# The Museum of Modern Art
## Consolidated Financial Statements
## June 30, 2024 and 2023

# The Museum of Modern Art
## Index
## June 30, 2024 and 2023


| | Page(s) |
|---|---|
| **Report of Independent Auditors** | 1–2 |
| **Consolidated Financial Statements** | |
| Consolidated Statements of Financial Position | 3 |
| Consolidated Statements of Activities | 4 |
| Consolidated Statements of Cash Flows | 5 |
| Notes to Consolidated Financial Statements | 6–33 |

**Report of Independent Auditors**

To the Board of Trustees of The Museum of Modern Art

***Opinion***

We have audited the accompanying consolidated financial statements of The Museum of Modern Art and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are issued.

PricewaterhouseCoopers LLP, 300 Madison Avenue, New York, NY 10017
T: (646) 471 3000, www.pwc.com/us

pwc

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

New York, New York
October 17, 2024

# The Museum of Modern Art
## Consolidated Statements of Financial Position
## June 30, 2024 and 2023

| *(in thousands of dollars)* | **2024** | **2023** |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ 139,526 | $ 141,391 |
| Receivables | | |
| Accounts receivable and other | 9,015 | 7,048 |
| Contributions receivable, net | 29,510 | 37,459 |
| The Trust for Cultural Resources | 21,171 | 27,417 |
| Inventories | 17,819 | 18,812 |
| Prepaid expenses and other assets | 12,730 | 11,595 |
| Investments | | |
| Redemption receivables and accrued investment income | 5,501 | 53,565 |
| Investments, at fair value | 1,745,645 | 1,550,853 |
| Interest in net assets of International Council | 10,657 | 9,487 |
| Right-of-use assets | 19,093 | 21,478 |
| Property, plant and equipment, net | 625,351 | 643,830 |
| Museum collections (Note 1) | - | - |
| Total assets | $ 2,636,018 | $ 2,522,935 |
| **Liabilities and Net Assets** | | |
| Accounts payable, accrued expenses and other liabilities | $ 43,436 | $ 43,529 |
| Lease liability | 19,052 | 22,077 |
| Loans payable, bond premium and deferred financing costs, net of accumulated amortization | 275,904 | 278,664 |
| Pension and postretirement benefit obligations | 19,663 | 31,666 |
| Total liabilities | 358,055 | 375,936 |
| **Net assets** | | |
| Without donor restrictions | 1,251,024 | 1,228,721 |
| With donor restrictions | 1,026,939 | 918,278 |
| Total net assets | 2,277,963 | 2,146,999 |
| Total liabilities and net assets | $ 2,636,018 | $ 2,522,935 |

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

# The Museum of Modern Art
## Consolidated Statements of Activities
## Years Ended June 30, 2024 and 2023

| | 2024 | | | | | 2023 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Without Donor Restrictions | | | | | Without Donor Restrictions | | | | |
| *(in thousands of dollars)* | Museum Operations | Plant and Equipment Funded by Designated Gifts | Total Without Donor Restrictions | With Donor Restrictions | Total | Museum Operations | Plant and Equipment Funded by Designated Gifts | Total Without Donor Restrictions | With Donor Restrictions | Total |
| **Operating revenues and other support** | | | | | | | | | | |
| Admissions | $ 40,968 | $ - | $ 40,968 | $ - | $ 40,968 | $ 36,458 | $ - | $ 36,458 | $ - | $ 36,458 |
| Membership | 14,612 | - | 14,612 | - | 14,612 | 15,392 | - | 15,392 | - | 15,392 |
| Investment income-spending policy | 61,860 | - | 61,860 | - | 61,860 | 58,180 | - | 58,180 | - | 58,180 |
| Annual fund contributions | 14,572 | - | 14,572 | - | 14,572 | 13,561 | - | 13,561 | - | 13,561 |
| Other grants and contributions | 23,161 | - | 23,161 | 13,490 | 36,651 | 20,765 | - | 20,765 | 13,069 | 33,834 |
| Interest Income and other | 8,925 | - | 8,925 | - | 8,925 | 3,791 | - | 3,791 | - | 3,791 |
| Retail, publishing, and restaurant activities | 83,353 | - | 83,353 | - | 83,353 | 75,933 | - | 75,933 | - | 75,933 |
| Net assets released from restrictions | 31,326 | - | 31,326 | (31,326) | - | 28,150 | - | 28,150 | (28,150) | - |
| Total operating revenues and other support | 278,777 | - | 278,777 | (17,836) | 260,941 | 252,230 | - | 252,230 | (15,081) | 237,149 |
| **Operating expenses** | | | | | | | | | | |
| Curatorial and related support services | 52,747 | - | 52,747 | - | 52,747 | 47,272 | - | 47,272 | - | 47,272 |
| Exhibitions | 18,444 | - | 18,444 | - | 18,444 | 16,098 | - | 16,098 | - | 16,098 |
| Other museum programs | 7,096 | - | 7,096 | - | 7,096 | 7,395 | - | 7,395 | - | 7,395 |
| Cost of sales from retail, publishing, and restaurant activities | 78,346 | - | 78,346 | - | 78,346 | 70,991 | - | 70,991 | - | 70,991 |
| Depreciation | 6,218 | 36,285 | 42,503 | - | 42,503 | 5,068 | 37,638 | 42,706 | - | 42,706 |
| Public services | 6,465 | - | 6,465 | - | 6,465 | 5,738 | - | 5,738 | - | 5,738 |
| Membership, development and cultivation | 14,148 | - | 14,148 | - | 14,148 | 12,133 | - | 12,133 | - | 12,133 |
| Facilities, security and other | 45,996 | - | 45,996 | - | 45,996 | 40,282 | - | 40,282 | - | 40,282 |
| Public information | 9,318 | - | 9,318 | - | 9,318 | 7,793 | - | 7,793 | - | 7,793 |
| Administration and other | 30,498 | - | 30,498 | - | 30,498 | 30,592 | - | 30,592 | - | 30,592 |
| Total operating expenses | 269,276 | 36,285 | 305,561 | - | 305,561 | 243,362 | 37,638 | 281,000 | - | 281,000 |
| Excess (Deficit) of operating revenues and support over operating expenses | 9,501 | (36,285) | (26,784) | (17,836) | (44,620) | 8,868 | (37,638) | (28,770) | (15,081) | (43,851) |
| **Nonoperating revenues, expenses and other support** | | | | | | | | | | |
| Sales of works of art | - | - | - | 1,872 | 1,872 | - | - | - | 4,022 | 4,022 |
| Acquisition of works of art | (18,264) | - | (18,264) | - | (18,264) | (25,659) | - | (25,659) | - | (25,659) |
| Net assets released from restrictions for art acquisitions | 18,264 | - | 18,264 | (18,264) | - | 25,659 | - | 25,659 | (25,659) | - |
| Net assets released from restrictions for renovation, expansion and specific purpose | (1,082) | - | (1,082) | 1,082 | - | 869 | - | 869 | (869) | - |
| Investment return in excess of amounts designated for operations and specific purposes | 48,921 | - | 48,921 | 76,160 | 125,081 | 40,854 | - | 40,854 | 49,896 | 90,750 |
| Contributions restricted for art acquisitions | - | - | - | 13,598 | 13,598 | - | - | - | 12,256 | 12,256 |
| Contributions restricted for capital acquisition and permanent endowment | - | - | - | 52,049 | 52,049 | - | - | - | 29,011 | 29,011 |
| Board-designated and other contributions | 30 | - | 30 | - | 30 | 11,826 | - | 11,826 | - | 11,826 |
| Defined benefit plan changes other than net periodic benefit cost | 7,304 | - | 7,304 | - | 7,304 | 11,423 | - | 11,423 | - | 11,423 |
| Other pension plan costs | 1,284 | - | 1,284 | - | 1,284 | 1,222 | - | 1,222 | - | 1,222 |
| Interest expense, change in fair value of interest rate swap agreements and other financing costs | (7,370) | - | (7,370) | - | (7,370) | (7,801) | - | (7,801) | - | (7,801) |
| Total nonoperating revenues, expenses and other support | 49,087 | - | 49,087 | 126,497 | 175,584 | 58,393 | - | 58,393 | 68,657 | 127,050 |
| Change in net assets | 58,588 | (36,285) | 22,303 | 108,661 | 130,964 | 67,261 | (37,638) | 29,623 | 53,576 | 83,199 |
| **Net Assets** | | | | | | | | | | |
| Beginning of year | 828,420 | 400,301 | 1,228,721 | 918,278 | 2,146,999 | 761,159 | 437,939 | 1,199,098 | 864,702 | 2,063,800 |
| End of year | $ 887,008 | $ 364,016 | $ 1,251,024 | $ 1,026,939 | $ 2,277,963 | $ 828,420 | $ 400,301 | $ 1,228,721 | $ 918,278 | $ 2,146,999 |

