

**Bruce Museum, Inc.**

Financial Statements

June 30, 2024 and 2023

## Independent Auditors' Report

**Board of Trustees**  
**Bruce Museum, Inc.**

### Opinion

We have audited the accompanying financial statements of Bruce Museum, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years 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 Bruce Museum, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bruce Museum, Inc. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Bruce Museum, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 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 Bruce Museum, 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 Bruce Museum, 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 audit findings, and certain internal control related matters that we identified during the audit.

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

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 26 through 29 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.

*PKF O'Connor Davies, LLP*

November 12, 2024

**Bruce Museum, Inc.**

Statements of Financial Position

June 30,

	2024	2023
<b>ASSETS</b>		
Cash	\$ 1,526,191	\$ 819,485
Investments, unrestricted	1,752,769	1,670,148
Contributions and grants receivable, net	1,955,083	4,564,722
Inventory	97,262	108,646
Prepaid expenses and other current assets	41,505	127,422
Investments held in endowment	30,452,440	27,256,886
Improvements and equipment, net	60,412,294	61,227,785
	\$ 96,237,544	\$ 95,775,094
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 404,861	\$ 1,547,841
Retainage payable	-	1,610,296
Refundable contributions	34,963	34,963
Deferred revenue and refundable advances	152,273	250,132
Lines of credit	3,481,405	3,507,425
Total Liabilities	4,073,502	6,950,657
Net Assets		
Without donor restrictions		
Undesignated	59,113,906	55,871,263
Board designated for capital account	27,919	27,919
Board designated endowment	-	1,025,203
Total Without Donor Restrictions	59,141,825	56,924,385
With donor restrictions	33,022,217	31,900,052
Total Net Assets	92,164,042	88,824,437
	\$ 96,237,544	\$ 95,775,094

See Notes to Financial Statements

**Bruce Museum, Inc.**

Statements of Activities

	Year Ended June 30, 2024			Year Ended June 30, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT AND REVENUE</b>						
Contributions and grants	\$ 3,888,157	\$ 160,472	\$ 4,048,629	\$ 2,577,490	\$ 1,550,040	\$ 4,127,530
Town of Greenwich appropriations	900,867	-	900,867	900,867	-	900,867
Endowment spending appropriation	1,482,078	-	1,482,078	1,435,696	-	1,435,696
Admissions	507,922	-	507,922	223,245	-	223,245
Membership dues	629,040	-	629,040	546,189	-	546,189
Museum store revenue	435,398	-	435,398	168,977	-	168,977
Special events revenue, net of direct donor benefits of \$306,759 and \$256,454	911,724	-	911,724	513,064	-	513,064
Rental and other revenue	244,255	-	244,255	42,468	-	42,468
Net assets released from restrictions	2,038,149	(2,038,149)	-	19,288	(19,288)	-
Total Public Support and Revenue	<u>11,037,590</u>	<u>(1,877,677)</u>	<u>9,159,913</u>	<u>6,427,284</u>	<u>1,530,752</u>	<u>7,958,036</u>
<b>EXPENSES</b>						
Program Services						
Art	4,571,798	-	4,571,798	3,184,343	-	3,184,343
Science	2,324,467	-	2,324,467	1,831,272	-	1,831,272
Education	1,390,622	-	1,390,622	929,686	-	929,686
Museum store and café operations	933,649	-	933,649	388,143	-	388,143
Total Program Services	<u>9,220,536</u>	<u>-</u>	<u>9,220,536</u>	<u>6,333,444</u>	<u>-</u>	<u>6,333,444</u>
Supporting Services						
General and administrative	732,943	-	732,943	719,657	-	719,657
Development	1,129,665	-	1,129,665	1,370,063	-	1,370,063
Special events	46,120	-	46,120	16,307	-	16,307
Total Expenses	<u>11,129,264</u>	<u>-</u>	<u>11,129,264</u>	<u>8,439,471</u>	<u>-</u>	<u>8,439,471</u>
Excess (Deficiency) of Support and Revenue Over Expenses from Operations	(91,674)	(1,877,677)	(1,969,351)	(2,012,187)	1,530,752	(481,435)
<b>OTHER INCOME AND EXPENSES</b>						
Endowment investment return, net of endowment spending appropriation	6,478	2,965,907	2,972,385	20,065	627,648	647,713
Non-endowment investment return	86,787	-	86,787	43,542	-	43,542
Contributions for museum expansion	2,215,849	-	2,215,849	5,617,225	1,997,079	7,614,304
Release from restrictions - building expansion	-	-	-	46,929,865	(46,929,865)	-
Loss on disposal of improvements and equipment	-	-	-	(15,250)	-	(15,250)
Contributions for endowment	-	124,881	124,881	-	2,038,386	2,038,386
Loss on uncollectible contributions receivable	-	(90,946)	(90,946)	-	(110,351)	(110,351)
Change in Net Assets	<u>2,217,440</u>	<u>1,122,165</u>	<u>3,339,605</u>	<u>50,583,260</u>	<u>(40,846,351)</u>	<u>9,736,909</u>
<b>NET ASSETS</b>						
Beginning of year	<u>56,924,385</u>	<u>31,900,052</u>	<u>88,824,437</u>	<u>6,341,125</u>	<u>72,746,403</u>	<u>79,087,528</u>
End of year	<u>\$ 59,141,825</u>	<u>\$ 33,022,217</u>	<u>\$ 92,164,042</u>	<u>\$ 56,924,385</u>	<u>\$ 31,900,052</u>	<u>\$ 88,824,437</u>

