

GREENWICH HISTORICAL SOCIETY, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2024

GREENWICH HISTORICAL SOCIETY, INC.

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Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Greenwich Historical Society, Inc.

We have audited the accompanying financial statements of Greenwich Historical Society, Inc. (a not-for-profit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greenwich Historical Society, Inc. as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Greenwich Historical Society, Inc. 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 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greenwich Historical Society, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 in

accordance with generally accepted 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 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 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 Greenwich Historical Society, Inc.'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greenwich Historical Society, Inc.'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 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 financial statements as a whole. The supplementary information on pages 16 - 18 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 financial statements as a whole.



Walter J. McKeever & Company, LLC
Greenwich, Connecticut
October 28, 2024

GREENWICH HISTORICAL SOCIETY, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2024

ASSETS

Current Assets

Cash and cash equivalents	\$ 23,115
Short-term investments (Note 2)	51,275
Other receivable	20,914
Inventories	54,065
Prepaid expenses	21,116
Total Current Assets	<u>170,485</u>

Property, Equipment and Furnishings

Buildings and land	8,918,456
Equipment and furnishings	2,155,441
Less: accumulated depreciation	(1,765,939)
Net Property, Equipment and Furnishings	<u>9,307,956</u>

Other Assets

Other receivable	20,000
Long-term investments (Note 2)	8,081,806
Historic land, buildings and furniture	5,962,441
Total Other Assets	<u>14,064,247</u>

Total Assets	<u><u>\$ 23,542,688</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 43,348
Deferred revenue	32,500
Total Liabilities	<u>75,848</u>

Net Assets

Without donor restrictions	
Unrestricted	16,086,080
Board designated (Note 7)	1,993,260
Total Without Donor Restrictions	<u>18,079,340</u>
With donor restrictions	
Time or purpose restricted (Note 8)	1,000,021
Perpetual endowment (Note 9)	4,387,479
Total With Donor Restrictions	<u>5,387,500</u>
Total Net Assets	<u>23,466,840</u>

Total Liabilities and Net Assets	<u><u>\$ 23,542,688</u></u>
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GREENWICH HISTORICAL SOCIETY, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

	WITHOUT DONOR RESTRICTIONS					WITH DONOR RESTRICTIONS				
	BOARD DESIGNATED									
	UNRESTRICTED	RESERVE	MAINTENANCE	VAN DER STRICHT	VON GOEBEN	CORE	TOTAL WITHOUT DONOR RESTRICTIONS	TIME OR PURPOSE RESTRICTED	PERPETUAL ENDOWMENT	TOTAL WITH DONOR RESTRICTIONS
Operating Activities										
Revenue, Gains and Other Support										
Contributions	\$ 488,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 488,372	\$ 16,313	\$ -	\$ 504,685
Memberships	103,500						103,500			103,500
Grants	30,275						30,275	48,055		78,330
Program service fees	142,728						142,728			142,728
Special events revenue	824,371						824,371	-		824,371
less cost of direct benefits to donors	(109,589)						(109,589)	-		(109,589)
less event expenses	(169,032)						(169,032)	-		(169,032)
Museum store sales, rental income and other	244,709						244,709			244,709
Assets released from restrictions:										
Satisfaction of time or purpose restrictions	76,868						76,868	(76,868)		(76,868)
Appropriation from endowment	243,896						243,896	(243,896)		(243,896)
Total Revenue, Gains and Other Support	1,876,097	-	-	-	-	-	1,876,097	(256,396)	-	1,619,702
Expenses										
Program	1,895,835						1,895,835			1,895,835
Support	145,945						145,945			145,945
Development	278,946						278,946			278,946
Total Functional Expenses	2,320,726						2,320,726			2,320,726
Change in Net Assets from Operations	(444,629)	-	-	-	-	-	(444,629)	(256,396)	-	(701,025)
Non-operating Activities										
Investment return (Note 2)	546,912						546,912	504,703		1,051,615
Depreciation expense	(593,615)						(593,615)			(593,615)
Assets released from restrictions:										
Satisfaction of capital restrictions	22,561			(2,315)			20,246	(20,246)		-
Change in Net Assets from Non-operating Activities	(24,142)	-	-	(2,315)	-	-	(26,457)	484,457	-	458,000
Change in Net Assets	(468,771)	-	-	(2,315)	-	-	(471,086)	228,060	-	(243,026)
Net Assets - Beginning of Year	16,630,551	375,000	124,575	37,440	473,328	985,232	18,626,126	771,961	4,387,479	23,785,566
Collection items purchased (Note 1)	(75,700)						(75,700)			(75,700)
Transfer of funds	-						-			-
Net Assets - End of Year	\$ 16,086,080	\$ 375,000	\$ 124,575	\$ 35,125	\$ 473,328	\$ 985,232	\$ 18,079,340	\$ 1,000,021	\$ 4,387,479	\$ 23,466,840