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

# The Museum of Modern Art
## Consolidated Statements of Cash Flows
## Years Ended June 30, 2024 and 2023

| *(in thousands of dollars)* | **2024** | **2023** |
|---|---|---|
| **Cash flows from operating activities** | | |
| Change in net assets | $ 130,964 | $ 83,199 |
| Adjustments to reconcile change in net assets to net cash used in operating activities | | |
| Depreciation and amortization | 42,828 | 41,786 |
| Defined benefit plan changes other than net periodic benefit cost | (7,304) | (11,423) |
| Change in interest in net assets of International Council | (1,170) | (489) |
| Net realized gain and unrealized appreciation on investments | (173,146) | (138,972) |
| Contributions restricted for capital acquisition and permanent endowment | (45,589) | (75,349) |
| Contributed securities | (9,456) | (5,071) |
| Proceeds from sales of contributed securities | 4,442 | 3,282 |
| Change in fair value of interest rate swap agreement | (517) | (601) |
| Sales of works of art | (1,872) | (4,022) |
| Acquisition of works of art | 18,264 | 25,659 |
| Changes in assets and liabilities | | |
| Accounts receivable and other | (1,967) | (24) |
| Contributions receivable | 7,214 | 47,789 |
| Redemption receivables and accrued investment income | (2,422) | (526) |
| Inventories | 993 | (4,664) |
| Prepaid expenses and other assets | (1,135) | (526) |
| Accounts payable, accrued expenses and other liabilities | (2,224) | (492) |
| Pension and postretirement benefit obligations | (4,699) | (3,486) |
| Right-of-use assets and lease liability | (3,057) | (2,916) |
| Net cash used in operating activities | (49,853) | (46,846) |
| **Cash flows from investing activities** | | |
| Purchases of property, plant and equipment | (22,000) | (15,636) |
| Proceeds from disposition of investments | 342,650 | 245,758 |
| Purchase of investments | (306,704) | (220,982) |
| Distributions from Trust for Cultural Resources | 6,246 | 925 |
| Proceeds from sales of works of art | 1,872 | 4,022 |
| Acquisition of works of art | (18,264) | (25,659) |
| Net cash provided by (used in) investing activities | 3,800 | (11,572) |
| **Cash flows from financing activities** | | |
| Contributions restricted for capital acquisition and permanent endowment | 45,589 | 75,349 |
| Proceeds from sales of contributed securities restricted for capital and permanent endowment | 5,749 | 6,688 |
| Proceeds from MoMA PS1 term loan | - | 88 |
| Bond repayment of Series 2016 One E bonds | - | (75,725) |
| Repayment of MoMA PS1 term loan | (44) | (37) |
| Net cash provided by financing activities | 51,294 | 6,363 |
| Net increase (decrease) in cash, cash equivalents, and restricted cash | 5,241 | (52,055) |
| **Cash, cash equivalents, and restricted cash** | | |
| Beginning of year | 149,231 | 201,286 |
| End of year | $ 154,472 | $ 149,231 |
| **Supplemental disclosures** | | |
| Cash paid in the year for interest | $ 10,603 | $ 13,634 |
| Contributed securities | 10,191 | 9,970 |
| Investment redemption receivable | 1,876 | 52,362 |
| Property, plant, and equipment in accounts payable | 5,286 | 2,639 |

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

*(in thousands of dollars)*

## 1. Organization and Summary of Significant Accounting Policies

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP") and reflect the consolidation of the following entities:

- The Museum of Modern Art (the "Museum");
- P.S. 1 Contemporary Art Center ("MoMA PS1");
- Modern and Contemporary Art Support Corp. (the "Support Corp"); and
- AFE, LLC.

Intercompany transactions have been eliminated in consolidation. The Museum is the sole member of MoMA PS1, the Support Corp, and AFE, LLC. In addition, the International Council of The Museum of Modern Art (the "Council") provides exhibition and programming support to the Museum. The Council exclusively supports the Museum in its international programs and activities. The Museum has recorded its interest in 100% of the Council's net assets of $10,657 and $9,487 in the consolidated statements of financial position as of June 30, 2024 and 2023, respectively. These net assets are classified as net assets with donor restrictions. The Council's net assets consist primarily of investments which were $8,631 and $7,997 at June 30, 2024 and 2023, respectively. All of the Council's investments are maintained within the Museum's investment portfolio (Notes 3 and 4).

The Museum, MoMA PS1, the Support Corp and the Council are not-for-profit organizations exempt from tax under Section 501(c)(3) of the Internal Revenue Code; AFE, LLC is a limited liability corporation.

The Museum's significant accounting policies are described below:

### Collections

The Museum is chartered as an educational institution whose collection of modern and contemporary art is made available to its members and the public to encourage an ever-deeper understanding and enjoyment of such art by the diverse local, national, and international audiences that it serves. Through the leadership of its Board of Trustees (the "Board") and staff, the Museum strives to establish, preserve, and document a permanent collection of the highest order that reflects the vitality, complexity, and unfolding patterns of modern and contemporary art; present exhibitions and educational programs of unparalleled significance; sustain a library, archives, and conservation laboratory that are recognized as international centers of research; and support scholarship and publications of preeminent intellectual merit. The Museum's mission is to connect people from around the world to the art of our time.

The Museum's collections, acquired through purchase and contributions, are not recognized as assets on the consolidated statements of financial position. Purchases of collection items are recorded in the year in which the items were acquired as decreases in net assets without donor restrictions. Contributed collection items are not reflected in the consolidated financial statements. Proceeds from sales of works of art, which are reflected as increases in net assets with donor restrictions, are used primarily to acquire other items for the collection.

*(in thousands of dollars)*

Pursuant to the Museum's Collection Management Policy, devoting Museum resources to the direct care of the works in the collection is essential to safeguard and preserve the quality of the works and extend their lifespan. Direct care of the collection may include, but is not limited to, providing specialized safe, secure and climate controlled storage and galleries spaces, protecting the works which require it from heat, humidity, theft, visitor handling, fire, dust, excessive lighting, water, pests, physical forces and other elements, as well as providing expert conservation, registration, cataloguing, audio visual, imaging, framing and documentation services. No material funds from deaccessioning were used to support the direct care of the Museum's collection during the years ended June 30, 2024 and 2023.

**Net Assets**

The Museum reports information regarding its consolidated financial position and change in net assets in two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

- Net assets without donor restrictions are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Museum. These net assets may be used at the discretion of the Museum's management and the Board. As reflected in the accompanying consolidated statements of activities, the Museum and the Board have designated net assets without donor restrictions into the following two categories:

  a. Museum operations comprise net assets that are an integral part of the Museum's programs and supporting activities, including fixed assets purchased from general operating support funds.

  b. Plant and equipment funded by designated gifts represents fixed assets constructed or acquired with donor specified contributions.

- Net assets with donor restrictions are subject to stipulations imposed by donors. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or by actions taken by the Museum. Some donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. Net assets maintained in perpetuity mainly include endowment contributions. Generally, the donors of these assets permit the Museum to use all or part of the income earned on the related investments for general or specific purposes. Appreciation and income earned on donor-restricted endowment funds are classified as net assets with donor restrictions until appropriated for spending, in line with the Museum's policy, as described in Note 9.

**Contributions**

Contributions, including promises to give, are recorded as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-restricted contributions intended for capital projects are initially recorded as net assets with donor restrictions and released to net assets without donor restrictions when the asset is placed in service. When a time restriction ends, or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the year of contribution are reported as net assets without donor restrictions. Investment income earned on donor-restricted contributions whose restrictions are met within the same year as received is reported as net assets without donor restrictions.

*(in thousands of dollars)*

Nonmonetary contributions are recorded at estimated fair value at date of receipt if the Museum received certain goods and services that meet criteria under GAAP for recognition as contributions. No material nonmonetary contributions were received in the years ended June 30, 2024 and 2023. The Museum recognized $9,456 and $5,071 of revenue related to contributed securities for the years ended June 30, 2024 and 2023, respectively.

Multi-year pledges are reported at their discounted present value in the year in which the pledge is received, using a risk-free rate adjusted for a market risk premium or the credit worthiness of the donor. Allowances are recorded for estimated uncollectible contributions receivable based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

**Revenue Recognition from Exchange Transactions**
The Museum has multiple revenue streams that are accounted for as exchange transactions including admissions, membership, retail, publishing and restaurant activities. Because the Museum's performance obligations relate to contracts with a duration of less than one year, the Museum has elected to apply the optional exemption provided in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606-10-50-14(a), *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

**Admissions**
The Museum charges stated admission fees and collects and recognizes revenue upon sale for access to the Museum's galleries, exhibitions, theaters and performance studio.

**Membership**
The Museum sells memberships of various categories that typically last for a one-year term. The Museum recognizes membership revenue ratably over the membership term. Payment is received at the point of membership sale.

