The Society has the option to take an annual distribution that represents 4.75% of the average value of the assets over a rolling 20-quarter period. The Society received distributions from the fund of \$11,697 and \$12,127 during 2017 and 2016, respectively. These amounts are included in contributions on the consolidated statements of activities.

**NOTE 11 - AGENCY ENDOWMENT**

The Society established an agency endowment fund at MCF. The Society recognizes the fair value of contributions when received. When the Society transfers the funds to MCF, it recognizes the transfer as a decrease in cash and an increase in the asset called beneficial interest in assets held by MCF. The Society acknowledges that, by virtue of the governing instrument of MCF, the board of governors of MCF has the authority to modify any restrictions or condition on the distribution of assets from the fund, if, in the reasonable judgment of the board of governors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by MCF. The Society has the option to take an annual distribution that represents 4.75% of the average value of the assets in the fund over the previous 20 quarters.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
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Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 11 - AGENCY ENDOWMENT** (continued)

The activity in the fund at MCF was as follows for 2017 and 2016:

	2017	2016
Balance - beginning of year	\$ 66,616	\$ 50,370
Agency investment		
Contributions	14,500	15,000
Investment income	2,472	1,188
Realized gain	1,580	234
Unrealized gain	9,729	2,639
Distributions	(2,227)	(2,154)
Expenses and fees	(922)	(661)
Balance - end of year	\$ 91,748	\$ 66,616

**NOTE 12 - ENDOWMENT AND OTHER RESTRICTIONS ON NET ASSETS**

The Society's endowments consist of several funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Society has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Society classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently - restricted net assets is classified as temporarily - restricted net assets until those amounts are appropriated for expenditure by the Society in a manner consistent with the standard of prudence described by UPMIFA.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
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Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 12 - ENDOWMENT AND OTHER RESTRICTIONS ON NET ASSETS** (continued)

In accordance with UPMIFA, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purpose of the Society and the donor-restricted endowment fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the Society.
- The investment policies of the Society.

The following table shows the composition of endowment net assets by restriction as of December 31, 2017 and 2016, for those endowments under the control of the Society.

	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$	\$	\$ 262,805	\$ 262,805
Board-designated endowment funds	3,631,293	_____	_____	3,631,293
Total funds	\$ 3,631,293	\$ _____	\$ 262,805	\$ 3,894,098
	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$	\$	\$ 262,805	\$ 262,805
Board-designated endowment funds	3,263,286	_____	_____	3,263,286
Total funds	\$ 3,263,286	\$ _____	\$ 262,805	\$ 3,526,091



**OLBRICH BOTANICAL SOCIETY, INC. AND  
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 12 - ENDOWMENT AND OTHER RESTRICTIONS ON NET ASSETS** (continued)

The endowment related activities for the years ending December 31, 2017 and 2016, were as follows:

	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	Beginning balance	\$ 3,263,286	\$	\$ 262,805
Investment income	591,361			591,361
Amounts appropriated for expenditure	(223,354)	_____	_____	(223,354)
Ending balance	\$ 3,631,293	\$ _____	\$ 262,805	\$ 3,894,098
	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning balance	\$ 3,182,998	\$	\$ 262,805	\$ 3,445,803
Investment income	296,328			296,328
Amounts appropriated for expenditure	(216,040)	_____	_____	(216,040)
Ending balance	\$ 3,263,286	\$ _____	\$ 262,805	\$ 3,526,091

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Society to retain as a fund of perpetual duration. These deficiencies can result from unfavorable market fluctuations that occur after the investment of permanently restricted contributions and continued appropriation for certain programs that were deemed prudent by the Board of Directors. In accordance with generally accepted accounting principles, deficiencies of this nature would be reported as unrestricted net assets. There were no such deficiencies as of December 31, 2017 and 2016.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 12 - ENDOWMENT AND OTHER RESTRICTIONS ON NET ASSETS** (continued)

The Society has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Society must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of a diversified equity - related benchmark while assuming a moderate level of investment risk. The Society expects its endowment funds, over time, to provide an average rate of return that outpaces spending, inflation, and expenses annually. Actual returns in any given year will vary.