See accompanying notes to financial statements.
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GREENWICH HISTORICAL SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

	<u>PROGRAM</u>	<u>SUPPORT</u>	<u>DEVELOPMENT</u>	<u>TOTAL</u>
Advertising	\$ 7,002	\$ 1,777	\$ 400	\$ 9,179
Bank and investment fees	19,375	-	4,844	24,219
Conferences	878	140	-	1,018
Consultants	42,510	2,773	924	46,206
Cultivation	1,301	1,518	1,518	4,338
Dues and subscriptions	24,055	-	-	24,055
Exhibition design	20,000	-	-	20,000
Exhibition fabrication	21,908	-	-	21,908
Graphic design	14,972	-	2,125	17,097
Health insurance	44,589	12,269	5,524	62,382
Honoraria	17,379	-	-	17,379
Hospitality	35,788	-	11,929	47,717
Insurance	70,744	4,614	1,538	76,895
Maintenance - building	81,710	5,329	1,776	88,815
Maintenance - equipment	12,669	826	275	13,771
Maintenance - grounds	52,552	3,427	1,142	57,123
Miscellaneous expense	-	9,862	4	9,866
Museum store and café	107,309	-	-	107,309
Online expense	6,902	-	-	6,902
Outside services	71,484	8,662	28,414	108,560
Pension contributions	27,310	3,619	3,619	34,549
Photography	3,175	-	2,050	5,225
Postage and delivery	8,721	-	2,180	10,901
Printing and photocopying	36,518	4,565	4,565	45,647
Professional fees	41,767	26,487	72,507	140,761
Rentals	15,584	-	-	15,584
Salaries	925,920	48,430	118,281	1,092,631
Security	4,958	323	108	5,389
Supplies	26,726	3,341	3,341	33,409
Taxes - payroll	73,769	2,931	10,198	86,898
Taxes - real estate taxes	874	57	19	951
Travel	869	4	-	873
Utilities and telephone	76,516	4,990	1,663	83,170
Total Functional Expenses	<u>\$ 1,895,835</u>	<u>\$ 145,945</u>	<u>\$ 278,946</u>	<u>\$ 2,320,726</u>
	<u>82%</u>	<u>6%</u>	<u>12%</u>	<u>100%</u>

See accompanying notes to financial statements.

GREENWICH HISTORICAL SOCIETY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2024

Cash flows from operating activities:

Change in net assets	\$ (243,026)
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Adjustments to reconcile change in net assets to
net cash used by operating activities:

Depreciation	593,615
Unrealized gain on investments	(830,164)
Realized gain on investments	(1,398)
Collection items purchased	(75,700)
Decrease in other receivable	249,803
Increase in inventories	(4,135)
Increase in prepaid expenses	(2,491)
Increase in accounts payable	1,196
Decrease in deferred revenue	(57,500)

Total adjustments	(126,773)
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Net cash used by operating activities	(369,799)
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Cash flows from investing activities:

Proceeds from sale/maturity of investments	3,509,888
Purchase of investments	(3,315,327)
Purchase of equipment	(23,169)

Net cash provided by investing activities	171,392
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Net decrease in cash and cash equivalents	(198,407)
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Cash and cash equivalents - beginning of year	221,522
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Cash and cash equivalents - end of year	\$ 23,115
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GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES

Greenwich Historical Society, Inc. (the "Historical Society") was organized in 1931 as a not-for-profit organization to preserve and interpret Greenwich history to strengthen the community's connection to its past, to each other and to the future.