**Retail, Publishing, and Restaurant Activities**
The Museum's retail revenues are generated from stores, e-commerce, mail order, and trade operations. Revenues from retail and restaurant operations are recognized at a point in time upon sale to the customer. The Museum collects cash at point of sale or credit card receipts within a few days of the sale. Revenues from publishing are recognized when publications are shipped to customers or settled under consignment agreements.

**Inventories**
The Museum values its inventories, consisting primarily of publishing and retailing merchandise, at the lower of weighted average cost or net realizable value.

**Property, Plant and Equipment**
Property, plant and equipment are stated at cost, if purchased, or, if donated, at a fair value at date of gift.

*(in thousands of dollars)*

Depreciation is computed by the straight-line basis over the following estimated useful lives of the asset:

| | |
|---|---|
| Buildings and building components | 5 to 50 years |
| Leasehold improvements | Lesser of useful life or lease term |
| Equipment, machinery and other | 5 to 20 years |
| Software | 3 to 5 years |

**Leases**

The Museum accounts for leases in accordance with ASC 842, *Leases*. The Museum has a limited number of leases, most of which are for commercial retail stores and other space rentals, which are all classified as operating leases under ASC 842. The Museum has elected the practical expedient under ASC 842 to allow the lease and nonlease components not to be separated in event the agreement contains both.

Management considers various factors such as market conditions and the terms of any renewal options that may exist to determine whether to renew or replace a lease. For leases in place as of June 30, 2024, renewals are not considered within the lease term and minimum lease payments as they are not reasonably certain to be exercised.

The Museum includes fixed rent, predetermined rent escalations, rent-free periods, and deferred rent as lease components. Lease expense is recognized on a straight-line basis over the life of the lease. Some of these leases require variable payments for taxes, storage, and operating expenses and are expensed as incurred.

The Museum’s lease liabilities are initially and subsequently measured at the present value of the remaining lease payments. The right-of-use assets are initially recognized at the amount of the lease liabilities initially recognized less lease incentives received, plus initial direct costs and prepaid lease payments, if any. Since the Museum’s lease agreements do not have readily determinable discount rates implicit in the leases, the Museum uses an incremental borrowing rate to determine the present value of the lease payments.

**Investments**

The long-term objective of the Museum’s investment portfolio is to support the Museum’s mission by providing a reliable source of funds for current and future use.

The Museum invests across a broad range of asset classes, including public equity, fixed income (including government and corporate bonds), hedge funds, private equity (including buyout, growth, venture capital and credit), real assets (including real estate, traditional and renewable energy, and infrastructure), and cash and other. The Museum may invest directly in the securities of these asset classes, or indirectly through interests in funds and limited partnerships.

Purchases and sales are reflected on a trade-date basis. Realized gains and losses are determined on the basis of average cost of securities sold and are reflected in the consolidated statements of activities. Dividend income is recorded on the ex-dividend date, and interest income is recorded on an accrual basis. Investments denominated in foreign currency are translated at the year-end spot rate.

*(in thousands of dollars)*

The Museum classifies its approved distribution of donor-restricted endowment assets, board-designated assets, and unrestricted assets as investment income - spending policy within operating revenues and other support within the consolidated statements of activities. Any investment return (deficit) in excess of (less than) amounts designated for operations and specific purposes is recorded within nonoperating activities within the consolidated statements of activities.

**Cash, Cash Equivalents, and Restricted Cash**

Cash and cash equivalents include cash on hand, demand deposits and short-term investments which are highly liquid in nature and have original maturities at the time of purchase of three months or less. At June 30, 2024 and 2023, the Museum's cash and cash equivalents were maintained at financial institutions in excess of federally insured amounts. Management believes that the credit risk to these deposits is minimal.

On the consolidated statements of cash flows, the Museum is required to show restricted cash from investments as part of a reconciliation equating to total cash. The Museum elected to treat cash equivalents within its investment portfolio (Note 4) as investments, and therefore is only including cash held in the portfolio in the consolidated statements of cash flows.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated statements of financial position to the amount shown on the consolidated statements of cash flows.

| | 2024 | 2023 |
|---|---|---|
| **Cash, cash equivalents, and restricted cash** | | |
| Cash and cash equivalents on the consolidated statements of financial position | $ 139,526 | $ 141,391 |
| Cash included in investments, at fair value on the consolidated statements of financial position | 14,946 | 7,840 |
| Total cash, cash equivalents, and restricted cash on the consolidated statements of cash flows | $ 154,472 | $ 149,231 |

**Fair Value Measurements**

The Museum follows ASC 820, *Fair Value Measurement*, for accounting and reporting of the fair value of its financial assets and liabilities. This guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between participants on the measurement date. Fair value requires an organization to determine the unit of account, the mechanism of hypothetical transfer, and the appropriate markets for the asset or liability being measured.

*(in thousands of dollars)*

ASC 820 also establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Observable inputs reflect market data obtained from sources independent of the reporting entity and unobservable inputs reflect the entities own assumptions about how market participants would value an asset or liability based on the best information available. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value.

The three input levels are as follows:

Level 1 Unadjusted, quoted prices in active markets for identical assets and liabilities for which significant observable inputs exist. Market price data is generally obtained from exchange or dealer markets. Investments included in Level 1 may include certain equity securities, cash and cash equivalents, short term investments, mutual funds and exchange-traded funds.

Level 2 Inputs other than quoted prices in active markets 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. Inputs are obtained from various sources including market participants, dealers and brokers.

Investments included in Level 2 may include certain government and corporate bonds, and fixed income, for which observable inputs exist and trade in markets not considered to be active.

Interest rate swap arrangements have inputs which can generally be corroborated by market data and are therefore classified as Level 2. Interest rate swaps are valued using both observable and unobservable inputs, such as quotations from the counter party, whenever available, and considered reliable. The value of the interest rate swap depends upon the contractual terms of and specific risks inherent in the instrument as well as the availability and reliability of observable inputs.

Level 3 Unobservable inputs, as they trade infrequently or not at all, and that are significant to the fair value of the assets or liabilities.

Investments for which fair value is measured at net asset value (“NAV”) per share as the practical expedient consist primarily of the Museum’s ownership in investment companies and partnerships. The fair value of holdings in funds and limited partnerships are based on the net asset value provided by the external investment managers of the underlying funds. Funds and limited partnerships may make investments in securities that are publicly traded, which are generally valued based on observable market prices. Managers of private investment funds and limited partnerships (including equity investment funds, fixed income investment funds, hedge funds, private equity, real assets) value those investments based upon the best information available for a given circumstance and may incorporate assumptions that are the investment manager’s best estimates after consideration of a variety of internal and external factors. Because these investments may not be readily marketable, the fair value may be subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investment existed. Such differences could be material.

*(in thousands of dollars)*

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, liquidity statistics and other factors. The Museum considers observable data to be that market data which is readily available and reliable and provided by independent sources. The categorization of a financial instrument within the hierarchy is therefore based upon the pricing transparency of the instrument and does not necessarily correspond to the Museum's perceived risk of that investment.

**Derivative Instruments**

The Museum records derivative instruments (e.g., interest rate swap agreements) at fair value in accordance with ASC 815*, Derivatives and Hedging*. The change in fair value during the reporting period together with the net effect of the interest rate swap is recognized below the operating measure in the consolidated statements of activities.

**Measure of Operations**

The Museum includes in its measure of operations all revenues and expenses that are an integral part of its programs and supporting activities. The measure of operations does not include sales and acquisition of art work, net assets released from restrictions for art and renovation, expansion and specific purposes, investment return in excess of (less than) amounts designated for operations and specific purposes, interest expense, change in fair value of interest rate swap agreements and other financing costs, contributions restricted for art acquisitions, capital acquisitions and permanent endowment, board-designated and other contributions, defined benefit plan changes other than net periodic benefit cost, and other pension plan cost.

**Membership, Development and Cultivation**

Membership, development and cultivation expenses include costs attributable to all fundraising activities related to Museum operations, expansion and renovation, endowment, and art acquisitions. These costs include current and future donor cultivation, acquisition and retention of membership, membership fulfillment costs, fundraising events for the benefit of the Museum and contribution processing and acknowledgement.

**Deferred Financing Costs**

Deferred financing costs, included as a direct deduction from the carrying value of the associated debt liability in the consolidated statements of financial position, represent costs to obtain financing for various projects of the Museum. Amortization of these costs extends over the term of the applicable loans.

**Advertising Expense**

Advertising is recorded as expense in the period incurred. Advertising expense for the years ended June 30, 2024 and 2023 was $8,140 and $6,331, respectively.

**Functional Expenses**

The costs of providing program and other activities have been summarized on a functional basis in the consolidated statements of activities. Operating expenses are presented by functional classification in alignment with the overall mission of the Museum. Expenses that can be identified with a specific program are charged directly to that program. Expenses that are attributable to more than one functional program are allocated using reasonable techniques. Depreciation, facilities, and security are allocated on a square footage basis.

