

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AND**  
**SUPPLEMENTARY INFORMATION**  
**Years Ended September 30, 2022 and 2021**

# MISSOURI BOTANICAL GARDEN

## TABLE OF CONTENTS

	<b>Page</b>
<b>Independent Auditor's Report</b>	1
<b>Consolidated Financial Statements</b>	
Balance Sheets	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9
<b>Supplementary Information</b>	
Consolidating Balance Sheet by Fund	29
Consolidating Statement of Activities by Fund	30

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
Missouri Botanical Garden

### **Opinion**

We have audited the accompanying consolidated financial statements of the Missouri Botanical Garden, a perpetual not-for-profit trust established in 1889 by Henry Shaw and authorized by the General Assembly of the State of Missouri, and Subsidiary (the Garden), which comprise the consolidated balance sheets as of September 30, 2022 and 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Garden as of September 30, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Garden and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 the 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 Missouri Botanical Garden's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### **Auditor's 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards, 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 Garden'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 Garden'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.

#### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary schedules on pages 29 through 31 are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidation financial statements as a whole

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2023, on our consideration of the Garden's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Garden's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance *with Government Auditing Standards* in considering the Garden's internal control over financial reporting and compliance.

The logo for UHY LLP, featuring the letters 'UHY' in a large, stylized, cursive font, with 'LLP' in a smaller, simpler font to the right.

St. Louis, Missouri  
January 31, 2023

**MISSOURI BOTANICAL GARDEN  
CONSOLIDATED BALANCE SHEETS**

	<u>September 30,</u>	
	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 6,955,008	\$ 4,153,044
Grants receivable	550,213	621,006
Contract assets	-	57,775
Contributions receivable, net	16,032,697	21,491,816
Other receivables, net	9,149,514	6,240,637
Inventories, prepayments and other assets	1,568,375	2,479,878
Investments	165,223,001	230,612,257
Property and equipment, net of accumulated depreciation	<u>148,902,316</u>	<u>109,161,728</u>
Total assets	<u>\$ 348,381,124</u>	<u>\$ 374,818,141</u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 8,899,887	\$ 11,025,203
Contract liabilities	463,096	494,601
Deferred revenue	18,510	22,801
Liability for gift annuity payments	<u>1,296,311</u>	<u>1,262,513</u>
Total liabilities	<u>10,677,804</u>	<u>12,805,118</u>
 <b>NET ASSETS</b>		
Without donor restrictions		
General operating - undesignated	<u>1,404,792</u>	<u>673,642</u>
Board-designated -		
Operating	4,672,683	3,544,719
Capital projects	150,102,593	89,994,547
Endowment funds	<u>17,721,556</u>	<u>15,326,052</u>
Total board-designated	<u>172,496,832</u>	<u>108,865,318</u>
Total without donor restrictions	173,901,624	109,538,960
With donor restrictions	<u>163,801,696</u>	<u>252,474,063</u>
Total net assets	<u>337,703,320</u>	<u>362,013,023</u>
Total liabilities and net assets	<u>\$ 348,381,124</u>	<u>\$ 374,818,141</u>

See notes to consolidated financial statements.

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
Year Ended September 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT AND REVENUES</b>			
Botanical Garden Subdistrict	\$ 14,137,568	\$ -	\$ 14,137,568
Contributions	4,682,867	13,109,701	17,792,568
Memberships	4,407,355	-	4,407,355
Bequests	2,379,590	-	2,379,590
Contributions of nonfinancial assets	2,948,880	-	2,948,880
Admissions	5,364,994	-	5,364,994
Grants and contracts	40,318	5,825,034	5,865,352
Education	264,558	-	264,558
Retail shops	1,624,375	-	1,624,375
Property rentals	300,760	-	300,760
Net investment return	95,273	(26,758,289)	(26,663,016)
Other	930,429	7,175	937,604
Net assets released from restrictions	<u>81,063,734</u>	<u>(81,063,734)</u>	<u>-</u>
Total public support and revenues	<u>118,240,701</u>	<u>(88,880,113)</u>	<u>29,360,588</u>
<b>EXPENSES</b>			
Program services			
Science and conservation	15,927,011	-	15,927,011
Horticulture	13,326,487	-	13,326,487
Education and sustainability	4,960,498	-	4,960,498
Other	<u>8,304,937</u>	<u>-</u>	<u>8,304,937</u>
Total program services	<u>42,518,933</u>	<u>-</u>	<u>42,518,933</u>
Supporting services			
Management and general	8,870,962	-	8,870,962
Fundraising	<u>2,081,411</u>	<u>-</u>	<u>2,081,411</u>
Total supporting services	<u>10,952,373</u>	<u>-</u>	<u>10,952,373</u>
Total expenses	<u>53,471,306</u>	<u>-</u>	<u>53,471,306</u>
CHANGES IN NET ASSETS FROM OPERATIONS	<u>64,769,395</u>	<u>(88,880,113)</u>	<u>(24,110,718)</u>
<b>NON OPERATING ACTIVITIES</b>			
Transfer of funds	(406,731)	406,731	-
Change in value of annuity agreements	<u>-</u>	<u>(198,985)</u>	<u>(198,985)</u>
Changes in net assets from non operating activities	<u>(406,731)</u>	<u>207,746</u>	<u>(198,985)</u>
CHANGES IN NET ASSETS	64,362,664	(88,672,367)	(24,309,703)
NET ASSETS - BEGINNING OF YEAR	<u>109,538,960</u>	<u>252,474,063</u>	<u>362,013,023</u>
NET ASSETS - END OF YEAR	<u>\$ 173,901,624</u>	<u>\$ 163,801,696</u>	<u>\$ 337,703,320</u>

See notes to consolidated financial statements.

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
Year Ended September 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT AND REVENUES</b>			
Botanical Garden Subdistrict	\$ 10,512,666	\$ -	\$ 10,512,666
Contributions	5,138,207	11,403,171	16,541,378
Memberships	4,178,701	-	4,178,701
Bequests	1,129,299	14,780	1,144,079
Admissions	4,068,079	-	4,068,079
Grants and contracts	1,970,182	15,837,317	17,807,499
Education	131,025	-	131,025
Retail shops	1,192,776	-	1,192,776
Property rentals	218,947	-	218,947
Net investment return	56,956	37,986,999	38,043,955
Other	679,272	3,624	682,896
Net assets released from restrictions	<u>39,025,192</u>	<u>(39,025,192)</u>	<u>-</u>
Total public support and revenues	<u>68,301,302</u>	<u>26,220,699</u>	<u>94,522,001</u>
<b>EXPENSES</b>			
Program services			
Science and conservation	11,969,303	-	11,969,303
Horticulture	12,295,678	-	12,295,678
Education and sustainability	4,239,606	-	4,239,606
Other	<u>6,167,415</u>	<u>-</u>	<u>6,167,415</u>
Total program services	<u>34,672,002</u>	<u>-</u>	<u>34,672,002</u>
Supporting services			
Management and general	7,465,066	-	7,465,066
Fundraising	<u>1,738,279</u>	<u>-</u>	<u>1,738,279</u>
Total supporting services	<u>9,203,345</u>	<u>-</u>	<u>9,203,345</u>
Total expenses	<u>43,875,347</u>	<u>-</u>	<u>43,875,347</u>
CHANGES IN NET ASSETS FROM OPERATIONS	<u>24,425,955</u>	<u>26,220,699</u>	<u>50,646,654</u>
<b>NON OPERATING ACTIVITIES</b>			
Transfers of funds	(334,835)	334,835	-
Change in value of annuity agreements	-	61,492	61,492
Minimum pension liability adjustment	<u>(26,658)</u>	<u>-</u>	<u>(26,658)</u>
Changes in net assets from non operating activities	<u>(361,493)</u>	<u>396,327</u>	<u>34,834</u>
CHANGES IN NET ASSETS	24,064,462	26,617,026	50,681,488
NET ASSETS - BEGINNING OF YEAR	<u>85,474,498</u>	<u>225,857,037</u>	<u>311,331,535</u>
NET ASSETS - END OF YEAR	<u>\$ 109,538,960</u>	<u>\$ 252,474,063</u>	<u>\$ 362,013,023</u>

See notes to consolidated financial statements.