See Notes to Financial Statements

**Bruce Museum, Inc.**

Statement of Functional Expenses  
Year Ended June 30, 2024

	Program Services					Supporting Services			Total Expenses
	Art	Science	Education	Museum Store and Café Operations	Total Programs	General and Administrative	Development	Special Events	
Salary, wages, and related costs	\$ 1,417,761	\$ 1,339,992	\$ 1,008,242	\$ 482,962	\$ 4,248,957	\$ 236,234	\$ 705,666	\$ -	\$ 5,190,857
Event production	3,687	3,423	1,827	-	8,937	457	7,031	306,759	323,184
Depreciation and amortization	859,635	224,569	80,845	58,924	1,223,973	144,575	72,288	-	1,440,836
Professional fees and independent contractors	405,562	181,238	67,545	32,042	686,387	204,674	74,507	1,736	967,304
Office expenses	49,420	40,420	14,542	19,169	123,551	5,912	45,300	6,478	181,241
Equipment	84,982	28,468	39,168	5,724	158,342	11,947	5,992	-	176,281
Cost of sales	-	-	-	239,276	239,276	-	-	-	239,276
Hospitality	13,211	9,335	4,545	757	27,848	602	53,178	30,532	112,160
Advertising and marketing	86,403	75,849	702	300	163,254	294	33,873	-	197,421
Printing	52,395	6,975	5,861	2,944	68,175	2,436	17,916	6,580	95,107
Direct exhibit costs	455,502	61,075	3,292	-	519,869	-	-	-	519,869
Travel	26,768	4,652	17,351	3,812	52,583	324	2,616	106	55,629
Utilities	164,573	42,993	15,477	11,280	234,323	27,678	13,838	-	275,839
Repairs and maintenance	340,564	75,452	26,976	18,129	461,121	43,873	22,044	-	527,038
Grants, awards, and appearance fees	17,953	1,900	23,029	3,244	46,126	-	-	-	46,126
Information technology	128,324	128,443	17,019	18,282	292,068	7,961	7,973	-	308,002
Continuing education	10,484	7,917	6,261	485	25,147	1,160	40,346	-	66,653
Supplies	29,286	13,438	16,368	8,796	67,888	3,479	1,589	565	73,521
Insurance	23,284	18,550	13,942	14,073	69,849	8,950	9,127	-	87,926
Miscellaneous	18,515	7,519	6,017	886	32,937	1,559	967	123	35,586
Collection acquisitions and maintenance	200,188	4,374	4,374	-	208,936	-	-	-	208,936
Interest	183,301	47,885	17,239	12,564	260,989	30,828	15,414	-	307,231
	4,571,798	2,324,467	1,390,622	933,649	9,220,536	732,943	1,129,665	352,879	11,436,023
Less direct donor benefits	-	-	-	-	-	-	-	(306,759)	(306,759)
	<u>\$ 4,571,798</u>	<u>\$ 2,324,467</u>	<u>\$ 1,390,622</u>	<u>\$ 933,649</u>	<u>\$ 9,220,536</u>	<u>\$ 732,943</u>	<u>\$ 1,129,665</u>	<u>\$ 46,120</u>	<u>\$ 11,129,264</u>

