



## **The Street Trust**

Financial Statements and Other Information  
as of and for the Year Ended August 31, 2017  
and Report of Independent Accountants

THE STREET TRUST

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## REPORT OF INDEPENDENT ACCOUNTANTS

*The Board of Directors  
The Street Trust Community Fund:*

We have audited the accompanying financial statements of The Street Trust Community Fund (dba The Street Trust) (formerly the Bicycle Transportation Alliance), which comprise the statement of financial position as of August 31, 2017, and the related statements of activities, functional expenses, 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. 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 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 The Street Trust Community Fund as of August 31, 2017, 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.

*Summarized Comparative Information*

We have previously audited The Street Trust Community Fund's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 5, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink, appearing to read "Coyne & Co. LLP".

December 4, 2017

THE STREET TRUST

**STATEMENT OF FINANCIAL POSITION**

AUGUST 31, 2017

(WITH COMPARATIVE AMOUNTS FOR 2016)

	<b>2017</b>	<b>2016</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 295,040	358,063
Accounts receivable <i>(note 4)</i>	12,491	21,713
Contributions receivable <i>(note 5)</i>	40,000	28,650
Prepaid expenses, deposits, and inventories	34,819	29,671
Property and equipment <i>(note 6)</i>	15,951	24,687
<b>Total assets</b>	<b>\$ 398,301</b>	<b>462,784</b>
<b>Liabilities:</b>		
Accounts payable and accrued expenses	14,290	6,773
Accrued payroll and related expenses	30,817	72,217
Deferred revenue <i>(note 5)</i>	72,800	15,534
<b>Total liabilities</b>	<b>117,907</b>	<b>94,524</b>
<b>Net assets:</b>		
Unrestricted:		
Available for programs and general operations	55,813	154,923
Designated by Board for operating reserve <i>(note 7)</i>	150,000	150,000
Net investment in capital assets	15,951	24,687
<b>Total unrestricted</b>	<b>221,764</b>	<b>329,610</b>
Temporarily restricted <i>(note 7)</i>	58,630	38,650
<b>Total net assets</b>	<b>280,394</b>	<b>368,260</b>
Commitments and contingencies <i>(notes 5, 12, 13, and 14)</i>		
<b>Total liabilities and net assets</b>	<b>\$ 398,301</b>	<b>462,784</b>

See accompanying notes to financial statements.

THE STREET TRUST

**STATEMENT OF ACTIVITIES**

YEAR ENDED AUGUST 31, 2017  
(WITH COMPARATIVE TOTALS FOR 2016)

	2017			2016
	Unrestricted	Temporarily restricted	Total	
<b>Revenues, gains, and other support:</b>				
Government grants and contracts	\$ 412,041	–	412,041	541,204
Private grants and contributions	312,085	58,630	370,715	418,860
In-kind contributions	4,584	–	4,584	13,849
Program events and fees ( <i>note 8</i> )	66,392	–	66,392	86,140
Special events, net of direct costs of \$49,815 in 2017 and \$22,332 in 2016	85,846 <sup>[A]</sup>	–	85,846	47,897
Sale of merchandise, net of cost of sales of \$7,551 in 2017 and \$22,148 in 2016	1,166	–	1,166	(1,625)
Other	31,000	–	31,000	13,990
Total revenues and gains	913,114	58,630	971,744	1,120,315
Net assets released from restrictions ( <i>note 10</i> )	38,650	(38,650)	–	–
Total revenues, gains, and other support	951,764	19,980	971,744	1,120,315
<b>Expenses (<i>note 11</i>):</b>				
Program services	642,936	–	642,936	841,906
Management and general	159,680	–	159,680	190,731
Fundraising	256,994	–	256,994	229,896
Total expenses	1,059,610	–	1,059,610	1,262,533
Increase (decrease) in net assets	(107,846)	19,980	(87,866)	(142,218)
Net assets at beginning of year	329,610	38,650	368,260	510,478
Net assets at end of year	\$ 221,764	58,630	280,394	368,260

[A] The annual gala occurred in 2017, but not in 2016; the Bicycle Challenge occurred twice in 2016, but only once in 2017. See accompanying notes to financial statements.