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended September 30, 2022**

	Program Services				Total Program Services	Supporting Services			Total
	Science and Conservation	Horticulture	Education and Sustainability	Other		Management and General	Fundraising	Total Supporting Services	
Salaries and Wages	\$ 6,048,625	\$ 5,625,134	\$ 3,041,176	\$ 2,926,564	\$ 17,641,499	\$ 3,842,942	\$ 1,083,343	\$ 4,926,285	\$ 22,567,784
Employee Benefits and Taxes	<u>1,485,095</u>	<u>1,485,079</u>	<u>752,490</u>	<u>661,353</u>	<u>4,384,017</u>	<u>737,938</u>	<u>191,487</u>	<u>929,425</u>	<u>5,313,442</u>
Total Compensation	<u>7,533,720</u>	<u>7,110,213</u>	<u>3,793,666</u>	<u>3,587,917</u>	<u>22,025,516</u>	<u>4,580,880</u>	<u>1,274,830</u>	<u>5,855,710</u>	<u>27,881,226</u>
Professional Services and Fees	2,012,227	869,093	275,593	1,462,307	4,619,220	1,350,098	155,855	1,505,953	6,125,173
Advertising and Promotion	1,116	796	1,690	2,371	5,973	409,455	82,845	492,300	498,273
Office Expenses	911,624	1,285,230	266,126	507,249	2,970,229	832,812	110,883	943,695	3,913,924
Utilities and Occupancy Costs	429,067	528,909	103,918	218,084	1,279,978	129,097	21,042	150,139	1,430,117
Travel, Conferences and Meetings	621,168	81,389	37,642	7,688	747,887	35,055	14,463	49,518	797,405
Depreciation	839,276	2,624,798	229,906	798,825	4,492,805	265,529	41,985	307,514	4,800,319
Insurance	111,573	113,821	41,515	73,492	340,401	512,693	13,926	526,619	867,020
Cost of Goods Sold	2,946	8,155	732	685,472	697,305	21,163	-	21,163	718,468
Herbarium Specimen Collection (In-Kind)	2,623,583	-	-	-	2,623,583	-	-	-	2,623,583
Other Expenses	<u>840,711</u>	<u>704,083</u>	<u>209,710</u>	<u>961,532</u>	<u>2,716,036</u>	<u>734,180</u>	<u>365,582</u>	<u>1,099,762</u>	<u>3,815,798</u>
<b>TOTAL EXPENSES</b>	<u>\$ 15,927,011</u>	<u>\$ 13,326,487</u>	<u>\$ 4,960,498</u>	<u>\$ 8,304,937</u>	<u>\$ 42,518,933</u>	<u>\$ 8,870,962</u>	<u>\$ 2,081,411</u>	<u>\$ 10,952,373</u>	<u>\$ 53,471,306</u>

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended September 30, 2021

	Program Services				Total Program Services	Supporting Services			Total
	Science and Conservation	Horticulture	Education and Sustainability	Other		Management and General	Fundraising	Total Supporting Services	
Salaries and Wages	\$ 5,433,252	\$ 5,141,152	\$ 2,606,269	\$ 2,537,108	\$ 15,717,781	\$ 3,539,538	\$ 1,090,873	\$ 4,630,411	\$ 20,348,192
Employee Benefits and Taxes	1,342,462	1,371,813	671,816	625,440	4,011,531	751,710	186,590	938,300	4,949,831
Total Compensation	6,775,714	6,512,965	3,278,085	3,162,548	19,729,312	4,291,248	1,277,463	5,568,711	25,298,023
Professional Services and Fees	2,002,191	559,698	243,498	893,928	3,699,315	1,000,785	143,910	1,144,695	4,844,010
Advertising and Promotion	-	142	1,631	5,390	7,163	238,087	13,328	251,415	258,578
Office Expenses	769,267	993,823	194,557	322,829	2,280,476	628,716	124,332	753,048	3,033,524
Utilities and Occupancy Costs	316,140	524,549	51,658	194,179	1,086,526	101,428	15,927	117,355	1,203,881
Travel, Conferences and Meetings	318,960	5,789	26,039	9,322	360,110	548	956	1,504	361,614
Depreciation	903,131	2,691,596	240,446	355,886	4,191,059	248,988	45,245	294,233	4,485,292
Insurance	101,178	106,768	30,830	33,548	272,324	403,163	11,251	414,414	686,738
Cost of Goods Sold	453	2,762	20	555,483	558,718	25,567	-	25,567	584,285
Other Expenses	782,269	897,586	172,842	634,302	2,486,999	526,536	105,867	632,403	3,119,402
<b>TOTAL EXPENSES</b>	<b>\$ 11,969,303</b>	<b>\$ 12,295,678</b>	<b>\$ 4,239,606</b>	<b>\$ 6,167,415</b>	<b>\$ 34,672,002</b>	<b>\$ 7,465,066</b>	<b>\$ 1,738,279</b>	<b>\$ 9,203,345</b>	<b>\$ 43,875,347</b>

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Years Ended September,</b>	
	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATIONS</b>		
Changes in net assets	\$ (24,309,703)	\$ 50,681,488
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities		
Depreciation	4,800,319	4,485,292
Loss on sale of property and equipment	-	21,950
Net realized and unrealized (gains) losses on investments	28,460,493	(35,612,089)
Gain on forgiveness of refundable advance - paycheck protection program	-	(4,547,400)
Contributions restricted for capital projects and endowments	(14,540,784)	(10,754,125)
Change in operating assets and liabilities-		
Receivables	(2,369,926)	(2,169,998)
Contract assets	57,775	175,042
Inventories, prepayments and other assets	911,503	(782,092)
Accounts payable and accrued liabilities	(49,791)	303,634
Contract liabilities	(31,505)	(139,427)
Deferred revenue	(4,291)	(37,158)
Liability for gift annuity payments	33,798	(101,194)
Net cash (used) provided by operating activities	<u>(7,042,112)</u>	<u>1,523,923</u>
<b>INVESTING ACTIVITIES</b>		
Proceeds from sales of investments	50,574,533	18,394,817
Purchases of investments	(13,645,769)	(13,962,000)
Proceeds from sale of property and equipment	-	5,000
Purchases of property and equipment	(46,616,432)	(25,056,877)
Net cash used by investing activities	<u>(9,687,668)</u>	<u>(20,619,060)</u>
<b>FINANCING ACTIVITIES</b>		
Collection of contributions restricted for capital projects and endowments	19,531,744	17,344,896
Net cash provided by financing activities	<u>19,531,744</u>	<u>17,344,896</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>2,801,964</b>	<b>(1,750,241)</b>
<b>CASH AND CASH EQUIVALENTS, Beginning</b>	<b>4,153,044</b>	<b>5,903,285</b>
<b>CASH AND CASH EQUIVALENTS, Ending</b>	<b>\$ 6,955,008</b>	<b>\$ 4,153,044</b>
<b>NON-CASH OPERATING AND FINANCING ACTIVITIES</b>		
Capital items acquired through accounts payable and accrued expenses	<u>\$ 2,075,525</u>	<u>\$ 2,574,016</u>
Changes in restricted contributions receivable for		
Capital projects	<u>\$ (4,990,960)</u>	<u>\$ (4,269,651)</u>
Endowments	<u>\$ -</u>	<u>\$ (2,386,431)</u>
Forgiveness of refundable advance - paycheck protection program	<u>\$ -</u>	<u>\$ 4,547,500</u>