BASIS OF PRESENTATION

The financial statements of the Historical Society have been prepared in accordance with generally accepted accounting principles which require reporting its financial position and activities according to the following asset classifications:

Net assets without donor restrictions – net assets that are not subject to donor-imposed restrictions and may be expended for any purpose at the discretion of the Historical Society's management and Board of Trustees.

Net assets with donor restrictions – net assets subject to restrictions imposed by donors. Some restrictions are temporary in nature which can be met by actions of the Historical Society or by the passage of time. Other donor restrictions are perpetual in nature where the donor has directed that the funds be maintained in perpetuity.

Contributions received are recorded as donor unrestricted or donor restricted, depending on the existence and/or nature of any restrictions. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is met), net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as assets released from restrictions.

In 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14 – Presentation of Financial Statements of Not-For-Profit Entities. It addresses net asset classification, requires disclosure about liquidity and availability of resources and consistency in presenting expenses and investment return. The provisions of the ASU have been applied retrospectively to all periods presented.

MEASURE OF OPERATIONS

The statement of activities reports all changes in net assets from operating and non-operating activities. Operating activities are attributable to the Historical Society's ongoing activities. Non-operating activities are limited to resources that generate return from investments, depreciation, and other activities considered to be of a more unusual and nonrecurring nature.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Historical Society considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

INVENTORIES

Inventories are stated at the lower of cost or market determined by the first-in, first-out method.

INVESTMENTS

Investments are recorded at fair market value. See Note 2 for a discussion of fair value measurements. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are satisfied (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS

June 30, 2024

(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

COLLECTION

Items in the collection which were acquired through purchases and contributions since the Historical Society's inception are not recognized as assets on the statement of financial position. These consist of manuscripts, reference works, art objects and other artifacts of historical significance that are held for public exhibition, education and research. Purchases of collection items are recorded as decreases in net assets without donor restrictions in the year in which the items are acquired, or as decreases in net assets with donor restrictions if the assets used to purchase the items were restricted by donors. Proceeds from the sale of any items in the collection or insurance recoveries are reflected as increases in the appropriate net asset classes and are used exclusively for reinvestment in the collection, the direct care and collection management. During the year ended June 30, 2024, the Historical Society increased their collection by \$75,700 with the purchase of artwork and a manuscript.

HISTORIC LAND, BUILDINGS AND FURNITURE

Historic land, buildings and furniture are of historic importance and therefore, are not subject to depreciation. They are capitalized at cost if purchased and at fair value if received by donation.

PROPERTY, EQUIPMENT, AND FURNISHINGS

Depreciable assets are recorded at cost and depreciation is calculated using the straight-line method taken over their useful lives. Building and improvements are depreciated over 27.5 or 39 years and equipment and furnishings are depreciated over 5 to 10 years.

DONATED SERVICES

Donated services have not been reflected in the financial statements since no objective basis is available to measure the value of such services. However, trustees and volunteers donate significant amounts of their time to the Historical Society.

COMPENSATED ABSENCES

Employees of the Historical Society are entitled to paid vacation, paid sick days, and personal days off depending on job classification, length of service, and other factors. It is impractical to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. The Historical Society's policy is to recognize the costs of compensated absences when actually paid to employees.

FUNCTIONAL EXPENSES

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities and in detail on the statement of functional expenses. Certain costs have been allocated among program and supporting services. Such allocations are determined by management on an equitable basis. Depending on the nature of the expense, allocations are based on time and effort and square footage.

INCOME TAX STATUS

The Historical Society is a "not-for-profit" organization as described in Section 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Historical Society is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Federal information returns are subject to examination for a period of three years from the filing date of the return; fiscal years ending June 30, 2021 through June 30, 2023 remain open.

New Accounting Pronouncement

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, Leases (Topic 842) which supersedes the leasing guidance in ASC 840, *Leases*. Under ASU 2016-02 leases with terms longer than 12 months are required to recognize the rights and obligations of new and existing lease arrangements as assets and liabilities on the statement of financial position. Leases will be classified as either finance or operating, with classification determining the pattern of expense recognition on the statement of activities. Topic 842 was effective on July 1, 2022. Adoption of the standard at this time still has no impact on the financial statements due to the immaterial nature of the equipment operating lease.