To satisfy its long-term rate-of-return objectives, the Society relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Society targets a diversified asset allocation that places a great emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The Society has a policy of appropriating for distribution all investment income that the permanently restricted funds earned for use as the endowment originally intended.

Each fiscal year, the Foundation may distribute a portion of the Foundation's net assets. The distribution amount for any given year shall be determined by the board. In 2017, the board approved an appropriation of \$225,539 for 2018, which consists of 4.5% of the average of the investment balance for the preceding 12 quarters with the last quarter being September 2017.

**NOTE 13 - COMMITMENTS**

The Society has begun a capital campaign with an initial goal of raising \$5 million and has committed \$1 million from its operating reserves toward this fundraising goal. The Society contributed \$250,000 of this commitment during 2017 therefore the remaining commitment at December 31, 2017 is \$750,000.

**NOTE 14 - RELATED PARTY TRANSACTIONS**

For the years ended December 31, 2017 and 2016, the Society received contributions from related parties of \$-0- and \$52,550, respectively. Unconditional promises to give include \$106,167 and \$215,067 due from related parties for the capital campaign at December 31, 2017 and 2016, respectively.

**OLBRICH BOTANICAL SOCIETY, INC. AND  
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Madison, Wisconsin

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 15 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through April 5, 2018, the date which the consolidated financial statements were available for issue. No events have occurred that would influence the reader's opinion of the consolidated financial statements for the year ended December 31, 2017.

**SUPPLEMENTAL INFORMATION**

**OLBRICH BOTANICAL SOCIETY, INC. AND  
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Madison, Wisconsin

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

December 31, 2017

	Society	Foundation	Capital Campaign	Eliminations	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 614,242	\$	\$	\$	\$ 614,242
Unconditional promises to give	5,900				5,900
Due from Society			37,098	(37,098)	
Due from City of Madison	8,071				8,071
Inventories	106,243				106,243
Prepaid expenses	17,608				17,608
Beneficial interest in assets held by Madison					
Community Foundation	91,748				91,748
Investments	836,566	6,684,007			7,520,573
Assets restricted for long-term purposes					
Cash restricted for capital campaign			366,561		366,561
Certificates of deposit restricted for capital campaign			2,707,753		2,707,753
Unconditional promises to give for capital campaign, net of discount			1,156,946		1,156,946
Interest receivable restricted for capital campaign			9,810		9,810
 Total assets	 <u>\$ 1,680,378</u>	 <u>\$ 6,684,007</u>	 <u>\$ 4,278,168</u>	 <u>\$ (37,098)</u>	 <u>\$ 12,605,455</u>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 93,411	\$	\$	\$	\$ 93,411
Due to Capital Campaign fund	37,098			(37,098)	
Deferred revenue	1,588				1,588
 Total liabilities	 <u>132,097</u>	 <u></u>	 <u></u>	 <u>(37,098)</u>	 <u>94,999</u>
<b>NET ASSETS</b>					
Unrestricted	1,365,663	4,649,520	729,888		6,745,071
Temporarily restricted	182,618	1,771,682	3,548,280		5,502,580
Permanently restricted		262,805			262,805
 Total net assets	 <u>1,548,281</u>	 <u>6,684,007</u>	 <u>4,278,168</u>	 <u></u>	 <u>12,510,456</u>
 Total liabilities and net assets	 <u>\$ 1,680,378</u>	 <u>\$ 6,684,007</u>	 <u>\$ 4,278,168</u>	 <u>\$ (37,098)</u>	 <u>\$ 12,605,455</u>