See notes to consolidated financial statements.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Garden Operations**

The Missouri Botanical Garden (the Garden) was founded by Henry Shaw in 1859 and is operated as a Missouri charitable trust formed in 1889, pursuant to his will, serving as a center for research, education and horticultural display. Its mission is to discover and share knowledge about plants and their environment in order to preserve and enrich life. The Garden is funded through public contributions, local and federal grants, investment income, membership and admission fees, retail shop revenue and revenue from botanical services provided to the public and funded by the Botanical Garden Subdistrict of the Metropolitan Zoological Park and Museum District of the City of St. Louis and St. Louis County (the Botanical Garden Subdistrict). The Garden is a tax exempt 501(c)(3) organization under the Internal Revenue Code.

**Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of the Garden and its wholly-owned subsidiary, MBG Properties, Inc. All significant inter-organization transactions and balances have been eliminated in consolidation.

**COVID-19 Pandemic Impact**

As a result of COVID-19, Garden events and operations were curtailed from March 2020 through 2021 which resulted in a reduction of revenues and other support. The Garden received Employee Retention Credits and payroll tax credits throughout the year ended September 30, 2021 (see note 8).

**Basis of Presentation**

The financial statements of the Garden have been prepared on the accrual basis and in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Garden to report information regarding its financial position and activities according to the following net asset classifications:

***Net Assets Without Donor Restrictions:*** - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Garden's management and Board of Trustees (Board). From time to time, the Board designates a portion of net assets without donor restrictions for specified purposes which make them unavailable for use at management's discretion including:

- Operating - endowment spending appropriation for specific projects
- Capital Projects - net property and equipment less uncapitalized fundraising costs
- Endowment Funds - investment fair value of board-designated endowments

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Presentation (Continued)**

***Net Assets With Donor Restrictions:*** - Net assets that are subject to donor and grantor-imposed restrictions. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Garden or by the passage of time. Other donor restrictions will never lapse, thus requiring that the funds be retained permanently.

**Fair Value Measurements**

The fair value of financial instruments including cash and cash equivalents, grants, contributions and other receivables, contract assets, inventories, prepayments and other assets, accounts payable and accrued liabilities, contract liabilities, and deferred revenue approximate carrying value due to the short-term nature of these accounts.

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 market participants on the measurement date. The Garden determines the fair values of its financial instruments based on the fair value hierarchy established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

- Level 1: financial instruments are valued based on quoted prices in active markets for identical assets or liabilities.
- Level 2: financial instruments are valued using quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data of substantially the full term of the assets or liabilities.
- Level 3: financial instruments are valued using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable and when determination of the fair value requires significant management judgment or estimation.

There were no triggering events that required fair value measurements of the Garden's nonfinancial assets and liabilities at September 30, 2022 and 2021.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of demand deposits held in banks, overnight repurchase agreements, and certificates of deposit with original maturities of three months or less. Short-term commercial paper, liquid securities and money market funds are included in investments.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Grants Receivable**

Grants receivable consists of amounts due to the Garden related to the work performed under non-exchange grant and contract agreements.

**Contributions Receivable**

Legally enforceable pledges are recorded as receivables in the year made. Pledges for support of current operations are recorded as general operating support without restrictions. Pledges made and received beyond one year are discounted to the present value of estimated future cash flows using a risk-adjusted discount rate equal to the 30-year Treasury Bond rate at the pledge date (ranging from 1.46% to 3.96% at September 30, 2022). The initially recorded fair value is considered a Level 2 fair value approach. For pledges made and received within one year, the net realizable value is a reasonable estimate of the fair value. Amortization of the discount is included in contribution revenue. If restricted by a donor for endowment, the amount is reported as revenue in the with donor restrictions net asset class. If restricted by a donor for particular purposes or for capital acquisition, the amount is reported as revenue in the with donor restrictions net asset class until the asset is placed in service. Conditional pledges receivable are not included as support until the conditions are substantially met. Management writes off receivables when it determines that an amount will not be collected and considers all pledges receivable at September 30, 2022 and 2021 to be collectible. Accordingly, no allowance for uncollectible pledges receivable has been reflected in the consolidated financial statements.

**Other Receivables**

Other receivables consist primarily of receivables from the Botanical Garden Subdistrict and accrued interest.

**Inventories**

Inventories are stated at the lower of cost or net realizable value. Net realizable value is based on the selling price of inventories. Cost is determined using the average cost method. For scientific publications, the cost of inventory includes layout, printing, and applicable freight costs.

**Investments**

Purchased investments are carried at fair value. Contributed securities are stated at their fair value on the date of receipt using a Level 1, 2 or 3 fair value approach depending on the type of contributed security. It is the policy of the Garden to sell all contributed securities as soon as they are received. Net investment return is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Property and Equipment**

Property and equipment are recorded at cost, if purchased, or at estimated fair market value on the date of receipt, if donated. Certain equipment is leased by the Garden and is treated as a capital lease. Expenditures greater than \$5,000 for vehicles and \$15,000 for non-vehicles are reviewed for capitalization. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of assets are capitalized.

Depreciation and amortization is provided on a straight-line basis over the following useful lives:

	<u>Years</u>
Building, Gardens and Other Structures	10 - 45
Furniture, Office and Data Processing Equipment	3 - 15
Other	3 - 15

**Collections**

The Garden’s collections include living plants, herbarium specimens, art objects, books, and prints. The Garden has not capitalized the collections that include living plants and herbarium specimens. The Garden’s collections are maintained for public exhibition, education, and research in furtherance of public service rather than for financial gain. Collections are among the most valuable assets of the Garden and are protected, kept unencumbered, cared for, and preserved. Art objects, books and prints are subject to the capitalization policy described previously.

**Deferred Revenue**

Deferred revenue represents cash received from non-exchange grants and contracts that include conditions and have refundable provisions prior to performance by the Garden.

**Contract Liabilities**

Contract liabilities represent cash received from exchange transactions such as property rentals, memberships, education classes, and grant and contract agreements prior to performance by the Garden.

**Gift Annuities**

The Garden has certain arrangements with donors in which the donor contributes assets in exchange for a promise of fixed payments for a specified period of time to a designated party. At the time of the donation, the assets received are held by the Garden as part of its general assets; a liability is recorded and measured at the present value which is a Level 2 fair value approach, using discount rates ranging from 3.00% to 7.00% as of September 30, 2022 and 2021.

The obligations under these agreements are adjusted over the term of the agreement for changes in the fair value of assets, accretion of the discount, and other changes in estimates of future benefits. The assets are included in the Garden’s investment portfolio.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Revenue Recognition**

The Garden records contributions when received as with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished net assets with donor restrictions are reclassified to net assets without donor restrictions-board designated in the consolidated statements of activities.