THE STREET TRUST

**STATEMENT OF FUNCTIONAL EXPENSES**

YEAR ENDED AUGUST 31, 2017  
(WITH COMPARATIVE TOTALS FOR 2016)

	2017				2016
	Program services	Management and general	Fundraising	Total	
Salaries and related expenses	\$ 397,980	97,214	161,576	656,770	902,126
Professional services	87,809	49,244	39,852	176,905	121,314
Occupancy	44,481	3,864	18,118	66,463	43,659
Telephone, technology, and data	3,134	651	1,276	5,061	9,880
Office supplies and related expenses	19,567	917	6,828	27,312	35,803
Printing and publications	10,871	125	8,603	19,599	15,447
Postage and delivery	251	15	3,455	3,721	7,687
Facility and equipment rental	30,908	448	878	32,234	52,227
Travel	14,881	247	379	15,507	16,292
Training and conferences	2,652	—	1,464	4,116	3,604
Memberships and dues	7,400	2,096	3,938	13,434	10,934
Insurance	2,932	609	1,194	4,735	6,863
Meals and meetings	379	69	164	612	4,068
Marketing and advertising	400	8	1,323	1,731	1,217
Bank fees	13,740	3,014	1,733	18,487	18,142
Depreciation and amortization	5,409	1,124	2,203	8,736	9,523
Miscellaneous	142	35	4,010	4,187	3,747
<b>Total expenses</b>	<b>\$ 642,936</b>	<b>159,680</b>	<b>256,994</b>	<b>1,059,610</b>	<b>1,262,533</b>

See accompanying notes to financial statements.

THE STREET TRUST

**STATEMENT OF CASH FLOWS**

YEAR ENDED AUGUST 31, 2017  
(WITH COMPARATIVE TOTALS FOR 2016)

	<b>2017</b>	<b>2016</b>
<b>Cash flows from operating activities:</b>		
Cash received from grantors, members, and others	\$ 654,197	646,632
Cash received from governmental agencies	421,118	545,608
Interest income	1,529	2,007
Cash paid to employees, suppliers, grantees, and others	(1,139,867)	(1,296,112)
Net cash used in operating activities	(63,023)	(101,865)
<b>Cash flows from investing activities:</b>		
Capital expenditures	—	(9,228)
Net cash used in investing activities	—	(9,228)
Net decrease in cash and cash equivalents	(63,023)	(111,093)
Cash and cash equivalents at beginning of year	358,063	469,156
Cash and cash equivalents at end of year	\$ 295,040	358,063

See accompanying notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED AUGUST 31, 2017

**1. Organization**

The Street Trust Community Fund (dba The Street Trust) works to promote and improve public transit, walking and bicycling conditions in Oregon. Since 1990, The Street Trust (formerly the Bicycle Transportation Alliance) has partnered with citizens, businesses, community groups, governmental agencies, and elected officials to create communities in which people can meet their daily transportation needs without a car.

The Street Trust promotes walking, biking, and transit through education programs, encouragement programs, events, and advocacy. The Street Trust seeks to transform communities by offering improved transportation choices that address universal challenges, such as health, well-being, livability, affordability, clean air, and sustainable energy.

**2. Summary of Significant Accounting Policies**

During the year ended August 31, 2017, The Street Trust incurred program service expenses in the following major areas:

**Education** – The Street Trust educates children, youth, families, and adults to bike and walk safely. Programs like Safe Routes to School and Rules of the Road clinics reach thousands of kids and adults each year. The Active Transportation Summit advances the practice of professionals and activists in the alternative transportation field.

**Encouragement** – The Street Trust introduces kids and adults to walking and biking through encouragement programs like Walk & Roll to School and the Bike More Challenge. Women Bike and Access to Cycling are programs that seek to broaden the demographics of people who bike.

**Advocacy** – The Street Trust calls for state, regional and local officials to direct more funding to walking, biking, and transit; and to adopt policies that make walking, biking, and transit safe and convenient. The Street Trust also seeks to amplify the efforts of local activists.