*(in thousands of dollars)*

**Use of Estimates**
The preparation of consolidated financial statements in conformity with GAAP in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The most significant estimates include the valuation assumptions associated with investments without readily determinable fair values, net realizable value of contributions receivable, and pension and postretirement benefit liabilities. Actual results could differ from those estimates.

## 2. Contributions Receivable

Contributions receivable at June 30, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Museum operations, programs and endowment | $ 34,471 | $ 37,830 |
| Future periods-split interest agreements | 317 | 317 |
| Capital construction and acquisition | 5,546 | 10,085 |
| | 40,334 | 48,232 |
| Less: Discount for present value | (2,026) | (1,975) |
| Less: Allowance for doubtful accounts | (8,798) | (8,798) |
| | $ 29,510 | $ 37,459 |
| **Amounts due in** | | |
| Less than one year | $ 21,615 | $ 24,822 |
| One to five years | 12,649 | 17,344 |
| More than five years | 6,070 | 6,066 |
| | $ 40,334 | $ 48,232 |

*(in thousands of dollars)*

### 3. Fair Value Measurements

The following tables summarize the financial instruments reported within the consolidated statements of financial position carried at fair value as of June 30, 2024 and 2023, by caption and level within the fair value accounting hierarchy:

| | Quoted Prices in Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | June 30, 2024 Total Fair Value |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | $ 185,182 | $ - | $ - | $ 185,182 |
| Government and corporate bonds | - | 119,257 | - | 119,257 |
| Equity securities | 378,678 | - | - | 378,678 |
| Investment funds | | | | |
| Mutual funds/exchange-traded funds | 166,475 | - | - | 166,475 |
| Fixed income | - | 347 | - | 347 |
| | $ 730,335 | $ 119,604 | $ - | 849,939 |
| Investments measured at NAV | | | | 1,029,425 |
| Total assets at fair value | | | | $ 1,879,364 |
| **Liabilities** | | | | |
| Interest rate swaps | $ - | $ 2,161 | $ - | $ 2,161 |
| Total liabilities at fair value | $ - | $ 2,161 | $ - | $ 2,161 |

| | Quoted Prices in Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | June 30, 2023 Total Fair Value |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | $ 158,006 | $ - | $ - | $ 158,006 |
| Government and corporate bonds | - | 105,119 | - | 105,119 |
| Equity securities | 225,859 | - | - | 225,859 |
| Investment funds | | | | |
| Mutual funds/exchange-traded funds | 149,831 | - | - | 149,831 |
| Fixed income | - | 316 | - | 316 |
| | $ 533,696 | $ 105,435 | $ - | 639,131 |
| Investments measured at NAV | | | | 1,050,185 |
| Total assets at fair value | | | | $ 1,689,316 |
| **Liabilities** | | | | |
| Interest rate swaps | $ - | $ 2,678 | $ - | $ 2,678 |
| Total liabilities at fair value | $ - | $ 2,678 | $ - | $ 2,678 |

There were no significant transfers in or out of Level 1 and Level 2 of the fair value hierarchy. Financial instruments such as those above, involve, to varying degrees, elements of market risk and credit risk in excess of the amounts recorded on the consolidated statements of financial position. For the Museum, market risk represents the potential loss due to the decrease in the value of financial instruments; credit risk represents the maximum potential loss due to possible nonperformance of contract terms by obligors and counter parties.

*(in thousands of dollars)*

The following tables list investments in investment companies and partnerships by major category. All percentages are based on NAV as of the fiscal year-end.

**June 30, 2024**

| Asset Category | Fair Value | Sidepocket Percentage | Redemption Frequency | Redemption Notice Period |
|---|---|---|---|---|
| **Redeemable Alternative Investments:** | | | | |
| Fixed Income - Investment funds | $ 17,393 | N/A | Monthly | 45-60 days |
| Equity - Investment funds | 193,211 | <1% | Weekly, Monthly, Quarterly | Up to 90 days |
| Hedge Funds - Multi strategy and other | 166,555 | 17% | Quarterly, Semi-Annually | Up to 90 days |
| Hedge Funds - Credit | 94,364 | <1% | Quarterly | Up to 90 days |
| Total Redeemable Alternative Investments | $ 471,523 | | | |

| | Fair Value | Sidepocket Percentage | Remaining Life | Unfunded Commitments |
|---|---|---|---|---|
| **Nonredeemable Alternative Investments:** | | | | |
| Private Equity | $ 535,702 | N/A | 0 to ≥ 5 Years | $ 141,862 |
| Real Estate and Real Assets | 22,200 | N/A | 0 to ≥ 5 Years | 12,887 |
| Total Nonredeemable Alternative Investments | $ 557,902 | | | $ 154,749 |
| | $ 1,029,425 | | | |

**June 30, 2023**

| Asset Category | Fair Value | Sidepocket Percentage | Redemption Frequency | Redemption Notice Period |
|---|---|---|---|---|
| **Redeemable Alternative Investments:** | | | | |
| Fixed Income - Investment funds | $ 29,009 | N/A | Monthly | 45-60 days |
| Equity - Investment funds | 204,192 | <1% | Weekly, Monthly, Quarterly | Up to 90 days |
| Hedge Funds - Multi - strategy and other | 160,169 | 15% | Quarterly, Semi-Annually | Up to 90 days |
| Hedge Funds - Credit | 98,978 | <1% | Quarterly | Up to 90 days |
| Total Redeemable Alternative Investments | $ 492,348 | | | |

| | Fair Value | Sidepocket Percentage | Remaining Life | Unfunded Commitments |
|---|---|---|---|---|
| **Nonredeemable Alternative Investments:** | | | | |
| Private Equity | $ 527,156 | N/A | 0 to ≥ 5 Years | $ 179,037 |
| Real Estate and Real Assets | 30,681 | N/A | 0 to ≥ 5 Years | 3,541 |
| Total Nonredeemable Alternative Investments | $ 557,837 | | | $ 182,578 |
| | $ 1,050,185 | | | |

*(in thousands of dollars)*

## 4. Investments

Investments at June 30, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Cash | $ 14,946 | $ 7,840 |
| Short term investments (cash equivalents) | 45,927 | 20,802 |
| Equity securities | 378,678 | 225,859 |
| Government and corporate bonds | 119,139 | 105,009 |
| Investment funds | | |
| Mutual funds/exchange-traded funds | 166,161 | 149,155 |
| Fixed income | 17,393 | 29,009 |
| Equity | 193,211 | 204,192 |
| Hedge Funds - Credit | 94,364 | 98,978 |
| Hedge Funds - Multi-strategy and other | 166,555 | 160,169 |
| Private equity | 535,702 | 527,156 |
| Real assets | 22,200 | 30,681 |
| Investments | 1,754,276 | 1,558,850 |
| Less: Investments maintained for the Council | (8,631) | (7,997) |
| Investments per the consolidated statements of financial position, at fair value | 1,745,645 | 1,550,853 |
| Add: Investments redemption receivables | 1,876 | 52,362 |
| Total | $ 1,747,521 | $ 1,603,215 |

The following schedules summarize the investment return and its classification in the consolidated statements of activities for the years ended June 30, 2024 and 2023:

| | 2024 | 2023 |
|---|---|---|
| Dividends and interest, net of investment management and related fees of $12,649 in 2024 and $10,800 in 2023 | $ 11,042 | $ 8,209 |
| Net realized gains and changes in unrealized appreciation | 175,899 | 140,721 |
| Total return on long-term investments | 186,941 | 148,930 |
| Total spending policy | (61,860) | (58,180) |
| Investment return in excess of amounts designated for operations and specific purposes | $ 125,081 | $ 90,750 |

*(in thousands of dollars)*

## 5. Liquidity

The Museum's financial assets and resources available to meet cash needs for general expenditures within one year of the date of the consolidated statements of financial position were as follows:

| | 2024 | 2023 |
|---|---|---|
| **Financial assets** | | |
| Cash and cash equivalents | $ 139,526 | $ 141,391 |
| Accounts receivable and other | 9,015 | 7,048 |
| Contributions receivable (without restriction) | 923 | 3,622 |
| Redemption receivables and accrued investment income | 5,501 | 53,565 |
| Investments available for general operations | 813,259 | 720,841 |
| Subsequent year spending policy | 64,000 | 60,000 |
| Total financial assets available within one year | 1,032,224 | 986,467 |
| **Liquidity resources** | | |
| Available bank lines of credit and revolvers | 37,000 | 37,000 |
| Funds functioning as endowments available for operations | 186,557 | 176,694 |
| Total liquidity resources | 223,557 | 213,694 |
| Total financial assets and liquidity resources available within one year | $ 1,255,781 | $ 1,200,161 |

As an integral part of the Museum's liquidity management strategy, the Museum structures its financial assets to be available as general expenditures, liabilities including debt service, and other obligations come due. The Museum invests cash in excess of daily requirements in short–term money market funds. Cash withdrawals from the investment pool are in sync with the Museum's spending policy but may be adjusted periodically based on the timing of gifts received, capital calls, income and capital distributions, operating expenses and other factors affecting available cash. Endowment funds appropriated for spending are distributed to Museum departments quarterly or held for general operating purposes.