Bequests are recognized at the time the probate court declares the donor's will valid, unless there are conditions or uncertain events surrounding the bequest. In those circumstances, the transaction is recorded at the time the cash is received. Bequests are recorded as net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

The Garden reports gifts of property and equipment as net assets without restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as with donor restrictions. The Garden reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

**Revenue Recognition for Contracts with Customers**

The Garden's revenue streams under contracts with customers are comprised of membership dues, admissions and retail shops, grants and contracts, education, and property rentals.

For each revenue stream identified above, revenue recognition is subject to the completion of performance obligations. For each contract with a customer, the Garden determines whether the performance obligations in the contracts are distinct or should be bundled. Factors to be considered include the pattern of transfer, whether visitors or participants (customers) can benefit from the resources, and whether the resources are readily available. The Garden also performs an analysis to determine if membership dues constitute separate performance obligations. The Garden's revenue is recognized when a given performance obligation is satisfied, either over a period of time or at a given point in time. The Garden recognizes revenue over a period of time if the customer receives and consumes the benefit that the Garden provided, or if the Garden's performance does not create an asset with an alternative use, and has an enforceable right to payment for the performance.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Revenue Recognition for Contracts with Customers (Continued)**

The revenue is recognized at a given point in time when the control of the goods or service is transferred to the customer and when the customer can direct its use and obtain substantial benefit from the goods.

The transaction price is calculated as the amount of consideration to which the Garden expects to be entitled (such as merchant price, event agreements, price of membership and course fees set in advance). In some situations (such as course fees for education programs, memberships, or room rental), the Garden bills customers and collects cash prior to the satisfaction of the performance obligation, which results in the Garden recognizing contract liabilities upon receipt of payment.

The following explains the performance obligations related to each revenue stream and how they are recognized.

*Membership Dues* - The Garden earns dues from its members for memberships. Membership dues are earned over the course of one year, representing the period over which the Garden satisfies the performance obligation. Membership dues on the consolidated statement of activities consist of both contribution revenue and exchange revenue. Of the total \$4,407,355 and \$4,178,701 membership revenue for the year ended September 30, 2022 and 2021, respectively, \$1,041,409 and \$1,241,337, respectively, is considered to be exchange revenue and subject to the performance obligations stated above and the remaining \$3,365,946 and \$2,937,364, respectively, is considered contribution revenue and recognized upon receipt.

*Admissions and Retail Shops* - The Garden generates revenue from ticket sales and merchandise sales. Ticket sales are recognized at the point in time when the Garden satisfies the performance obligation. Merchandise sales at retail shops are recognized at the point in time when the sale occurs and the visitor takes possession of the item purchased.

*Grants and Contracts* - The Garden receives grants and contracts from various sources to fund scientific research, sustainability projects, provide education to the public, as well as other projects. The Garden's grants and contracts revenue stream contains both contribution revenue and exchange revenue. The contribution grants and contracts revenue are either recognized upon receipt if there are no conditions or recognized as conditions are satisfied, typically as costs are incurred. The exchange grants and contracts are reviewed for performance obligations and as the performance obligations were met, revenue was recognized.

*Education* - The Garden generates revenue from providing educational classes or programs to the public. Revenue is recorded at the time the class or program is held.

*Property Rentals* - Property rental revenues consist of room rentals for special events on a specified date. The Garden recognizes revenue at the point in time when services are rendered to the customer.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Advertising Expenses**

Advertising costs are expensed as incurred and totaled approximately \$338,000 and \$175,000 for the years ended September 30, 2022 and 2021, respectively.

**Income Taxes**

The Garden is a not-for-profit trust, exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code and none of its present or anticipated future activities are subject to taxation as unrelated business income. MBG Properties, Inc. is exempt from Federal income tax under section 501(c)(2) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying consolidated financial statements.

The Garden follows the provisions of ASC 740-10-25, *Income Taxes*, requiring disclosure of uncertain tax positions. There have been no interest or penalties neither recognized in the consolidated statements of activities nor in the consolidated balance sheets related to uncertain tax positions. In addition, no tax positions exist for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the next 12 months. The Garden evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts.

**Contribution of Nonfinancial Assets**

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the Garden's consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles.

The Garden periodically receives donations of services, when donated services (a) create or enhance non-financial assets, or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The value of the donation is recorded as contribution revenue in the period received. There were no donated services during the year ended September 30, 2022 and 2021.

All assets were utilized by the Garden's programs and supporting services. There were no donor-imposed restrictions associated with the donated assets.

Donated office expenses/supplies are valued at fair market value for similar purchases. For the year ending September 30, 2022, program supplies of \$270,502 were used in the Horticulture department, \$9,095 were donations of food and beverage and door prizes for community building programs held by the Butterfly House and Sustainability departments and \$45,700 in supplies were utilized for fundraising events, including food and drink donations, as well as raffle items. For the year ending September 30, 2021, program supplies in the amount of \$116,308 were used in the Horticulture department, \$40,450 were printed materials utilized in the library and archives, \$10,900 were used for the Green Living Festival, and \$7,012 were donations of food and beverages and door prizes for community building programs held by the Butterfly House and Sustainability departments. Donated goods are valued at the wholesale prices that would be received for purchasing similar products.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Contribution of Nonfinancial Assets (Continued)**

The in-kind donation of an Herbarium specimen collection consisted of a large donation of a private collection. The collection was appraised by a third party using an average of comparable sales and offerings of bona fide scientific and historic interests found in the auction market. A volume discount was factored in to come to a total value for the collection. This collection will be held in perpetuity for programmatic purposes but is expensed in the year of donation in accordance with the Garden policy.

Contribution of nonfinancial asset and their use in programs and other activities are as follow:

	Year Ended September 30, 2022			
	Program Services	Management and General	Fundraising	Total
Office expenses	\$ 279,597	\$ -	\$ 45,700	\$ 325,297
Herbarium specimen collection	<u>2,623,583</u>	<u>-</u>	<u>-</u>	<u>2,623,583</u>
	<u>\$ 2,903,180</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,948,880</u>
	Year Ended September 30, 2021			
	Program Services	Management and General	Fundraising	Total
Office expenses	\$ 174,670	\$ -	\$ 55,625	\$ 230,295

**Use of Estimates**

The presentation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts and disclosure. Accordingly, actual results could differ from those estimates. Significant management estimates included in the consolidated financial statements relate to the fair value of certain investments, inventory valuation, useful lives of depreciable assets, interests in and obligations under split-interest agreements, and the allocation of common expenses over program functions.

**Functional Allocation of Expenses**

The costs of providing the various programs and activities and supporting services have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses for the years ended September 30, 2022 and 2021 present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Depreciation, occupancy cost, and other management and general expenses have been allocated to functional classifications based on square footage of facilities. Other management and general expenses have been allocated based on the number of computers or salaries.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Recently Adopted Accounting Standard**

Effective September 30, 2022, the Garden adopted accounting standards update (“ASU”) 2020-07 “Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets”. This amendment improves financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets for not-for-profit entities, including additional disclosure requirements for recognized contributed services.

**Subsequent Events**

The Garden has performed a review of events subsequent to the consolidated balance sheet date through January 31, 2023, the date the consolidated financial statements were available to be issued.