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

December 31, 2016

	Society	Foundation	Capital Campaign	Eliminations	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,029,429	\$	\$	\$	\$ 2,029,429
Unconditional promises to give	1,550,908				1,550,908
Due from Society			30,000	(30,000)	
Due from City of Madison	17,825				17,825
Inventories	86,280				86,280
Prepaid expenses	10,082				10,082
Beneficial interest in assets held by Madison					
Community Foundation	66,616				66,616
Investments	726,947	4,972,527			5,699,474
Assets restricted for long-term purposes					
Cash restricted for the capital campaign			691,324		691,324
Unconditional promises to give for capital campaign, net of discount			1,319,720		1,319,720
Total assets	<u>\$ 4,488,087</u>	<u>\$ 4,972,527</u>	<u>\$ 2,041,044</u>	<u>\$ (30,000)</u>	<u>\$ 11,471,658</u>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 82,757	\$	\$	\$	\$ 82,757
Due to Capital Campaign fund	30,000			(30,000)	
Deferred revenue	3,424				3,424
Total liabilities	<u>116,181</u>			<u>(30,000)</u>	<u>86,181</u>
<b>NET ASSETS</b>					
Unrestricted	1,684,146	4,149,494			5,833,640
Temporarily restricted	2,687,760	560,228	2,041,044		5,289,032
Permanently restricted		262,805			262,805
Total net assets	<u>4,371,906</u>	<u>4,972,527</u>	<u>2,041,044</u>		<u>11,385,477</u>
Total liabilities and net assets	<u>\$ 4,488,087</u>	<u>\$ 4,972,527</u>	<u>\$ 2,041,044</u>	<u>\$ (30,000)</u>	<u>\$ 11,471,658</u>

**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

For the Year Ended December 31, 2017

	<u>Society</u>	<u>Foundation</u>	<u>Capital Campaign</u>	<u>Eliminations</u>	<u>Total</u>
<b>UNRESTRICTED NET ASSETS</b>					
<b>SUPPORT AND REVENUE</b>					
Gift shop sales	\$ 433,885	\$	\$	\$	\$ 433,885
Gift shop expenses	<u>(379,454)</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>(379,454)</u>
Gift shop sales - net	54,431				54,431
Contributions	1,039,432		250,000	(473,354)	816,078
Membership dues	369,958				369,958
Education	81,279				81,279
Special events	533,565				533,565
Investment income	127,372	723,380	9,810		860,562
Miscellaneous	<u>13,541</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>13,541</u>
Total unrestricted support and revenue	<u>2,219,578</u>	<u>723,380</u>	<u>259,810</u>	<u>(473,354)</u>	<u>2,729,414</u>
<b>EXPENSES</b>					
<b>Program services</b>					
Education	303,923				303,923
Garden/conservatory development	1,628,131	223,354		(1,434,808)	416,677
Special events	337,384				337,384
Public relations	421,909				421,909
Volunteer	<u>6,991</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>6,991</u>
Total program services expenses	<u>2,698,338</u>	<u>223,354</u>	<u>                    </u>	<u>(1,434,808)</u>	<u>1,486,884</u>
<b>Supporting activities</b>					
Management and general	116,243				116,243
Fundraising and development	395,040		93,777	(250,000)	238,817
Membership development	<u>100,280</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>100,280</u>
Total supporting activities expenses	<u>611,563</u>	<u>                    </u>	<u>93,777</u>	<u>(250,000)</u>	<u>455,340</u>
Total expenses	<u>3,309,901</u>	<u>223,354</u>	<u>93,777</u>	<u>(1,684,808)</u>	<u>1,942,224</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>					
Satisfaction of purpose and time restrictions	<u>1,335,695</u>	<u>                    </u>	<u>                    </u>	<u>(1,211,454)</u>	<u>124,241</u>
Change in unrestricted net assets	<u>\$ 245,372</u>	<u>\$ 500,026</u>	<u>\$ 166,033</u>	<u>\$</u>	<u>\$ 911,431</u>

	<u>Society</u>	<u>Foundation</u>	<u>Capital Campaign</u>	<u>Eliminations</u>	<u>Total</u>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>					
Contributions	\$ 77,391	\$ 1,211,454	\$ 260,398	\$ (1,211,454)	\$ 337,789
Satisfaction of purpose and time restrictions	<u>(1,335,695)</u>	<u>                    </u>	<u>                    </u>	<u>1,211,454</u>	<u>(124,241)</u>
Change in temporarily restricted net assets	<u>(1,258,304)</u>	<u>1,211,454</u>	<u>260,398</u>	<u>                    </u>	<u>213,548</u>
Change in net assets before capital campaign expense allocation	(1,012,932)	1,711,480	426,431		1,124,979
Capital campaign expenses paid from operating funds	<u>(85,360)</u>	<u>                    </u>	<u>85,360</u>	<u>                    </u>	<u>                    </u>
Change in net assets	(1,098,292)	1,711,480	511,791		1,124,979
Change in donor intentions	(1,246,838)		1,246,838		
Change in board designations	(478,495)		478,495		
Net assets - beginning of year	<u>4,371,906</u>	<u>4,972,527</u>	<u>2,041,044</u>	<u>                    </u>	<u>11,385,477</u>
Net assets - end of year	<u>\$ 1,548,281</u>	<u>\$ 6,684,007</u>	<u>\$ 4,278,168</u>	<u>\$                      </u>	<u>\$ 12,510,456</u>