**3. Summary of Significant Accounting Policies**

The significant accounting policies followed by the organization are described below to enhance the usefulness of the financial statements to the reader.

**Basis of Accounting** – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and the principles of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

**Basis of Presentation** – The Street Trust has adopted the provisions of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) No. 958-605, *Revenue Recognition*, and FASB ASC No. 958-205, *Presentation of Financial Statements*. Under these provisions, net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of The Street Trust and changes therein are classified and reported as follows:

- *Unrestricted net assets* – Net assets not subject to donor-imposed stipulations.
- *Temporarily restricted net assets* – Net assets subject to donor-imposed stipulations that will be met either by actions of the organization and/or the passage of time.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

**Use of Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. In the opinion of management, such differences, if any, would not be significant.

**Contributions** – Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the commitment is received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Unconditional promises to give, with payments due to The Street Trust in future periods, are recorded as increases in temporarily restricted net assets at the estimated present value of future cash flows, net of an allowance for estimated uncollectible promises. Restricted contributions received and expended in the same period are reported as unrestricted contributions.

**Contributions of Long-Lived Assets** – Contributions of property and equipment without donor stipulations concerning the use of such long-lived assets are reported as revenues of the unrestricted net asset class. Contributions of cash or other assets to be used to acquire property and equipment with such donor stipulations are reported as revenues of the temporarily restricted net asset class; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

**In-Kind Contributions** – The Street Trust receives contributed services from a large number of volunteers who assist in fundraising and other efforts through their participation in a range of activities. In accordance with FASB ASC No. 958-605, *Revenue Recognition*, the value of such services, which the organization considers generally not practicable to estimate, has not been recognized in the accompanying financial statements. Significant services received which create or enhance a non-financial asset or require specialized skills that the organization would have purchased if not donated are recognized in the accompanying financial statements.

In-kind contributions of equipment and other materials are recorded where there is an objective basis upon which to value these contributions and where the contributions are an integral part of the organization's activities.

During the year ended August 31, 2017, the following in-kind contributions were recorded by the organization:

Supplies and materials	\$	4,584
Special events		2,820
		<hr/>
	\$	7,404

**Cash Equivalents** – For purposes of the financial statements, the organization considers all liquid investments having initial maturities of three months or less to be cash equivalents. Cash and cash equivalents include money market funds.

**Capital Assets and Depreciation** – Property and equipment are carried at cost, and initially at fair value when acquired by gift. Capital assets having a unit cost exceeding \$1,000 and an estimated useful life of more than one year are capitalized. Depreciation is provided on a straight-line basis over the estimated useful lives of the respective assets, which is generally five to ten years for computers and software, five years for bicycles, five years for furniture and equipment, and five years for lease-hold improvements (or the length of the lease term, if less).

**Revenue Recognition** – All contributions and grants are considered available for unrestricted use unless specifically restricted by the donor. Service revenues are recognized at the time services are provided and the revenues are earned. Merchandise sales are recognized at the time the transaction occurs and the revenues are earned. Membership payments are considered equivalent to unrestricted contributions and are recognized as revenue when received.

**Grants** – Grant awards are recorded when unconditional, approved by the Board of Directors, and announced to the grantee.

**Advertising and Promotional Expenses** – Advertising and promotional costs are charged to expense as they are incurred. For the year ended August 31, 2017, these expenses totaled \$1,731.

**Concentrations of Credit Risk** – The Street Trust’s financial instruments consist primarily of cash equivalents and money market funds, which may subject the organization to concentrations of credit risk as, from time to time, for example, cash balances may exceed amounts insured by the Federal Deposit Insurance Corporation (“FDIC”).

All checking and savings accounts, money market deposit accounts, and certificates of deposit are insured by the FDIC for up to \$250,000 for each depositor, for each insured bank, for each account ownership category. At August 31, 2017, The Street Trust had \$131,292 in money market funds that are not insured by the FDIC.

Certain receivables may also, from time to time, subject the organization to concentrations of credit risk. To minimize its exposure to significant losses from customer or donor insolvencies, the organization’s management evaluates the financial condition of its customers and donors, and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics. When necessary, receivables are reported net of an allowance for uncollectible accounts.