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS

June 30, 2024

(Continued)

NOTE 2. INVESTMENTS

The Historical Society's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Historical Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair value measurements at reporting date are as follows:

	<u>Fair Value</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Short-term investments:</u>				
CD	\$ 51,275	\$ 51,275	\$ -	\$ -
<u>Long-term investments:</u>				
Exchange-traded funds	\$ 1,430,056	\$ 1,430,056	\$ -	\$ -
Fixed income	1,115,655		1,115,655	
Insured deposits	402,159	402,159		
Mutual funds	5,133,936	-	-	5,133,936
Total Long-term investments	\$ 8,081,806	\$ 1,832,215	\$ 1,115,655	\$ 5,133,936

The fair value measurements authoritative literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs consist of unobservable inputs reflecting companies' own assumptions about the way assets should be priced and have the lowest priority.

Level 1 Fair Value Measurements: The fair values of certificates of deposit, insured deposits and exchange-traded funds are based on quoted market prices from active markets.

Level 2 Fair Value Measurements: Corporate bonds have observable inputs to quoted fair values.

Level 3 Fair Value Measurements: The mutual funds are not actively traded and significant other observable inputs are not available; therefore, a degree of judgment is necessary to estimate fair value. Mutual funds are valued by the investment manager who evaluates the funds individually to determine that their net asset values are calculated appropriately and considers whether an adjustment to the net asset value is necessary based upon various factors, including, but not limited to, the attributes of the interest in each individual fund, including the rights and obligations, and any restriction on or illiquidity of such interests, and the fair value of such fund's investment portfolio or other assets and liabilities.

The following table provides further details of the Level 3 fair value investments for the year ended June 30, 2024:

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS

June 30, 2024

(Continued)

NOTE 2. INVESTMENTS (Continued)

Beginning balance	\$ 4,591,777
Total gains or losses (realized and unrealized)	759,245
Investment income, net of fees	26,810
Net Transfers	<u>(243,896)</u>
Ending balance	<u><u>\$ 5,133,936</u></u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2024:

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Interest	\$ 37,623	\$ 13,731	\$ 51,354
Dividends	158,304	20,337	178,641
Investment fees	-	(9,942)	(9,942)
Realized (loss) gain on investments	(720)	2,118	1,398
Unrealized gain on investments	<u>351,705</u>	<u>478,459</u>	<u>830,164</u>
	<u>\$ 546,912</u>	<u>\$ 504,703</u>	<u>\$ 1,051,615</u>

NOTE 3. EMPLOYEE BENEFIT PLANS

The Historical Society has a defined contribution plan (the "Plan") under section 403(b) of the Internal Revenue Code covering all employees with at least one year of service and who have attained the age of 25. The Historical Society makes a contribution to the Plan each year equal to 3% of all participants' compensation. In addition, the Historical Society entered into a tax-deferred annuity plan qualified under Section 403(b). The plan covers certain employees of the Historical Society. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code, if they wish. In 2007, a tax-deferred defined contribution plan qualified under Section 457(b) of the Internal Revenue Code was established for certain qualified employees. Total pension expense for the year ended June 30, 2024 was \$34,549.

NOTE 4. CONCENTRATIONS OF CREDIT RISK

The Historical Society maintains cash balances and short-term investments at two financial institutions. Funds at each financial institution are protected up to \$250,000 under Federal Deposit Insurance Coverage (FDIC). As of June 30, 2024, the Historical Society did not have any funds on deposit in excess of FDIC coverage at either financial institution.

The Historical Society maintains one investment account with The Investment Fund for Foundations ("TIFF") and two with First Republic (now part of JP Morgan Chase). The investment accounts are protected by the Securities Investor Protection Corporation, which provides up to \$500,000 per investor (\$250,000 for cash claims), and internal policies that cover all cash and securities. The Historical Society also maintains one investment account with The Vanguard Group which is protected by the Securities Investor Protection Corporation. As of June 30, 2024, none of the Historical Society's investment securities were at risk.