Included in the total financial assets and resources available within one year are board designated endowment funds of $186,557 and $176,694 at June 30, 2024 and 2023, respectively. The Museum does not intend to spend from its board designated endowment funds other than amounts appropriated for expenditure as part of the annual budget process approval; however, amounts from its board designated endowment could be made available, if necessary.

*(in thousands of dollars)*

## 6. Inventories

At June 30, 2024 and 2023, inventories are as follows:

| | | 2024 | | 2023 |
|---|---|---|---|---|
| **Publishing and retail** | | | | |
| Available for sales | $ | 17,550 | $ | 18,314 |
| Work in process | | 269 | | 498 |
| | $ | 17,819 | $ | 18,812 |

## 7. Property, Plant and Equipment

At June 30, 2024 and 2023, property, plant and equipment are as follows:

| | | 2024 | | 2023 |
|---|---|---|---|---|
| Buildings | $ | 855,640 | $ | 855,245 |
| Leasehold improvements | | 5,021 | | 4,919 |
| Software, equipment, machinery and furniture and fixtures | | 201,322 | | 195,010 |
| Total property, plant and equipment at cost | | 1,061,983 | | 1,055,174 |
| Less: Accumulated depreciation | | (566,425) | | (523,299) |
| Property, plant and equipment, net | | 495,558 | | 531,875 |
| Land, at cost | | 99,454 | | 99,454 |
| Construction-in-progress | | 30,339 | | 12,501 |
| | $ | 625,351 | $ | 643,830 |

## 8. Loans Payable

Loans payable at June 30, 2024 and 2023 are as follows:

| | | 2024 | | 2023 |
|---|---|---|---|---|
| Series 2021 Taxable bonds | $ | 100,000 | $ | 100,000 |
| Series 2016 One E bonds | | 167,675 | | 167,675 |
| MoMA PS1 Equipment term loan | | 7 | | 52 |
| Total debt | | 267,682 | | 267,727 |
| Bond premium, net of amortization | | 9,205 | | 11,977 |
| Deferred financing costs, net of amortization | | (983) | | (1,040) |
| | $ | 275,904 | $ | 278,664 |

Interest expense on loans payable totaled $10,531 and $12,305 for the years ended June 30, 2024 and 2023, respectively.

*(in thousands of dollars)*

In April 2021, the Museum issued taxable fixed rate bonds (Series 2021 Taxable Bonds) with proceeds totaling $100,000 at par with a coupon rate of 3.22%. As part of the transaction, $35,000 of the Series 2016 One E bonds were defeased and $32,800 in lines of credit and revolvers were repaid. After costs of issuance of $210 and the underwriter's discount of $515, the remaining proceeds were used for general corporate purposes.

The Series 2021 Taxable Bonds consisted of the following amounts and maturities at June 30, 2024:

| | Principal | Yield at Issuance | Rate | Maturity |
|---|---|---|---|---|
| **Taxable bonds, Series 2021** | | | | |
| Taxable bonds | $ 100,000 | 3.22 % | 3.22 % | April 1, 2051 |
| | $ 100,000 | | | |

In August 2016, the Museum issued fixed rate bonds (Series 2016 One E) with proceeds totaling $330,117 (par of $278,400 and premium of $51,717) with a coupon rate of 4.00% and blended yield of 1.65% across the various maturities (years 2023 to 2031). All outstanding bond issues at June 30, 2016 totaling $238,655 (Series 2008 One A, 2010 One A and 2012 One D) were extinguished. A portion of the bond proceeds was used for the Museum's multi-year construction and expansion project which was completed in 2020. $35,000 of the Series 2016 One E bonds were defeased in the April 2021 transaction noted above.

The Series 2016 One E bonds consisted of the following amounts and maturities at June 30, 2024:

| | Principal | Yield at Issuance | Rate | Maturity |
|---|---|---|---|---|
| **Revenue Bonds, Series 2016 One E** | | | | |
| Revenue Bonds | $ 167,675 | 1.51 % - 2.14 % | 4.00 % | April 1, 2025-2031 |
| | $ 167,675 | | | |

The Museum received bond proceeds of $75,750 in March 2000 (Series 2000 One A/B) and bond proceeds of $235,000 in December 2001 (Series 2001 One A/B/C/D). The bonds were issued through the Trust for Cultural Resources (the "Trust"), a public benefit organization created by the State of New York. The Series 2000 One A/B bonds and Series 2001 One A/B/C bonds were redeemed by the Series 2008 One A bonds issued by the Trust for the benefit of the Museum in July 2008. A portion of these bonds was subsequently redeemed by the Series 2010 One A bonds issued in July 2010. The Series 2001 One D bonds callable on July 1, 2012 were redeemed in July 2012 through a combination of refinancing proceeds from the Series 2012 One D bonds and a $43,000 short term bridge loan, which the Museum repaid shortly after issuance. All outstanding tranches of the Series 2008 One A Bonds, the Series 2010 One A Bonds, and the Series 2012 One D Bonds were redeemed or defeased as part of the August 2016 transaction.

*(in thousands of dollars)*

As part of the July 2008 transaction, the Museum terminated a swap that was entered into as part of the December 2001 bond transaction (notional amount of $85,000) and reversed a swap entered into in August 2005 (notional amount at the time of reversal of $50,000) with an offsetting swap. The counterparty for the two remaining offsetting swap agreements is Goldman Sachs Bank USA (the "Counterparty"). Notional amount schedules, payment dates, and final maturity dates are identical under each agreement, but the Museum is a fixed ratepayer under one and a floating rate-payer under the other. The Museum has the right to optionally terminate each swap contract for an agreed upon cash settlement amount based on market conditions. Under certain triggering events tied to the Museum's overall credit ratings, the Museum may be required to post collateral to the Counterparty, or the Counterparty may terminate the swap contracts, provided both are terminated simultaneously.

At June 30, 2024 and 2023, the fair value of the Museum's derivative financial instruments were in a liability position of $2,161 and $2,678, respectively, and included in other liabilities on the consolidated statements of financial position. The total gain recognized on these derivatives for the years ended June 30, 2024 and 2023 was $517 and $601, and was included in interest expense, change in fair value of interest rate swap agreement and other financing costs in the consolidated statements of activities. Payments on the swaps totaled $604 and $611, for the years ended June 30, 2024 and 2023.

In January 2024, the Museum renewed its $10,000 revolving note agreement with a commercial bank. This revolver will mature in January 2025. There were no outstanding borrowings under this facility as of June 30, 2024 and 2023.

At June 30, 2024, the Museum has available a $25,000 line of credit with a commercial bank. The line of credit expires in February 2025. There were no outstanding borrowings under this line of credit as of June 30, 2024 and 2023.

At June 30, 2024, MoMA PS1 has available a $2,000 line of credit with a commercial bank. This revolver will mature in February 2025. There were no outstanding borrowings under this line of credit as of June 30, 2024 and 2023.

Annual principal payments as of June 30, 2024 due during the next five fiscal years and in total thereafter under all of the aforementioned loans payable are approximately as follows:

| | |
|---|---|
| 2025 | $ 15,327 |
| 2026 | 60,935 |
| 2027 | 16,285 |
| 2028 | 16,745 |
| 2029 | 17,245 |
| Thereafter | 141,145 |
| | $ 267,682 |

The Museum's revolver and line of credit agreements contain financial covenants, the most restrictive of which requires a certain ratio of Unrestricted Assets, as defined under the revolver and line of credit agreements to its principal amount of outstanding debt. The Museum was in compliance with all financial covenants as of June 30, 2024 and 2023.

*(in thousands of dollars)*

## 9. Endowment Funds

The Museum's endowment consists of approximately 161 individual funds established for a variety of purposes. As required by GAAP, net assets associated with donor restricted endowment funds, and funds designated by the Board of Trustees to function as endowments ("Board Designated"), are classified and reported based on the existence or absence of donor-imposed restrictions.

The Museum retains in perpetuity and classifies as net assets with donor-imposed restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) the net realizable value of future payments to net assets with donor restrictions in accordance with the donor's gift instrument (outstanding endowment pledges net of applicable discount), and (d) accumulations, including appreciation, gains and income, to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Donor-restricted endowment fund appreciation, gains and income exceeding donor restrictions are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Museum in a manner consistent with the standard of prudence prescribed by law. Upon appropriation, appreciation and earnings are reclassified as net assets without restrictions.