**Benefits Provided to Donors at Special Events** – The Street Trust conducts special fundraising events in which a portion of the gross proceeds paid by the participants represents payment for the direct costs of the benefits received. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the organization.

**Inventories** – Inventories consist of promotional merchandise held for resale. Inventories are valued at the lower of cost or fair value on a first-in, first-out basis.

**Income Taxes** – The Street Trust is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law, and derives its public charity status as an organization described in Section 509(a)(2) of the Internal Revenue Code.

**Subsequent Events** – As required by FASB ASC No. 855-10, *Subsequent Events*, subsequent events have been evaluated by management through December 4, 2017, which is the date the financial statements were available to be issued.

**Summarized Financial Information for 2016** – The accompanying financial information as of and for the year ended August 31, 2016 is presented for comparative purposes only and is not intended to represent a complete financial statement presentation.

**Other Significant Accounting Policies** – Other significant accounting policies are set forth in the financial statements and the following notes.

#### 4. Accounts Receivable

Accounts receivable are summarized as follows at August 31, 2017:

Government grants and contracts	\$	11,251
Other		1,240
		<hr/>
	\$	12,491

#### 5. Contributions Receivable

Contributions receivable represent unconditional promises to be collected in less than one year totaling \$40,000 at August 31, 2017.

##### *Conditional Grants*

During the year ended August 31, 2017, The Street Trust was awarded a multi-year grant from a private foundation totaling \$130,000, which was conditioned upon approval, by the grantor, of reports submitted by The Street Trust. As of August 31, 2017, \$65,000 of the award was reported as deferred revenue in the accompanying financial statements, as the required reports had not yet been submitted and approved.

In addition, The Street Trust had been awarded a grant totaling \$25,000, which was conditioned upon the grantor receiving grant funds. As of August 31, 2017, \$12,500 in grant funds have not been received by this grantor and, therefore, have not been included in the accompanying financial statements.

The Street Trust also has been awarded a multi-year government grant totaling \$226,748, which is conditioned upon incurring allowable expenses and obtaining programmatic and expenditure approval by the grantor. As of August 31, 2017, no allowable expenses had been submitted for approval by the funder and recognized as revenue in the accompanying statements.

#### 6. Property and Equipment

A summary of property and equipment at August 31, 2017 is as follows:

Computers and software	\$	66,460
Bicycles		54,632
Furniture and equipment		21,442
Leasehold improvements		6,482
		<hr/>
		149,016
Less accumulated depreciation and amortization		(133,065)
		<hr/>
	\$	15,951

#### 7. Restrictions and Limitations on Net Asset Balances

##### *Board-Designated Net Assets*

At August 31, 2017, \$150,000 of The Street Trust's unrestricted net assets were designated by the Board of Directors as an operating reserve.

##### *Temporarily Restricted Net Assets*

Temporarily restricted net assets at August 31, 2017 consist of contributions, grants, and other unexpended gifts restricted by donors as to time or purpose, as follows:

Advocacy	\$	35,000
Encore fellowships		10,762
Women Bike program		7,868
Unrestricted purposes for future periods		5,000
		<hr/>
	\$	58,630

## 8. Program Events and Fees

Program events and fees consisted of the following revenue sources for the year ended August 31, 2017:

Active Transportation Summit	\$	58,564
Program contract fees		7,828
		<hr/>
	\$	66,392

The Active Transportation Summit is an annual conference that educates transportation professionals and policy-makers on best practices for creating walkable and ‘bikeable’ communities. During the year ended August 31, 2017, The Street Trust recorded \$58,564 in revenues and \$28,437 in direct expenses related to the summit.

## 9. Concentrations

The Street Trust receives a substantial portion of its funding through government grants and contracts from the Oregon Department of Transportation, City of Portland, and Metro. During the year ended August 31, 2017, the organization recognized contract revenues from the City of Portland totaling \$288,364, which represented 29.7% of the organization’s total revenues.