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS

June 30, 2024

(Continued)

NOTE 5. REIMAGINE THE CAMPUS CAMPAIGN

In 2015, the Historical Society embarked on a program to transform its campus which included the restoration of Toby's Tavern, the construction of a two-story archives and exhibition building, and the expansion of parking and improved access to the site. The total cost of the project was \$13.7 million, including \$1.7 million for the Program Enrichment Fund, which was a combination of public grants and private contributions. An anonymous donor matched contributions dollar-for-dollar up to \$6.75 million. The construction project was completed as of June 30, 2019 and the reimagined campus was opened to the public in October, 2018. In addition, an Endowment component with a goal of \$5 million was added to the Campaign.

NOTE 6. PROPERTY DAMAGE DISPUTE

During the fiscal year ended June 30, 2022, the Historical Society sustained significant water damage to the new archives and exhibition building (see Note 5 above) from two major storms. As a result of the damage, scheduled exhibitions were postponed and collections were moved off-site for storage while repairs were being made. The Archives and other activities scheduled to take place in the building were adversely affected as well during the fiscal year ended June 30, 2022 and part of fiscal year ended June 30, 2023. A dispute arose between the architect, the construction contractor of the new building improvements and the Historical Society with respect to financial responsibility for the off-site storage costs, recovery costs, and repairs, a portion of which has been covered by the Historical Society's insurer. The parties entered into mediation to resolve the dispute and a settlement was reached in Spring 2023. The majority of the settlement was received during the fiscal year ended June 30, 2024.

NOTE 7. BOARD DESIGNATED NET ASSETS

As of June 30, 2024, funds set aside by the Board of Trustees of the Historical Society as part of net assets without donor restrictions are as follows:

Major Maintenance – future major repairs	\$ 124,575
van der Stricht – preservation mission	35,125
von Goeben – created from a bequest of a lifetime member	473,328
Core Fund – for enhancements of educational programs, exhibitions, collections initiatives and expanded communications	985,232
General Reserve	<u>375,000</u>
	<u>\$ 1,993,260</u>

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets as of June 30, 2024 are as follows:

Subject to expenditures for a specific purpose:

Book Award Fund – for high school teachers to award juniors with a book award	\$ 3,326
Constance Hinman Getz Fund – for support of the archives	6,298
Dalio Family Fund – to support development and presentation of education programs	
For Title I Schools in Greenwich	227,384
Docent Fund – to provide additional hours for docent and research function	8,559
D.R.A.W. Fund – to support art, history, landscape and preservation programs	191,909
Finch Fund – for general use pertaining to the archives	1,919
Finch Burial Fund – for research and/or protection of historic burial grounds in Greenwich	14,345

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS

June 30, 2024

(Continued)

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Greenwich Garden Club Fund - for the Tavern garden	\$ 5,586
Historic Markers Fund – for signs in Greenwich Town's Historic Districts	1,590
Online History/JHT Online Fund – for online catalog of art works by J. H. Twachtman	39,838
Landmarks Fund – for subsidizing the cost of landmark plaques	1,121
Selleck Mill Fund – for Friends of Selleck Mill's use in preservation of Selleck Mill	3,640
Strackbein Archives Support – for support of archives activity	32,113
Strackbein Library Catalog Fund – for library cataloging	8,522
Suffrage Online Fund - for online exhibits related to women's suffrage movement	269
Thomas Cooke Collection Fund – for offsite collection storage and processing costs	3,037
Williams Acquisitions Fund – for acquisitions to collections	23,879
	<u>573,336</u>

Subject to the Historical Society's spending policy:

Endowment Return Fund	191,436
Strackbein Archives Endowment Return Fund	50,943
Wierdsma Endowment Return Fund	184,306
	<u>426,685</u>

Restricted in perpetuity:

General Endowment Fund	2,261,680
Denning Title 1 School Endowment Fund	250,000
Strackbein Archives Endowment Fund	112,071
Barbara and Ray Dalio Title 1 Endowment Fund	150,000
Wierdsma Endowment Fund	1,613,728
	<u>4,387,479</u>