**NOTE 2 — LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available within one year of the balance sheet date for operating expenditure, such as operating expenses, were as follows:

	September 30,	
	2022	2021
Cash and Cash Equivalents	\$ 5,060,466	\$ 4,153,044
Grants Receivable and Contract Assets	550,213	678,781
Contributions Receivable, Net *	796,178	941,920
Other Receivables, Net	9,149,514	6,240,637
Upcoming Fiscal Year Liquidation of Investments for Capital Project	-	2,370,261
Upcoming Fiscal Year Endowment Appropriation	<u>7,774,864</u>	<u>7,104,694</u>
Total Financial Assets Available Within One Year	<u>\$ 23,331,235</u>	<u>\$ 21,489,337</u>

\* Excludes cash restricted primarily for capital projects and contributions restricted for capital projects.

The Garden regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Garden has various sources of liquidity at its disposal, including cash and cash equivalents, marketable investments and a line of credit.

Cash in excess of daily requirements is invested in short-term investments and certificates of deposit. To manage unanticipated liquidity needs, the Garden maintains two lines of credit with a commercial bank of \$25,000,000 and \$5,000,000, respectively. There was no balance outstanding at September 30, 2022 and 2021 (Note 9).

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 2 — LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)**

Additionally, as of September 30, 2022 and 2021, the Garden had \$17,721,556 and \$15,326,052, respectively, in board designated endowment funds. Although there is no intention to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

**NOTE 3 — CONTRIBUTIONS RECEIVABLE**

Contributions receivable are due as follows:

	September 30,	
	2022	2021
Less Than One Year	\$ 7,499,401	\$ 8,934,616
One to Five Years	9,048,298	13,288,202
Pledge Discounts	<u>(515,002)</u>	<u>(731,002)</u>
	<u>\$ 16,032,697</u>	<u>\$ 21,491,816</u>

**NOTE 4 — INVESTMENTS**

Net investment return on the consolidated statements of activities is shown net of investment, custodian, advisory and management fees of \$291,634 and \$319,817 for the years ended September 30, 2022 and 2021, respectively. Included in these fees are amounts paid to a financial institution for which a Trustee is a director. The amounts paid to the financial institution during the years ended September 30, 2022 and 2021 are \$274,031 and \$303,321, respectively. This conflict of interest was approved at the Board meetings held on March 23, 2022 and March 24, 2021, respectively.

Investments are recorded at fair value in the accompanying consolidated balance sheets (Note 6).

Investments consist of the following:

	September 30,	
	2022	2021
Equities	\$ 60,361,336	\$ 80,804,630
Bonds	20,491,278	27,965,904
Mutual Funds	47,541,772	57,875,872
Commercial Paper	1,371,351	35,350,208
Real Estate Funds and Other	<u>35,457,264</u>	<u>28,615,643</u>
	<u>\$ 165,223,001</u>	<u>\$ 230,612,257</u>

The total cost basis of these investments amounted to \$89,410,622 and \$125,261,937 at September 30, 2022 and 2021, respectively.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 5 — ENDOWMENT**

The Garden's endowment consists of 33 individual classifications established for a variety of purposes. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board has interpreted the state of Missouri enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, the Garden retains, in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give at fair value donated to the endowment) and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time and accumulation is added.

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

- 1) The duration and preservation of the fund
- 2) The purposes of the Garden and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation or deflation
- 5) The expected total return from income and the appreciation of investment
- 6) Other resources of the Garden
- 7) The investment policies of the Garden

As of September 30, 2022 and 2021, the Garden had the following endowment net asset composition by type of fund:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>September 30, 2022</u>			
Board-Designated Endowment Funds	\$ 17,721,556	\$ -	\$ 17,721,556
Donor-Restricted Endowment Funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	83,366,436	83,366,436
Accumulated investment gains	-	<u>60,339,159</u>	<u>60,339,159</u>
	<u>\$ 17,721,556</u>	<u>\$ 143,705,595</u>	<u>\$ 161,427,151</u>
<u>September 30, 2021</u>			
Board-Designated Endowment Funds	\$ 15,326,052	\$ -	\$ 15,326,052
Donor-Restricted Endowment Funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	83,249,337	83,249,337
Accumulated investment gains	-	<u>93,929,301</u>	<u>93,929,301</u>
	<u>\$ 15,326,052</u>	<u>\$ 177,178,638</u>	<u>\$ 192,504,690</u>

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 5 — ENDOWMENT (Continued)**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Garden to retain as a fund of perpetual duration. There were no such deficiencies as of September 30, 2022 and 2021.

**Return Objectives and Risk Parameters**

The Garden has investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Garden must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the applicable indices while assuming a moderate level of investment risk.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Garden relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Garden targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Garden has a policy of appropriating for distribution each year a percent of its endowment fund's average fair value over the prior 12 quarters at six months preceding the fiscal year end in which the distribution is planned. In the years ended September 30, 2022 and 2021, the spend formula was based on 4.5% of the average fair value. In establishing this policy, the Garden considered the long-term expected return on its endowment.

The changes in endowment net assets for the years ended September 30, 2022 and 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, October 1, 2021	\$ 15,326,052	\$ 177,178,638	\$ 192,504,690
Contributions	2,376,738	116,099	2,492,837
Investment Return			
Investment income, including realized gains	18	2,848,980	2,848,998
Net depreciation	-	(29,401,748)	(29,401,748)
Amounts Transferred from Endowment	18,749	49,570	68,319
Amounts Appropriated	-	(7,085,945)	(7,085,945)
Endowment Net Assets, September 30, 2022	<u>\$ 17,721,557</u>	<u>\$ 143,705,594</u>	<u>\$ 161,427,151</u>

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 5 — ENDOWMENT (Continued)**

**Spending Policy and How the Investment Objectives Relate to Spending Policy (Continued)**

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, October 1, 2020	\$ 14,096,021	\$ 145,467,708	\$ 159,563,729
Contributions	1,129,299	169,651	1,298,950
Investment Return			
Investment income, including			
realized gains	-	2,709,465	2,709,465
Net appreciation	-	35,278,080	35,278,080
Amounts Transferred from Endowment	100,732	294,996	395,728
Amounts Appropriated	-	(6,741,262)	(6,741,262)
Endowment Net Assets, September 30, 2021	<u>\$ 15,326,052</u>	<u>\$ 177,178,638</u>	<u>\$ 192,504,690</u>

**NOTE 6 — FAIR VALUE MEASUREMENTS**

The following is a description of the valuation methodologies used for assets measured at fair value:

**Equities, Mutual Funds, and Commercial Paper**

Domestic and foreign securities, mutual funds, and commercial paper instruments traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Investments in mutual funds represent open ended funds which transact at a net asset value on a daily basis. Since the market for these securities is active and observable, such investments are reported at the unadjusted net asset value at the end of each trading day.

**Bonds**

Corporate and foreign bonds are valued based on yields currently available on comparable securities of issuers of similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks. Government bonds include both U.S. treasury bonds and agency bonds. U.S. treasury bonds are valued using proprietary valuation models incorporating live data from active market makers and brokers as reported on electronic communication networks. The valuation models incorporate benchmark yields, reported trades, broker/dealer quotes, bids, offers and other data. Evaluated pricing models that vary by type of security and incorporate available market data are utilized to determine fair market value of agency bonds. Standard inputs include issuer and type of security, benchmark yields, reported trades, broker/dealer quotes and issuer spreads.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 6 — FAIR VALUE MEASUREMENTS (Continued)**

**Real Estate Funds**

The Garden holds real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments have been estimated using the net asset value per share of the investments (NAV), which represents the amounts at which the Garden may acquire or redeem its fund interests. However, the funds have certain redemption and restriction provisions which may prevent the Garden from redeeming its interest within 90 days. Redemption of the funds requires a notice period of at least 45 days, and redemptions will generally occur the fiscal quarter following the redemption notice. Additionally, the funds may be subject to certain gate restrictions; however, the Garden does not feel such restrictions are likely to prevent redemption within the next 90 days. There are no unfunded commitments with respect to these funds.