## 10. Net Assets Released from Restrictions

During the year ended August 31, 2017, net assets totaling \$38,650 were released from temporary donor restrictions by incurring expenses in satisfaction of the restricted purpose, or by the occurrence of other events specified by donors.

## 11. Expenses

The costs of providing the various programs and other activities of the organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Expenses by natural classification are presented in the statement of functional expenses.

## 12. Contingencies

Amounts received or receivable under The Street Trust’s contracts with the City of Portland, Oregon Department of Transportation, and others are subject to audit and adjustment by the contracting agencies, the State of Oregon, and by various other governmental agencies. Any expenditures or claims disallowed as a result of such audits would become a liability of The Street Trust’s unrestricted net assets. In the opinion of management, any adjustments that might result from such audits would not be material to the organization’s overall financial statements.

### 13. Operating Lease Commitments

The Street Trust leases its administrative offices under an agreement expiring in June of 2021. The Street Trust also leases certain office equipment under a noncancellable operating lease that expires in February of 2018.

Future minimum lease commitments under these agreements are as follows:

<i>Years ending August 31,</i>	
2018	\$ 67,329
2019	67,006
2020	69,016
2021	58,944
	<hr/>
	\$ 262,295

Lease expense for these leases during the year ended August 31, 2017 totaled \$67,197.

### 14. Retirement Plan

Effective May 1, 2014, The Street Trust adopted an employer-funded Simplified Employee Pension plan for all eligible employees. Employees are eligible to participate in the plan if they are reasonably expected to receive at least \$5,000 in compensation in a calendar year. Employee contributions to the plan may be made on a pre-tax basis. The organization makes matching contributions to the plan up to 1%, reduced from 3% at January 1, 2017, of employee's annual compensation. Both employer and employee contributions are 100% vested as contributed. During the year ended August 31, 2017, The Street Trust contributed \$8,668 to the plan.

### 15. Statement of Cash Flows Reconciliation

The following presents a reconciliation of the decrease in net assets (as reported on the statement of activities) to net cash used in operating activities (as reported on the statement of cash flows):

Decrease in net assets	\$ (87,866)
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<i>Adjustments to reconcile decrease in net assets to net cash used in operating activities:</i>	
Depreciation and amortization	8,736
<i>Net changes in:</i>	
Accounts receivable	9,222
Contributions receivable	(11,350)
Prepaid expenses, deposits and inventories	(5,148)
Accounts payable and accrued expenses	7,517
Accrued payroll and related expenses	(41,400)
Deferred revenue	57,266
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Total adjustments	24,843
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Net cash used in operating activities	\$ (63,023)

### 16. Reclassification of 2016 Comparative Totals

Certain 2016 amounts presented herein have been reclassified to conform to the 2017 presentation.

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THE STREET TRUST

**GOVERNING BOARD, MANAGEMENT, AND STAFF**

AT AUGUST 31, 2017

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**Board of Directors**

Justin Yuen, *Chair*  
Leslie Carlson, *Vice Chair*  
Randy Miller, *Vice Chair*  
David Forman, *Secretary*  
Susan Marks, *Treasurer*  
Jude Gerace  
Diane Goodwin  
Hau Hagedorn  
Dwayne King  
Peter Koonce  
Ben McKinley

**Management and Staff**

Jillian Detweiler  
*Executive Director*  
Romain Bonilla  
*Communications Director*  
Elizabeth Cabral  
*Community Relations Director*  
LeeAnne Ferguson  
*Deputy Director*  
Brittani Garner  
*Programs & Events Director*  
Sheilagh Griffin  
*Education Director*  
Gerik Kransky  
*Policy Director*  
Tia Sherry  
*Development Director*  
Greg Sutliff  
*Director of Finance & Operations*  
Lindsay Huber  
*Education Program Manager*  
Alexa Jakusovszky  
*Membership & Communications Manager*  
Kye Weber  
*Development Assistant*

THE STREET TRUST

**INQUIRIES AND OTHER INFORMATION**

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**Administrative offices**

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Portland, Oregon 97209

(503) 226-0676

**Web**

[www.thestreettrust.org](http://www.thestreettrust.org)