On September 17, 2010, New York State enacted the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). NYPMIFA contains provisions that govern charitable institutions' appropriation and use, among other things, of donor-restricted endowment funds. NYPMIFA updated certain provisions of prior endowment management law that had become outdated. Most significantly, under prior law, charitable institutions were required to maintain the "historic dollar value" of endowment funds, meaning that institutions could appropriate only: a prudent portion of a fund if the value of the fund were greater than the dollar value of the donor's contribution(s) to the fund (i.e., the "historic dollar value"), and the appropriation would not take the fund below that amount; or a prudent portion only of the income from the fund, if the value of the fund were less than the historic dollar value.

Under NYPMIFA, a detailed prudence standard governs appropriation from endowment funds, and there is no longer a requirement to maintain historic dollar value. Prudent appropriation from a fund whose value is less than its historic dollar value is permitted. In particular, NYPMIFA provides that, unless a donor expresses a contrary intention in a gift instrument, a charitable institution may appropriate as much of an endowment fund as it "determines is prudent for the uses, benefits, purposes and duration for which the fund is established," without regard for historic dollar value. As with prior law, NYPMIFA retains the requirement that in making any decision to appropriate, "the institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. It further provides a new requirement that the institution "shall consider, if relevant" the following eight factors in deciding whether or not to appropriate from a fund:

- The duration and preservation of the endowment fund;
- The purposes of the Museum and the endowment fund;
- General economic conditions;

*(in thousands of dollars)*

- The possible effect of inflation or deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Museum;
- Alternatives to expenditure of the endowment fund; and
- The investment policy of the Museum.

The provisions of NYPMIFA allowing prudent appropriation without regard to historic dollar value apply to funds created after its 2010 effective date. Donors of funds created before that date were given the option of requiring institutions to continue to observe the historic dollar value restrictions contained in prior law. Some donors of Museum funds have elected this option. Moreover, as with prior law, a donor may incorporate in a gift instrument specific restriction on appropriation that are different from either NYPMIFA or prior law. Certain of the Museum's funds are governed by such instruments.

**Museum Spending Policy**
The Museum has funds that fall into three categories with respect to appropriation: those from which it may prudently appropriate without regard to historic dollar value; those from which it may prudently appropriate appreciation only above historic dollar value; and those whose appropriation is governed by specific instructions in the constitutive gift instrument.

For both fiscal years 2024 and 2023, the draw is derived based on 25% determined by calculating 5% of the ending annual market value of each respective fund at June 30, and 75% determined based on the previous year's draw adjusted for inflation (for those funds not governed by contrary donor-imposed restrictions). The total spending rate is limited to a maximum of 5.75% of the ending market value.

Funds share in the overall earnings rate of the Museum's portfolio except for two funds totaling $47,006 and $43,759 as of June 30, 2024 and 2023, respectively, which are managed by third parties. Earnings are utilized in accordance with donor stipulations.

**Endowment Net Assets**
The Museum's endowment net assets consist of the following at June 30, 2024 and 2023:

| | Without Restrictions | With Restrictions | Total 2024 |
|---|---|---|---|
| Donor-restricted endowment funds | $ - | $ 775,624 | $ 775,624 |
| Board-designated endowment funds | 186,557 | - | 186,557 |
| Total endowment funds | $ 186,557 | $ 775,624 | $ 962,181 |

*(in thousands of dollars)*

| | Without Restrictions | With Restrictions | Total 2023 |
|---|---|---|---|
| Donor-restricted endowment funds | $ - | $ 685,526 | $ 685,526 |
| Board-designated endowment funds | 176,694 | - | 176,694 |
| Total endowment funds | $ 176,694 | $ 685,526 | $ 862,220 |

The composition of the Museum's endowment by net asset class and purpose at the end of the period is:

| | 2024 | 2023 |
|---|---|---|
| **Net assets with restrictions** | | |
| Museum programs | $ 255,923 | $ 226,795 |
| Acquisition of works of art | 106,048 | 89,982 |
| Museum operations and other activities | 332,473 | 320,215 |
| Support of exhibitions | 81,180 | 48,534 |
| Total endowment funds classified as net assets with restrictions | 775,624 | 685,526 |
| **Net assets without restrictions** | | |
| Total endowment funds classified as net assets without restrictions | 186,557 | 176,694 |
| Total endowment funds | $ 962,181 | $ 862,220 |

As a result of unfavorable market fluctuations, the fair market value of assets associated with some individual donor-restricted endowment funds are below historic dollar value. The aggregate amount by which fair value was below historic dollar value at June 30, 2024 was $124 and included 1 fund with original donor contributions totaling $1,389. The aggregate amount by which fair value was below historic dollar value at June 30, 2023 was $818 and included 4 funds with original donor contributions totaling $40,839. When donor-restricted endowment fund deficits exist, they are classified as a reduction of net assets with donor restrictions. The Museum has interpreted NYPMIFA to permit spending from endowments with a deficit in accordance with prudent measures required under law. Continued future appropriations from underwater endowment funds will be considered based on current facts and circumstances on the next appropriation decision date.

*(in thousands of dollars)*

Reconciliation from endowment net assets to investments, at fair value, as of June 30, 2024 and 2023 is as follows:

| | 2024 | 2023 |
|---|---|---|
| Endowment net assets | $ 962,181 | $ 862,220 |
| Subtract: Contributions receivable, net included in endowment net assets | (29,795) | (32,208) |
| Add: Nonendowment investment assets | 813,259 | 720,841 |
| Investments, at fair value | $ 1,745,645 | $ 1,550,853 |

A reconciliation of the beginning and ending balance of the Museum's endowment, in total and by net asset class are as follows:

| | Without Restrictions | With Restrictions | Total |
|---|---|---|---|
| **Endowment net assets as of June 30, 2022** | $ 159,438 | $ 649,549 | $ 808,987 |
| Investment return | | | |
| Investment income | 3,019 | 12,467 | 15,486 |
| Net appreciation | 9,761 | 37,331 | 47,092 |
| Total investment return | 12,780 | 49,798 | 62,578 |
| Contributions | 11,800 | 17,075 | 28,875 |
| Appropriation of endowment assets for expenditure | (7,324) | (30,896) | (38,220) |
| **Endowment net assets as of June 30, 2023** | 176,694 | 685,526 | 862,220 |
| Investment return | | | |
| Investment income | 14,694 | 61,612 | 76,306 |
| Net appreciation | 3,358 | 14,305 | 17,663 |
| Total investment return | 18,052 | 75,917 | 93,969 |
| Contributions | - | 48,285 | 48,285 |
| Appropriation of endowment assets for expenditure | (8,189) | (34,104) | (42,293) |
| **Endowment net assets as of June 30, 2024** | $ 186,557 | $ 775,624 | $ 962,181 |

*(in thousands of dollars)*

## 10. Net Assets

At June 30, 2024 and 2023, net assets were available for the following purposes:

| | 2024 | 2023 |
|---|---|---|
| **Net assets with donor restrictions** | | |
| Subject to time or purpose restrictions | | |
| Museum programs | $ 124,630 | $ 112,770 |
| Acquisitions of works of art | 76,159 | 68,805 |
| Maintaining art collections | 19,305 | 16,986 |
| Support of exhibitions | 42,603 | 33,758 |
| Expansion and renovation | 75,631 | 69,416 |
| Operating support and other purposes | 120,940 | 96,660 |
| Time or purpose restricted | 459,268 | 398,395 |
| Held in perpetuity | | |
| Museum programs | 242,425 | 207,543 |
| Acquisition of works of art | 87,413 | 76,527 |
| Museum operations and other activities | 237,833 | 235,813 |
| Amounts required to be held in perpetuity | 567,671 | 519,883 |
| Total net assets with donor restrictions | 1,026,939 | 918,278 |
| **Net assets without donor restrictions** | | |
| Museum operations | 887,008 | 828,420 |
| Plant and equipment funded by designated gifts | 364,016 | 400,301 |
| Total net assets without donor restrictions | 1,251,024 | 1,228,721 |
| Total net assets | $ 2,277,963 | $ 2,146,999 |

## 11. Pension Plans and Other Postretirement Benefits

In fiscal year 2009, the Museum amended its defined benefit pension plan, under which all active participants opted either to remain in the defined benefit pension plan and forgo future matching contributions from the Museum in the Museum's 403(b) defined contribution plan, or receive an enhanced match in the Museum's 403(b) defined contribution plan and forgo future accruals in the defined benefit plan. New employees hired after June 30, 2009 are eligible to participate in the enhanced 403(b) Plan only, thereby freezing the number of participants in the defined benefit plan.

For those remaining in the defined benefit pension plan, future benefits are based, among other factors, on years of service, age, and average monthly compensation during the final years of service. The Museum's funding policy is to contribute annually amounts to meet ERISA's minimum requirements, although it may make additional contributions beyond these requirements.

For those eligible for matching contributions in the 403(b)-retirement savings plan based on the choice noted above, the Museum matches up to a percentage of compensation dependent on an employee's compensation, contribution and length of service. In addition, the Museum provides a nondiscretionary contribution for employees under certain base compensation levels dependent on

*(in thousands of dollars)*

length of service. The Museum contributed $2,703 and $2,281 to the 403(b) Plan for the years ended June 30, 2024 and 2023, respectively. Regardless of match eligibility, the 403(b)-retirement savings plan is open for all non-union employees and employees in several unions under collective bargaining agreements. Employees may contribute up to Internal Revenue code limits.