**Private Equity Funds**

The value of private equity funds, which are not readily marketable, is based on the value determined in the audited financial statements. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. Private equity funds have no ability to be redeemed. At September 30, 2022, the Garden's unfunded commitments with respect to these funds are \$8,468,650.

Fair values of assets measured on a recurring basis at September 30, 2022 and 2021 are as follows:

	Total Fair Value	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs
<u>September 30, 2022</u>				
Investments				
Equities	\$ 60,361,336	\$ 60,361,336	\$ -	\$ -
Bonds				
Government	6,242,346	-	6,242,346	-
Corporate	12,416,444	-	12,416,444	-
Other	717,418	-	717,418	-
Foreign	1,115,070	-	1,115,070	-
Fixed mutual funds	10,131,235	10,131,235	-	-
Equity mutual funds	37,410,537	37,410,537	-	-
Commercial paper	<u>1,371,351</u>	<u>1,371,351</u>	<u>-</u>	<u>-</u>
Total investments at fair value	129,765,737	<u>\$ 109,274,459</u>	<u>\$ 20,491,278</u>	<u>\$ -</u>
Investments Reported at NAV	<u>35,457,264</u>			
Total investments	<u>\$ 165,223,001</u>			

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 6 — FAIR VALUE MEASUREMENTS (Continued)**

**Private Equity Funds (Continued)**

	Total Fair Value	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs
<b><u>September 30, 2021</u></b>				
Investments				
Equities	\$ 80,804,629	\$ 80,804,629	\$ -	\$ -
Bonds				
Government	6,692,444	-	6,692,444	-
Corporate	14,640,786	-	14,640,786	-
Other	5,043,081	-	5,043,081	-
Foreign	1,589,593	-	1,589,593	-
Fixed mutual funds	13,249,457	13,249,457	-	-
Equity mutual funds	44,626,414	44,626,414	-	-
Commercial paper	<u>35,350,210</u>	<u>35,350,210</u>	-	-
Total investments at fair value	201,996,614	<u>\$ 174,030,710</u>	<u>\$ 27,965,904</u>	<u>\$ -</u>
Investments Reported at NAV	<u>28,615,643</u>			
Total investments	<u>\$ 230,612,257</u>			

**NOTE 7 — PROPERTY AND EQUIPMENT**

Property and equipment, consists of the following:

	September 30,	
	2022	2021
<u>Nondepreciable</u>		
Land	\$ 7,213,463	\$ 7,213,463
Construction in progress	4,767,503	26,791,283
Fountains, sculptures, gardens and other	2,941,230	2,941,230
<u>Depreciable</u>		
Buildings, gardens and other structures	215,375,451	152,308,139
Furniture, office and data processing equipment	9,589,381	6,550,583
Other	<u>6,895,029</u>	<u>6,436,452</u>
	246,782,057	202,241,150
Accumulated depreciation	<u>(97,879,741)</u>	<u>(93,079,422)</u>
	<u>\$ 148,902,316</u>	<u>\$ 109,161,728</u>

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 7 — PROPERTY AND EQUIPMENT (Continued)**

Depreciation expense for the years ended September 30, 2022 and 2021 was \$4,800,319 and \$4,485,292, respectively.

During the year ended September 30, 2020, the Garden began construction of the Jack C. Taylor Visitor Center. The estimated \$96 million project is being funded entirely from private contributions. As of September 30, 2022, there is a construction commitment for the estimated remaining cost of approximately \$12 million to complete the project.

**NOTE 8 — COVID-19 RELIEF FUNDING**

**Refundable Advances – Paycheck Protection Program (PPP)**

On April 13, 2020, the Garden was granted a \$4,547,400 loan under the PPP administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the Federal government. The Garden received loan forgiveness of 100% of the loan in June 2021. The Garden initially recorded the loan as a refundable advance in 2020 and recorded the forgiveness as grant and contracts revenue in the consolidated statement of activities in accordance with guidance for conditional contributions for the year ended September 30, 2021.

According to the rules of the SBA, the Garden is required to retain PPP loan documentation for six years and permit authorized representatives of the SBA to access such files upon request. Should the SBA conduct such a review and reject all or some of the Garden's judgments pertaining to satisfying PPP loan eligibility or forgiveness conditions, the Garden may be required to adjust previously reported amounts and disclosures in the financial statements.

**Employee Retention Credit (ERC)**

The ERC, a credit against certain payroll taxes allowed to an eligible employer for qualifying wages, was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and further amended by the Consolidated Appropriations Act (CAA) and the American Rescue Plan (ARP). The Garden elected to account for the ERC. The ERC is considered a conditional grant, as the Garden only qualifies for the transfer of assets if it has overcome the barrier of eligibility. For the year ended September 30, 2021, the Garden determined they met the barriers of the ERC and has recorded grant revenue of \$7,393,115. As of September 30, 2021, the outstanding receivable balance related to ERC was \$2,448,201 and was included in Other Receivables on the consolidated balance sheet and subsequently collected in the year ended September 30, 2022. No ERC funding was received for the year ended September 30, 2022.

Laws and regulations concerning government programs, including the ERC established by the CARES Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Garden's claim to the ERC, and it is not possible to determine the impact, if any, this would have upon the Garden.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2022 and 2021

**NOTE 8 — COVID-19 RELIEF FUNDING** (Continued)

**Families First Coronavirus Relief Act (“FFCRA”) Emergency Sick Leave Payroll Tax Credit**

Under the FFCRA, as amended by the Tax Relief Act of 2020 and the American Rescue Plan Act of 2021, an employer is entitled to tax credits and the availability of advance payments of the tax credit(s) related to the COVID-19 pandemic that reimburse the costs of providing qualified sick and family leave wages to employees for periods of leave beginning April 1, 2021 and ending September 30, 2021. The Garden concluded it qualifies for the tax credit as it is an eligible employer, as defined by the FFCRA, and has paid qualified sick and leave wages of \$84,155 to employees for leave taken during the qualified period. The Garden accounted for the FFCRA as a loss recovery by applying the guidance for recoverable claims under FASB ASC 410, Asset Retirement and Environmental Obligations.

**NOTE 9 — LINES OF CREDIT**

The Garden maintains unsecured lines of credit of \$25,000,000 for capital projects and 5,000,000 for operating purposes, respectively, at September 30, 2022. The lines of credit are set to expire in June 2023 and bear variable interest rates based on an index which is the CME Term SOFR Reference Rate, a forward looking one-month rate administered by CME Group Benchmark Administration Limited. There was no balance outstanding at September 30, 2022 and 2021.

