

Yampa River Botanic Park

The Park's Financial System

Revenues

The Park's sources of revenue are memberships, garden sponsorships, donations, user fees for weddings & Trillium House rentals, and cash from the donation boxes. These monies are recorded by our staff and taken to the City, which banks them and accounts for them. City Finance has set up revenue accounts for the use of the Park, and provides periodic financial statements. The Treasurer keeps track of the sources of revenue for reporting purposes. Some revenue is donated thru the Yampa Valley Community Foundation and explained below.

Expenses

On the expense side, the Park Supervisor reviews invoices, codes them by expense account. Invoices are sent through the City's accounts payable system for processing and payment. The City also handles our payroll. A time clock system in the Trillium House sends employee's hours electronically to City Finance, which reviews and processes them, has them coded and approved by the Park Supervisor and others and ultimately produces payroll checks for the individuals. The Park Supervisor hires and oversees staff by making recommendations to the Parks Supervisor of the City Parks and Recreation Department, who processes employees through the City's Human Resources Department for the Botanic Park. All our employees are seasonal City employees. The accounting for all of these transactions is handled by City Finance, which provides the Park with statements for each of its expense accounts at the City. A section further down in this document describes the controls for those who spend the Parks money.

Carry-Forwards

Municipal accounting rules require that revenue and expense accounts be closed at the end of each fiscal year: there are no carry-overs. An exception was made for the Botanic Park whose revenue account balance is permitted to carry forward from year-to-year. Among other benefits, this permits the Park to always carry a positive balance at the City.

Yampa Valley Community Foundation

All credit card payments to YRBP are collected by the YVCF, which also receives checks for deposit to the funds. The Foundation operates four funds for YRBP:

- **Yampa River Botanic Park Fund.** This is a fund for current revenue.
- **YRBP Endowment Fund.** This has money donated by Garden Sponsors for the ongoing support of their gardens. The Park reimburses this fund for fees charged by YVCF. All the donors' monies, plus interest and investment earnings, go to the support of their gardens. In addition, a few people have made donations to this Fund as a contribution to the YRBP endowment.

- **YRBP Capital Development Fund.** This has the funds of people who have pledged to donate money over a period of 5 years to support needed capital projects. Money from John and Mary Ann Duffey, who started this fund, may be used only for the redevelopment of gardens; money from the others may be used for any capital improvements. The Treasurer has set up “projects” within City accounting to enable him to keep track of these redevelopment expenses and to assure donors that their money is being used for their intended purposes.
- **Enever Endowment Fund.** This Endowment was created and funded by Bob and Audrey, who deposited \$1 million into the Fund at the time the Park was created. Over time it has grown, been used to fund part of the construction of Trillium House, and is available to supplement the Park’s income, up to 5% of Fund Principal in any year. This fund gives financial credibility to the organization and is available to pay for a possible future emergency.

Budgeting

In order to control the Park’s revenues and expenses, the board develops a budget each spring which the Treasurer coordinates. The Treasurer compiles financial statements each year-end, and monthly June through December so the Board can act on any problems that show up. These statements show the combined revenues and expenses from both the City and the Foundation and are compared to budget, line-by-line. Budgets for Capital Development projects are voted by the Board each year. The Treasurer works with the City Finance Department to create project codes for the Capital Development work. The Park Supervisor ensures that expenses associated with the projects are coded to the appropriate project expense codes. The Treasurer identifies ‘project’ expenditures and the Capital Development Fund is charged at the end of each year to reimburse current expense.

For those who spend the Parks money

The Parks Controls:

You commit the Park to spend money when you agree to buy something or hire someone to do something. You should not commit until you have checked that you have the authority to spend the Park’s money and that you cannot buy the same quality cheaper.

- Expenses associated with an approved budget item can be incurred
- Unforeseen items, not in the budget must be reviewed and approved by the Board
- Invoices for approved items must be reviewed and approved before submission to the City for payment
 - items less than \$500 are coded to the appropriate expense category and submitted by the Park Supervisor
 - items \$500 - \$1000 must also be reviewed and approved by the Treasurer
 - items greater than \$1000 must also be reviewed and approved by the President

The City's Controls

In addition to the above Botanic Park approvals for authorized expenses, the City has additional approval levels depending on the dollar amount of the expense. Normally, any expense approved by Park personnel will be routinely approved by City management.

When an activity will incur an expense equal to or greater than \$5000 with a single vendor, it must be made through a Purchase Requisition (Purchase Order). The Park will create a Purchase Requisition to be submitted to the City. It will be approved by appropriate levels of City management and a Purchase Order will be created. In order to be approved there must have been at least 3 quotes submitted for the work. If the least expensive quote is not selected, there must be an accompanying explanation. The selected vendor will be set up in the City accounting system and invoices against the Purchase Order will be paid to the vendor by the City. Any vendor or individual submitting an invoice or check request to the city for payment must fill out a W9 form with their tax information to be paid by the city. The City and Botanic Park are sales tax exempt so when purchasing for the park remind vendors not to charge sales tax.

If a project is greater than \$50,000 it must go through a formal bid process that will be handled by the City.