The Museum also sponsors a non-qualified pension plan for certain employees (the Supplemental Executive Retirement Plan). The plan was frozen in fiscal year 2009.

The Museum offers a defined benefit postretirement health and welfare benefit plan for employees hired before February 1, 2003, which the Museum funds on a pay-as-you-go basis. Additionally, as part of the package of changes in fiscal year 2009, employees who retire after November 1, 2009 share the cost of health coverage at the same percentage level as an active employee. Effective July 1, 2009, the Museum required that, for active employees, most non-union and certain union employees contribute to the Museum-provided healthcare plan based on salary and coverage level. Plan design changes affecting all staff on the Museum's active healthcare plan and future retirees were also effective as of July 1, 2009. Additional plan design changes applicable to both current and retired employees were implemented in fiscal year 2016, lowering the expected future cost projections of the plan.

*(in thousands of dollars)*

The following table sets forth the amounts recognized in the consolidated statements of financial position, the change in the benefit obligation, the change in plan assets, and the funded status for the plans:

| | Pension Benefits June 30, 2024 | Pension Benefits June 30, 2023 | Postretirement Benefits June 30, 2024 | Postretirement Benefits June 30, 2023 |
|---|---|---|---|---|
| **Change in benefit obligation** | | | | |
| Benefit obligation at beginning of year | $ 118,086 | $ 123,594 | $ 18,739 | $ 20,529 |
| Service cost | 1,259 | 1,411 | 298 | 464 |
| Interest cost | 6,098 | 5,791 | 981 | 877 |
| Actuarial gain | (2,586) | (7,026) | 1,724 | (1,277) |
| Benefits paid | (5,834) | (5,684) | (2,028) | (2,278) |
| Employee contributions | - | - | 290 | 349 |
| Medicare Part D reimbursements | - | - | 82 | 75 |
| Benefit obligation at end of year | 117,023 | 118,086 | 20,086 | 18,739 |
| **Change in plan assets** | | | | |
| Fair value of plan assets at beginning of year | 105,159 | 97,548 | - | - |
| Actual return on plan assets | 14,804 | 11,010 | - | - |
| Employer contributions | 3,317 | 2,285 | 1,656 | 1,854 |
| Employee contributions | - | - | 290 | 349 |
| Medicare Part D reimbursements | - | - | 82 | 75 |
| Benefits paid | (5,834) | (5,684) | (2,028) | (2,278) |
| Fair value of plan assets at end of year | 117,446 | 105,159 | - | - |
| Funded status at end of year | 423 | (12,927) | (20,086) | (18,739) |
| **Amounts recognized in the consolidated statements of financial position consist of** | | | | |
| Pension and postretirement benefit obligations | $ 423 | $ (12,927) | $ (20,086) | $ (18,739) |
| **Amounts recognized in net assets without restrictions consist of** | | | | |
| Net (loss) gain | $ 9,832 | $ (17) | $ 6,486 | $ 9,031 |
| | $ 9,832 | $ (17) | $ 6,486 | $ 9,031 |
| **Defined benefit plan changes other than net periodic benefit cost** | | | | |
| Net gain (loss) | $ 9,849 | $ 11,097 | $ (1,724) | $ 1,277 |
| Amortization of net loss (gain) | - | - | (821) | (951) |
| | $ 9,849 | $ 11,097 | $ (2,545) | $ 326 |

The accumulated benefit obligation for the pension plan at June 30, 2024 and 2023 was $105,323 and $106,235, respectively.

The accumulated benefit obligation for the Supplemental Executive Retirement Plan at June 30, 2024 and 2023 was $2,700 and $2,707, respectively.

The actuarial gains for the pension plans' benefits obligation for the years ended June 30, 2024 and 2023 were primarily due to the increases in the discount rate at year end compared to the prior fiscal year end.

*(in thousands of dollars)*

The following table includes the weighted-average assumptions for the plans:

| | Pension Benefits June 30, | | Postretirement Benefits June 30, | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| **Used for benefit obligation at year end** | | | | |
| Discount rate | 5.51 % | 5.32 % | 5.51 % | 5.32 % |
| Rate of compensation increase | 3.50 | 3.50 | 3.50 | 3.50 |

| | Pension Benefits June 30, | | Postretirement Benefits June 30, | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| **Used for net benefit cost** | | | | |
| Discount rate | 5.32 % | 4.78 % | 5.32 % | 4.78 % |
| Expected return on plan assets | 7.25 % | 7.25 % | N/A | N/A |
| Rate of compensation increase | 3.50 % | 3.50 % | 3.50 % | 3.50 % |
| Initial healthcare cost trend | N/A | N/A | 6.90 % | 6.55 % |
| Ultimate retiree healthcare cost trend | N/A | N/A | 4.20 % | 4.20 % |
| Year ultimate trend rate is achieved | N/A | N/A | 2084 | 2077 |

In selecting the expected long-term rate of return on assets, the Museum considered the average rate of earnings expected on the funds invested or to be invested to provide for the benefits of the plan. This included considering the asset allocations and the expected returns likely to be earned over the life of the plan.

The following table sets forth the components of the net periodic pension and postretirement benefits cost for the years ended June 30, 2024 and 2023:

| | Pension Benefits | | Postretirement Benefits | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| Service cost | $ 1,259 | $ 1,411 | $ 298 | $ 464 |
| Interest cost | 6,098 | 5,791 | 981 | 877 |
| Expected return on plan assets | (7,542) | (6,939) | - | - |
| Amortization of prior service cost (credit) | - | - | - | - |
| Amortization of net (gain) loss | - | - | (822) | (951) |
| Net periodic benefit cost | $ (185) | $ 263 | $ 457 | $ 390 |

**Plan Assets**

The pension plan's target allocations at June 30, 2024, by asset category are as follows:

| **Asset category** | |
|---|---|
| Equity securities | 65.00 % |
| Fixed income | 35.00 % |

The Museum's primary investment objective is to maximize the total rate of return, subject to the preservation of capital. The primary means by which capital preservation is to be achieved is through diversification of the pension plan's assets across asset classes. The assets are viewed as having a long-term horizon with high liquidity needs.

*(in thousands of dollars)*

The composition of asset categories and valuation techniques used to measure fair value are described in Note 1.

The pension plan's investments as of June 30, 2024 and 2023 are as follows:

| | Quoted Prices in Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total Fair Value 2024 |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | $ 254 | $ - | $ - | $ 254 |
| Fixed income | | | | |
| Government and corporate bonds | - | 41,428 | - | 41,428 |
| Equities | | | | |
| Mutual funds | 75,764 | - | - | 75,764 |
| Total investments and cash equivalents | $ 76,018 | $ 41,428 | $ - | $ 117,446 |

| | Quoted Prices in Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total Fair Value 2023 |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | $ 540 | $ - | $ - | $ 540 |
| Fixed income | | | | |
| Government and corporate bonds | - | 25,696 | - | 25,696 |
| Equities | | | | |
| Mutual funds | 78,923 | - | - | 78,923 |
| Total investments and cash equivalents | $ 79,463 | $ 25,696 | $ - | $ 105,159 |

There were no significant transfers between Level 1 and Level 2 in fiscal years 2024 and 2023.

The Museum's primary investment objective is to maximize the total rate of return, subject to the preservation of capital. The primary means by which capital preservation is to be achieved is through diversification of the pension plan's assets across asset classes. The assets are viewed as having a long-term horizon with high liquidity needs.

*(in thousands of dollars)*

**Contributions and Benefit Payments**
Expected future cash flows are as follows:

| | Pension Benefits | Postretirement Benefits |
|---|---|---|
| **Expected employer contributions** | | |
| 2025 | $ 479 | $ - |
| **Projected benefit payments for the fiscal year ending June 30,** | | |
| 2025 | 9,540 | 1,482 |
| 2026 | 6,691 | 1,477 |
| 2027 | 6,783 | 1,380 |
| 2028 | 6,920 | 1,391 |
| 2029 | 7,150 | 1,407 |
| 2030-2034 | 37,391 | 6,980 |

## 12. Advances to the Trust

The Museum, together with the Trust and a private developer, completed construction of a combined-use building in 1980, providing renovated and expanded facilities for the Museum and a condominium project using development rights from the Museum's real estate ("Museum Tower").

In connection with the 1980 expansion, real property used for part of the expansion was transferred to the Trust, and a portion of the new construction was leased back to the Museum under a renewable 99-year net lease for a payment of one dollar annually. The lease also provides for the Museum's right to purchase the leased premises for one dollar under certain circumstances. Under this arrangement, as further described below, related expenditures, cumulative interest, and the associated debt for the 1980 expansion and renovation of the Museum are not reflected in these consolidated financial statements.