**OLBRICH BOTANICAL SOCIETY, INC. AND  
OLBRICH BOTANICAL SOCIETY FOUNDATION, INC.**

Madison, Wisconsin

**CONSOLIDATING STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2016

	Society	Foundation	Capital Campaign	Eliminations	Total
<b>UNRESTRICTED NET ASSETS</b>					
<b>SUPPORT AND REVENUE</b>					
Gift shop sales	\$ 389,749	\$	\$	\$	\$ 389,749
Gift shop expenses	(332,069)				(332,069)
 Gift shop sales - net	 57,680				 57,680
Contributions	1,258,274			(216,040)	1,042,234
Membership dues	335,570				335,570
Education	77,713				77,713
Special events	483,847				483,847
Investment income	57,437	358,411			415,848
Miscellaneous	12,287				12,287
 Total unrestricted support and revenue	 <u>2,282,808</u>	 <u>358,411</u>		 <u>(216,040)</u>	 <u>2,425,179</u>
 <b>EXPENSES</b>					
Program services					
Education	281,513				281,513
Garden/conservatory development	316,976	216,040		(216,040)	316,976
Special events	399,235				399,235
Public relations	295,691				295,691
Volunteer	4,937				4,937
 Total program services expenses	 <u>1,298,352</u>	 <u>216,040</u>		 <u>(216,040)</u>	 <u>1,298,352</u>
 Supporting activities					
Management and general	100,004				100,004
Fundraising and development	186,771		57,333		244,104
Membership development	107,527				107,527
 Total supporting activities expenses	 <u>394,302</u>		 <u>57,333</u>		 <u>451,635</u>
 Total expenses	 <u>1,692,654</u>	 <u>216,040</u>	 <u>57,333</u>	 <u>(216,040)</u>	 <u>1,749,987</u>
 <b>NET ASSETS RELEASED FROM RESTRICTIONS</b>					
Satisfaction of purpose and time restrictions	20,193				20,193
 Change in unrestricted net assets	 <u>\$ 610,347</u>	 <u>\$ 142,371</u>	 <u>\$ (57,333)</u>	 <u>\$</u>	 <u>\$ 695,385</u>

	<u>Society</u>	<u>Foundation</u>	<u>Capital Campaign</u>	<u>Eliminations</u>	<u>Total</u>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>					
Contributions	\$ 2,625,222	\$	\$ 1,419,251	\$	\$ 4,044,473
Satisfaction of program and time restrictions	<u>(20,193)</u>	<u></u>	<u></u>	<u></u>	<u>(20,193)</u>
Change in temporarily restricted net assets	<u>2,605,029</u>	<u></u>	<u>1,419,251</u>	<u></u>	<u>4,024,280</u>
Change in net assets before capital campaign expense allocation	3,215,376	142,371	1,361,918		4,719,665
Capital campaign expenses paid from operating fund	<u>(57,333)</u>	<u></u>	<u>57,333</u>	<u></u>	<u></u>
Change in net assets	3,158,043	142,371	1,419,251		4,719,665
Change in donor intentions	(30,000)		30,000		
Net assets - beginning of year	<u>1,243,863</u>	<u>4,830,156</u>	<u>591,793</u>	<u></u>	<u>6,665,812</u>
Net assets - end of year	<u>\$ 4,371,906</u>	<u>\$ 4,972,527</u>	<u>\$ 2,041,044</u>	<u>\$</u>	<u>\$ 11,385,477</u>