**NOTE 10 — NET ASSETS WITH DONOR RESTRICTIONS**

Net Assets with donor restrictions are restricted for the following purposes:

	September 30,	
	2022	2021
Subject to the Garden Spending Policy and Appropriation		
Science	\$ 43,926,529	\$ 52,790,389
Horticulture	9,678,750	11,367,679
Education and sustainability	3,699,283	4,422,063
General use/other	<u>86,401,032</u>	<u>108,598,507</u>
	<u>143,705,594</u>	<u>177,178,638</u>
Subject to Expenditure for Specific Purpose		
Capital projects	14,266,157	68,112,939
Science	1,742,327	2,783,281
Horticulture	1,862,940	1,765,093
Education and sustainability	1,778,993	1,649,071
Other	<u>445,685</u>	<u>985,041</u>
	<u>20,096,102</u>	<u>75,295,425</u>
	<u>\$ 163,801,696</u>	<u>\$ 252,474,063</u>

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 10 — NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. Net assets were released for the following purposes:

	Years Ended September 30,	
	2022	2021
Science, Horticulture, and Education	\$ 7,287,375	\$ 6,841,992
Property and Equipment	65,564,653	14,846,210
General Operating	<u>8,211,706</u>	<u>17,336,990</u>
	<u>\$ 81,063,734</u>	<u>\$ 39,025,192</u>

Net assets with donor restrictions where the amounts are required to be maintained in perpetuity by the donor are primarily to provide investment income that is available for the operating expenses of the Garden.

**NOTE 11 — RETIREMENT PLANS**

The Garden sponsors a defined contribution 403(b) plan covering substantially all eligible employees who choose to participate. The Garden provides a discretionary match to employee contributions. For the years ended September 30, 2022 and 2021, the match was a maximum of 6% of employee salary. The Garden's contributions for the years ended September 30, 2022 and 2021 were \$1,083,731 and \$1,025,919, respectively.

**NOTE 12 — CONCENTRATIONS OF CREDIT RISK**

Financial instruments which potentially subject the Garden to concentrations of credit risk consist principally of cash deposits in banks and other financial institutions, investment securities, and contribution receivables. The Garden maintains cash and cash equivalents and short and long-term investments with major banks and financial institutions. Accounts at banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 and accounts at brokerage firms are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000 at each institution, as applicable. At times, the Garden may have balances with banks in excess of the FDIC coverage.

At September 30, 2022 and 2021, four and six donors, respectively, comprise over 51% and 65% of the contributions receivable balance, respectively. All of these donors have a strong history with the Garden and no issues with collectability are anticipated.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 13 — RELATED PARTY TRANSACTIONS**

During the years ended September 30, 2022 and 2021, the Garden received \$1,724,650 and \$1,160,786, respectively, in contributions for operating, program, and capital purposes from various members of the Board. In addition, during the years ended September 30, 2022 and 2021, \$8,625,190 and \$6,268,731, respectively, were received from immediate family members of the Trustees, or from companies in which Trustees serve as a director or officer. At September 30, 2022 and 2021, contributions receivable, gross, of \$15,118,268 and \$19,996,987, respectively, were due from Trustees, immediate family members of the Trustees and companies in which Trustees serve as a director or officer, and consisted of multiple year pledges to the Garden for operating, research, and capital funds. Note 4 includes amounts paid for investment, custodian, advisory and management fees to a related party.

**NOTE 14 — BOTANICAL GARDEN SUBDISTRICT**

The Botanical Garden Subdistrict (the Subdistrict) is a part of the Metropolitan Zoological Park and Museum District of the City of St. Louis and St. Louis County. The Subdistrict was established to receive tax revenues from the tax collectors' offices and to pay for botanical services provided to benefit the public. Pursuant to legal requirements, the Subdistrict and the Garden enter into an annually renewable contract for botanical services. The contract provides for botanical facilities and services to be provided to the public by the Garden in exchange for compensation from the Subdistrict. In accordance with the contract, the Garden records revenue based on a rate of 3.51¢ on each \$100 of assessed valuation at December 31, 2022 and 2021. At September 30, 2022 and 2021, the Garden's other receivables included \$8,808,452 and \$3,706,608, respectively, from the Subdistrict.

**NOTE 15 — RELATED ENTITIES**

The Garden leases employees to and/or provides accounting services pursuant to written contracts for four other entities. The accounts of the St. Louis-Jefferson Solid Waste Management District (Solid Waste Management), the Botanical Society of America (BSA), the American Society of Plant Taxonomists (ASPT) and the U.S. Green Building Council-Missouri Gateway Chapter (GBC) have not been included in the accompanying consolidated financial statements as the criteria of control does not exist. As required, the following information regarding transactions between the Garden and these entities is provided:

**The St. Louis-Jefferson Solid Waste Management District**

Solid Waste Management is a local government agency which serves as a resource to assist the public, private and not-for-profit sectors in establishing and expanding waste reduction, recycling and composting efforts in the St. Louis area. At September 30, 2022 and 2021, the Garden has a contract receivable from Solid Waste Management of \$-0- and \$25,539, respectively.

**MISSOURI BOTANICAL GARDEN**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2022 and 2021**

**NOTE 15 — RELATED ENTITIES** (Continued)

**Botanical Society of America**

BSA is a not-for-profit corporation established to promote botany, the field of basic science dealing with the study and inquiry into form, function, diversity, development, reproduction, evolution, and uses of plants and their interactions within the biosphere. In addition to leasing employees to BSA, the Garden also leases approximately 1,000 square feet of space for a nominal fee. At September 30, 2022 and 2021, the Garden had no contract receivable from BSA.

**American Society of Plant Taxonomists**

ASPT is a not-for-profit corporation established to foster, encourage, and promote education and research in the field of plant taxonomy. In addition to leasing employees to ASPT, the Garden also leases approximately 135 square feet of space for a nominal fee. At September 30, 2022 and 2021, the Garden has a contract receivable of \$-0- and \$4,114, respectively, from ASPT.

**U.S. Green Building Council - Missouri Gateway Chapter**

GBC is a not-for-profit corporation established to initiate, develop and accelerate implementation of green building concepts, technologies and principles that promote environmentally responsible, profitable and healthy places to live and work. At September 30, 2022 and 2021, the Garden has a contract receivable from GBC of \$61,082 and \$25,312, respectively.

**NOTE 16 — RISKS AND UNCERTAINTIES**

The Garden's investments are exposed to various risks, such as interest rate, market, and credit risks. Due to current economic conditions, it is at least reasonably possible that changes in the value of the Garden's investments will occur in the near term and those changes could materially affect the amounts reported in the Garden's consolidated financial statements.

While there are no material legal proceedings to which the Garden is a party, the Garden may be involved in various claims, legal actions and regulatory proceedings arising in the ordinary course of business. In the opinion of the Garden's management, the resolution of these matters will not have a material adverse effect on the Garden's consolidated financial statements.

## **SUPPLEMENTARY INFORMATION**

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATING BALANCE SHEET BY FUND**  
**September 30, 2022**