Over the years, the Trust has issued Serial Bonds to the public for the purpose of refinancing earlier bond issues in 1980, 1984, 1991, 1993, 1996 and 2001. In May 2012, the Trust refinanced the remaining 1996 and 2001 bond issues with Series 2012A Refunding Revenue Bonds of $38,360 with a final maturity in 2023. The Trust made the final bond payment for the Series 2012A bonds on April 1, 2023 resulting in no outstanding bonds with respect to the 1980 expansion.

In accordance with the New York State legislation pertaining to the Trust, the Museum Tower is exempt from real property taxation, but the Trust collects the equivalent of real property taxes from the owners of individual condominium units in the Museum Tower. These tax-equivalency payments ("TEPs") are based on the real property tax assessment of the Museum Tower.

In connection with the 1980 expansion, the Museum advanced funds to the Trust to the extent that TEPs and the proceeds of the Serial Bonds were not sufficient to pay debt service and complete the 1980 expansion project. The Museum advanced a total of $45,000 to the Trust between 1980 and 2000.

*(in thousands of dollars)*

Pursuant to the New York Arts and Cultural Affairs Law, the Trust uses TEPs to pay administrative expenses, the portion of the TEPs due to the City of New York, and debt service on the Serial Bonds. Any TEPs that remain after such payments have been made are applied to repay the Museum. During the years ended June 30, 2024 and 2023, the Trust repaid the Museum $6,246 and $925, respectively, decreasing the receivable from the Trust. Cumulative advances, net of reimbursements paid by the Trust to the Museum, totaled $21,171 and $27,417, respectively, at June 30, 2024 and 2023, and is reflected as a receivable from the Trust on the Museum's consolidated statements of financial position.

The advances bore interest at a rate of 9% annually through June 30, 2004. Pursuant to an agreement in January 2006 between the Museum and the Trust, the interest rate on the outstanding advances from the Museum was converted to a market-based floating rate. The Museum also agreed that no additional interest would accrue on the advances for a five-year period beginning July 1, 2004 through June 30, 2009.

Commencing on July 1, 2009 and thereafter, the unpaid balance of any outstanding advances will accrue interest at a floating rate equal to the 3-year Treasury rate in effect on July 1 of that year. The rate was 4.56% and 2.85% for fiscal years 2024 and 2023, respectively. This agreement provided for the issuance of new instruments to the Museum to evidence the obligations of the Trust, which required the authorization of the Comptroller of the State of New York and of the Comptroller of the City of New York which were obtained in August 2006. Cumulative interest on the Museum's advances to the Trust totaled $163,445 and $155,186 at June 30, 2024 and 2023, respectively. The interest receivable has not been recorded in the Museum's consolidated financial statements as the criteria for recognition has not been met.

Statutory law limits the Museum's right to collect unpaid interest and principal with respect to any advance not paid within 57 years from the date of the original advance. Accordingly, to the extent that any advance and all accrued interest are not repaid in full within 57 years, the obligation of the Trust to the Museum will be extinguished and the Museum will thereafter have no right to collect from the Trust with respect to such obligations. The earliest expiration date for any advance will occur in 2039.

## 13. Leases

The Museum's most significant lease is for retail space located in Soho, New York City, which went into effect on September 17, 1999 and was most recently renewed in 2016 for a term of 15.5 years. As of June 30, 2024, there are 91 months remaining on the lease. Other leases include a retail store in midtown New York City and a distribution center in South River, New Jersey, which expire at various dates through 2026.

Lease payments that impact operating cash flows during 2024 and 2023 were $3,518 and $3,441, respectively.

Rent expense, including taxes and operating expenses, included within the consolidated statements of activities for the years ended June 30, 2024 and 2023 was $4,894 and $4,438, respectively.

*(in thousands of dollars)*

The following table reconciles the undiscounted cash flows expected to be paid in each of the next five years and thereafter to the lease liability recorded on the statement of financial position for operating leases existing as of June 30, 2024:

| | |
|---|---|
| 2025 | $ 3,597 |
| 2026 | 3,568 |
| 2027 | 2,250 |
| 2028 | 2,306 |
| 2029 | 2,364 |
| Thereafter | 6,733 |
| Total minimum lease payments | 20,818 |
| Less: Imputed interest | 1,766 |
| Present value of lease liability | $ 19,052 |

## 14. Functional Expenses

Expenses by functional and natural classification for the years ended June 30, 2024 and 2023 are as follows:

| | 2024 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost of Goods | Depreciation | Occupancy, Utilities and Repairs | Professional Fees | Salaries & Benefits | Supplies & Other | Travel and Research Related Expenses | Communications | 2024 Total |
| **Program expenses** | | | | | | | | | |
| Curatorial and related support services | $ - | $ - | $ 915 | $ 1,725 | $ 43,264 | $ 6,052 | $ 790 | $ 1 | $ 52,747 |
| Exhibitions | - | - | 362 | 3,605 | 3,585 | 9,904 | 980 | 8 | 18,444 |
| Other museum programs | - | - | 8 | 647 | 3,484 | 1,909 | 1,048 | - | 7,096 |
| Cost of sales from retail, publishing and restaurant activities | 41,318 | 623 | 5,010 | 1,633 | 18,064 | 8,458 | 305 | 2,935 | 78,346 |
| Public services | - | - | 5 | 296 | 4,503 | 1,474 | 81 | 106 | 6,465 |
| Facilities, security and other | - | 36,285 | 14,278 | 1,939 | 26,486 | 3,274 | 19 | - | 82,281 |
| Public information | - | - | 8 | 1,940 | 3,895 | 242 | 64 | 3,169 | 9,318 |
| **Management and general** | | | | | | | | | |
| Administration and other | - | 6,218 | 4,292 | 4,959 | 18,911 | 1,962 | 368 | 6 | 36,716 |
| **Fundraising** | | | | | | | | | |
| Membership, development and cultivation | - | - | 348 | 2,352 | 9,222 | 533 | 411 | 1,282 | 14,148 |
| Total operating costs | 41,318 | 43,126 | 25,226 | 19,096 | 131,414 | 33,808 | 4,066 | 7,507 | 305,561 |
| Other pension plan costs | - | - | - | - | (1,284) | - | - | - | (1,284) |
| Interest expense, change in fair value of interest rate swap agreements and other financing costs | - | - | 7,370 | - | - | - | - | - | 7,370 |
| Total expenses | $ 41,318 | $ 43,126 | $ 32,596 | $ 19,096 | $ 130,130 | $ 33,808 | $ 4,066 | $ 7,507 | $ 311,647 |

| | 2023 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost of Goods | Depreciation | Occupancy, Utilities and Repairs | Professional Fees | Salaries & Benefits | Supplies & Other | Travel and Research Related Expenses | Communications | 2023 Total |
| **Program expenses** | | | | | | | | | |
| Curatorial and related support services | $ - | $ - | $ 826 | $ 1,449 | $ 38,823 | $ 5,456 | $ 718 | $ - | 47,272 |
| Exhibitions | - | - | 555 | 3,753 | 2,871 | 8,439 | 476 | 4 | 16,098 |
| Other museum programs | - | - | 9 | 609 | 3,570 | 2,129 | 1,078 | - | 7,395 |
| Cost of sales from retail, publishing and restaurant activities | 37,224 | 615 | 4,607 | 1,093 | 16,207 | 8,147 | 269 | 2,830 | 70,991 |
| Public services | - | - | 27 | 365 | 3,858 | 1,309 | 134 | 45 | 5,738 |
| Facilities, security and other | - | 37,638 | 13,785 | 2,983 | 21,958 | 1,516 | 38 | - | 77,918 |
| Public information | - | - | 10 | 2,727 | 2,826 | 73 | 32 | 2,125 | 7,793 |
| **Management and general** | | | | | | | | | |
| Administration and other | - | 5,068 | 4,364 | 4,628 | 18,593 | 2,621 | 386 | 2 | 35,662 |
| **Fundraising** | | | | | | | | | |
| Membership, development and cultivation | - | - | 374 | 2,031 | 8,029 | 53 | 372 | 1,274 | 12,133 |
| Total operating costs | 37,224 | 43,321 | 24,557 | 19,638 | 116,735 | 29,743 | 3,503 | 6,280 | 281,000 |
| Other pension plan costs | - | - | - | - | (1,222) | - | - | - | (1,222) |
| Interest expense, change in fair value of interest rate swap agreements and other financing costs | - | - | 7,801 | - | - | - | - | - | 7,801 |
| Total expenses | $ 37,224 | $ 43,321 | $ 32,358 | $ 19,638 | $ 115,513 | $ 29,743 | $ 3,503 | $ 6,280 | $ 287,579 |

*(in thousands of dollars)*

**15. Subsequent Events**

The Museum has performed an evaluation of subsequent events through October 17, 2024, which is the date the consolidated financial statements were issued.