Total Net Assets with Donor Restrictions	<u>\$ 5,387,500</u>
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Assets released from restrictions during the year ended June 30, 2024 are as follows:

Funds subject to expenditure for specific purpose:

Collections Fund	\$ 41,000
Dalio Family Fund	19,366
Docent Fund	11,201
D.R.A.W.	(30,292)
Education Fund	4,548
IMLS Project	48,055
Online History/JHT Online	1,200
Strackbein Library Catalog	2,036
<u>Funds subject to Historical Society spending policy</u>	<u>243,896</u>

\$ 341,010

NOTE 9. NET ASSETS RESTRICTED IN PERPETUITY BY DONORS (ENDOWMENT)

At June 30, 2024, the net assets with donor restrictions for perpetual endowment comprises original contributions totaling \$4,387,479. According to Connecticut state law, any income, realized gains/losses, and unrealized gains/losses from net assets with donor restrictions for perpetual endowment are to be included with net assets with donor restrictions for time and purpose restrictions. The individual fund balances are presented in Note 8, Net Assets with Donor Restrictions.

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS

June 30, 2024

(Continued)

NOTE 9. NET ASSETS RESTRICTED IN PERPETUITY BY DONORS (ENDOWMENT) (Continued)

The annual total return of the funds (comprised of interest, dividends and realized and unrealized gains and losses) will be distributed each fiscal year in an amount up to 5% of the average fair market value as of June 30th of the three preceding fiscal years, provided that no distribution may be made which would reduce the principal of the funds to less than their original amount. For the year ended June 30, 2024, \$183,000 was transferred to the unrestricted fund. Sixty percent of the David R. A. Wierdsma (D.R.A.W.) Fund distribution will be used to support art, history, landscape and preservation programs of the Historical Society and forty percent will support general operations. For the year ended June 30, 2024, the amount of the distribution was \$60,896.

Components of donor-restricted funds as of June 30, 2024 are as follows:

Original donor-restricted gift amounts required to be maintained in perpetuity by donors	\$ 4,387,479
Accumulated investment return	<u>426,686</u>
	<u>\$ 4,814,165</u>
<u>Changes during the year:</u>	
Balance at July 1, 2023	\$ 4,553,358
Contributions	0
Investment return, net	504,703
Appropriation for expenditure	<u>(243,896)</u>
Balance at June 30, 2024	<u>\$ 4,814,165</u>

The general operating release of \$425,000 was taken in the subsequent fiscal year and will be reported in the year ending June 30, 2025.

NOTE 10. AVAILABILITY AND LIQUIDITY

The following represents the Historical Society's financial assets at June 30, 2023 available to meet general expenditures. Amounts not available include board designated funds that could be drawn upon if the Board of Trustees approves such action.

Cash and cash equivalents	\$ 23,115
Short-term investments	51,275
Other receivable	20,914
Investments	<u>8,081,806</u>
Total Financial Assets	<u>8,177,110</u>
Less amounts not available to be used within one year:	
Net assets with donor restrictions	5,387,500
Less net assets with purpose restrictions to be met in less than a year	(366,914)
Board designated funds	<u>1,993,260</u>
	<u>7,013,846</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,163,264</u>

The Historical Society is supported primarily by unrestricted contributions supplemented by donor funds restricted as to purpose, including an annual draw from accumulated returns of the Endowment Funds (see Notes 8 and 9).

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS

June 30, 2024

(Continued)

NOTE 11. SUBSEQUENT EVENTS

Management has evaluated all activity through October 28, 2024 (the report date of the financial statements as well as the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to financial statements.

The Historical Society was awarded \$418,000 by the State of Connecticut Department of Economic & Community Development (DECD) through the Good to Great grant program which makes bond funds available for capital projects. The funds will be used to complete environmental improvements in the Bush-Holley House including restoration of a back stairway. Grant paperwork was executed in the summer of 2024; however, an extension for use of the funds will be negotiated due to the delays by the State in finalizing the necessary paperwork. It is anticipated that the capital project will take place in approximate one year.

SUPPLEMENTARY INFORMATION