	<u>Operating</u>	<u>Restricted Operating</u>	<u>Endowment</u>	<u>Property and Equipment</u>	<u>Gift Annuities</u>	<u>Capital Campaign</u>	<u>Total</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 6,955,011	\$ -	\$ -	\$ 567	\$ (3)	\$ (567)	\$ 6,955,008
Grants receivable	-	550,213	-	-	-	-	550,213
Contributions receivable, net	356,378	500,231	2,320	114,622	-	15,059,146	16,032,697
Other receivables, net	8,911,100	(22)	231,833	708	5,750	145	9,149,514
Inventories, prepayments and other assets	1,475,822	-	-	90,415	-	2,138	1,568,375
Investments	19	45,463	163,648,161	607,904	784,512	136,942	165,223,001
Property and equipment, net of accumulated depreciation	-	-	-	148,902,316	-	-	148,902,316
Interfund receivables (payables)	(6,087,338)	9,895,566	(2,455,147)	8,800,722	530,047	(10,683,850)	-
Total assets	<u>\$ 11,610,992</u>	<u>\$ 10,991,451</u>	<u>\$ 161,427,167</u>	<u>\$ 158,517,254</u>	<u>\$ 1,320,306</u>	<u>\$ 4,513,954</u>	<u>\$ 348,381,124</u>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ 9,742,555	\$ 563,328	\$ 16	\$ 170,138	\$ 11,530	\$ (1,587,680)	\$ 8,899,887
Contract liabilities	463,096	-	-	-	-	-	463,096
Deferred revenue	549	17,961	-	-	-	-	18,510
Liability for gift annuity payments	-	-	-	-	1,296,311	-	1,296,311
Total liabilities	<u>10,206,200</u>	<u>581,289</u>	<u>16</u>	<u>170,138</u>	<u>1,307,841</u>	<u>(1,587,680)</u>	<u>10,677,804</u>
<b>NET ASSETS</b>							
Without donor restrictions							
General operating - undesignated	<u>1,404,792</u>	-	-	-	-	-	<u>1,404,792</u>
Board-designated -							
Operating	-	4,672,683	-	-	-	-	4,672,683
Capital Projects	-	-	-	152,547,547	-	(2,444,954)	150,102,593
Endowment Funds	-	-	17,721,556	-	-	-	17,721,556
Total board-designated	-	<u>4,672,683</u>	<u>17,721,556</u>	<u>152,547,547</u>	-	<u>(2,444,954)</u>	<u>172,496,832</u>
Total without donor restrictions	<u>1,404,792</u>	<u>4,672,683</u>	<u>17,721,556</u>	<u>152,547,547</u>	-	<u>(2,444,954)</u>	<u>173,901,624</u>
With donor restrictions	-	<u>5,737,479</u>	<u>143,705,595</u>	<u>5,799,569</u>	<u>12,465</u>	<u>8,546,588</u>	<u>163,801,696</u>
Total net assets	<u>1,404,792</u>	<u>10,410,162</u>	<u>161,427,151</u>	<u>158,347,116</u>	<u>12,465</u>	<u>6,101,634</u>	<u>337,703,320</u>
Total liabilities and net assets	<u>\$ 11,610,992</u>	<u>\$ 10,991,451</u>	<u>\$ 161,427,167</u>	<u>\$ 158,517,254</u>	<u>\$ 1,320,306</u>	<u>\$ 4,513,954</u>	<u>\$ 348,381,124</u>

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATING STATEMENT OF ACTIVITIES BY FUND**  
**Year Ended September 30, 2022**

	<u>Operating</u>	<u>Restricted Operating</u>	<u>Endowment</u>	<u>Property and Equipment</u>	<u>Gift Annuities</u>	<u>Capital Campaign</u>	<u>Elimination</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUES								
Botanical Garden Subdistrict	\$ 14,137,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,137,568
Contributions	7,631,746	945,655	116,099	2,935	43,854	12,001,159	-	20,741,448
Memberships	4,407,355	-	-	-	-	-	-	4,407,355
Bequests	2,853	-	2,376,737	-	-	-	-	2,379,590
Admissions	5,364,994	-	-	-	-	-	-	5,364,994
Grants and contracts	-	5,865,352	-	-	-	-	-	5,865,352
Education	264,558	-	-	-	-	-	-	264,558
Retail shops	1,624,375	-	-	-	-	-	-	1,624,375
Property rentals	300,760	-	-	-	-	-	-	300,760
Net investment return	5,061,220	1,954,985	(33,638,694)	(2,138)	(29,552)	(8,837)	-	(26,663,016)
Other	1,172,311	(364,254)	-	127,545	2,002	-	-	937,604
Total public support and revenues	<u>\$ 39,967,740</u>	<u>\$ 8,401,738</u>	<u>\$ (31,145,858)</u>	<u>\$ 128,342</u>	<u>\$ 16,304</u>	<u>\$ 11,992,322</u>	<u>\$ -</u>	<u>\$ 29,360,588</u>

(Continued on Page 31)

**MISSOURI BOTANICAL GARDEN**  
**CONSOLIDATING STATEMENT OF ACTIVITIES BY FUND (Continued)**  
**Year Ended September 30, 2022**

	<u>Operating</u>	<u>Restricted Operating</u>	<u>Endowment</u>	<u>Property and Equipment</u>	<u>Gift Annuities</u>	<u>Capital Campaign</u>	<u>Eliminations</u>	<u>Total</u>
EXPENSES								
Program Services								
Science and conservation	\$ 10,850,725	\$ 4,101,916	\$ -	\$ 847,744	\$ -	\$ 126,626	\$ -	\$ 15,927,011
Horticulture	9,646,209	657,570	-	2,790,026	-	232,682	-	13,326,487
Education and sustainability	2,517,624	2,178,038	-	232,070	-	32,766	-	4,960,498
Other	5,610,232	1,579,748	-	800,956	-	314,001	-	8,304,937
Total Program Services	<u>28,624,790</u>	<u>8,517,272</u>	<u>-</u>	<u>4,670,796</u>	<u>-</u>	<u>706,075</u>	<u>-</u>	<u>42,518,933</u>
Supporting services								
Management and general	8,249,015	(59,051)	-	267,831	-	413,167	-	8,870,962
Fundraising	1,384,717	1,102	-	42,379	-	653,213	-	2,081,411
Total supporting services	<u>9,633,732</u>	<u>(57,949)</u>	<u>-</u>	<u>310,210</u>	<u>-</u>	<u>1,066,380</u>	<u>-</u>	<u>10,952,373</u>
TOTAL EXPENSES	<u>38,258,522</u>	<u>8,459,323</u>	<u>-</u>	<u>4,981,006</u>	<u>-</u>	<u>1,772,455</u>	<u>-</u>	<u>53,471,306</u>
CHANGES IN NET ASSETS FROM OPERATION	<u>1,709,218</u>	<u>(57,585)</u>	<u>(31,145,858)</u>	<u>(4,852,664)</u>	<u>16,304</u>	<u>10,219,867</u>	<u>-</u>	<u>(24,110,718)</u>
NON OPERATING ACTIVITIES								
Transfers of funds	(460,808)	(217,592)	68,319	427,400	182,681	-	-	-
Capital purchase transfers	(517,260)	(29,401)	-	42,216,680	-	(41,670,019)	-	-
Changes in value of annuity agreements	-	-	-	-	(198,985)	-	-	(198,985)
Changes in net assets from non operating activities	<u>(978,068)</u>	<u>(246,993)</u>	<u>68,319</u>	<u>42,644,080</u>	<u>(16,304)</u>	<u>(41,670,019)</u>	<u>-</u>	<u>(198,985)</u>
CHANGES IN NET ASSETS	<u>731,150</u>	<u>(304,578)</u>	<u>(31,077,539)</u>	<u>37,791,416</u>	<u>-</u>	<u>(31,450,152)</u>	<u>-</u>	<u>(24,309,703)</u>
NET ASSETS - BEGINNING OF YEAR	<u>673,642</u>	<u>10,714,740</u>	<u>192,504,690</u>	<u>120,555,700</u>	<u>12,465</u>	<u>37,551,786</u>	<u>-</u>	<u>362,013,023</u>
NET ASSETS - END OF YEAR	<u>\$ 1,404,792</u>	<u>\$ 10,410,162</u>	<u>\$ 161,427,151</u>	<u>\$ 158,347,116</u>	<u>\$ 12,465</u>	<u>\$ 6,101,634</u>	<u>\$ -</u>	<u>\$ 337,703,320</u>