See Notes to Financial Statements

**Bruce Museum, Inc.**

Statement of Functional Expenses  
Year Ended June 30, 2023

	Program Services				Supporting Services				Total Expenses
	Art	Science	Education	Museum Store and Café Operations	Total Programs	General and Administrative	Development	Special Events	
Salary, wages, and related costs	\$ 1,045,151	\$ 1,008,368	\$ 709,465	\$ 230,431	\$ 2,993,415	\$ 430,836	\$ 629,364	\$ -	\$ 4,053,615
Event production	-	-	-	-	-	-	170,576	254,970	425,546
Depreciation and amortization	711,142	185,778	66,880	29,900	993,700	119,602	59,801	-	1,173,103
Professional fees and independent contractors	234,326	111,181	22,813	2,977	371,297	73,655	214,229	1,035	660,216
Office expenses	34,753	24,894	6,309	6,924	72,880	19,753	56,665	1,130	150,428
Equipment	39,212	16,475	3,515	2,157	61,359	4,916	2,978	-	69,253
Cost of sales	-	-	-	57,639	57,639	-	-	1,408	59,047
Hospitality	10,355	11,143	3,614	227	25,339	678	49,876	2,786	78,679
Advertising and marketing	70,888	61,637	750	153	133,428	614	49,416	-	183,458
Printing	19,453	12,722	2,460	2,136	36,771	1,966	48,965	9,443	97,145
Direct exhibit costs	415,289	77,620	615	-	493,524	-	-	-	493,524
Travel	17,217	6,682	11,695	3,857	39,451	202	1,958	340	41,951
Utilities	192,063	50,174	18,063	8,075	268,375	32,302	16,151	-	316,828
Repairs and maintenance	151,942	94,239	16,532	5,528	268,241	22,115	11,057	-	301,413
Grants, awards, and appearance fees	2,575	300	8,122	-	10,997	25	75	76	11,173
Information technology	99,840	100,188	13,111	13,089	226,228	6,300	8,750	-	241,278
Continuing education	9,305	8,406	6,785	295	24,791	980	42,932	-	68,703
Supplies	16,739	14,229	10,565	18,450	59,983	1,359	1,209	291	62,842
Insurance	17,787	15,454	6,021	3,794	43,056	3,806	5,488	-	52,350
Miscellaneous	8,248	5,711	5,142	288	19,389	548	573	1,282	21,792
Collection acquisitions and maintenance	35,176	12,256	12,256	-	59,688	-	-	-	59,688
Interest	52,882	13,815	4,973	2,223	73,893	-	-	-	73,893
	<u>3,184,343</u>	<u>1,831,272</u>	<u>929,686</u>	<u>388,143</u>	<u>6,333,444</u>	<u>719,657</u>	<u>1,370,063</u>	<u>272,761</u>	<u>8,695,925</u>
Less direct donor benefits	-	-	-	-	-	-	-	(256,454)	(256,454)
	<u>\$ 3,184,343</u>	<u>\$ 1,831,272</u>	<u>\$ 929,686</u>	<u>\$ 388,143</u>	<u>\$ 6,333,444</u>	<u>\$ 719,657</u>	<u>\$ 1,370,063</u>	<u>\$ 16,307</u>	<u>\$ 8,439,471</u>

See Notes to Financial Statements

**Bruce Museum, Inc.**

Statements of Cash Flows

	Year Ended June 30,	
	2024	2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 3,339,605	\$ 9,736,909
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	1,440,836	1,173,103
Net realized and unrealized (gains) losses on investments	(3,519,859)	(1,496,065)
Contributions for capital expenditures	(2,215,849)	(7,614,304)
Contributions for endowment	(124,881)	(2,038,386)
Loss on disposal of improvements and equipment	-	15,250
Loss on uncollectible contributions receivable	90,946	110,351
Changes in operating assets and liabilities		
Contributions receivable	567,643	(525,984)
Inventory	11,384	(102,389)
Prepaid expenses and other assets	85,917	(12,125)
Accounts payable and accrued expenses	(112,284)	285,542
Deferred revenue and refundable advances	(97,859)	192,560
Net Cash from Operating Activities	(534,401)	(275,538)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of improvements and equipment	(3,266,337)	(18,970,891)
Proceeds from sale of investments	7,458,539	5,054,047
Purchase of investments	(7,216,855)	(4,377,780)
Net Cash from Investing Activities	(3,024,653)	(18,294,624)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash collected from contributions for endowment	615,165	1,038,886
Cash collected from contributions for capital expenditures	3,676,615	16,609,318
Repayment of line of credit	(827,220)	(1,000,000)
Proceeds from line of credit	801,200	1,507,425
Net Cash from Financing Activities	4,265,760	18,155,629
Net Change in Cash	706,706	(414,533)
<b>CASH</b>		
Beginning of year	819,485	1,234,018
End of year	\$ 1,526,191	\$ 819,485
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid for interest	\$ 307,231	\$ 279,806
<b>Non-cash Investing and Financing Activity</b>		
Other assets - museum expansion costs financed with accounts payable and retainage payable	\$ -	\$ 1,162,098

See Notes to Financial Statements



## **Bruce Museum, Inc.**

### Notes to Financial Statements June 30, 2024 and 2023

#### **1. The Organization**

Bruce Museum, Inc. ("BMI"), a Connecticut nonstock corporation, is a not-for-profit entity that operates a museum of arts and science located in Greenwich, Connecticut.

BMI is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

On January 31, 1992, BMI entered into a management agreement (the "Agreement") with the Town of Greenwich, Connecticut (the "Town"), whereby the Town appointed BMI, exclusively, to supervise, manage and operate the Bruce Museum (the "Museum") and administer its affairs subject to certain provisions set forth in the Agreement. On November 2, 2016, BMI and the Town extended the Agreement through January 2042, subject to BMI's continuing compliance with the contract terms. In addition to the responsibilities assumed by BMI, the Agreement also covers the ownership and use of Museum real property, the ownership of collection objects, the status of Museum employees and certain commitments of the Town to the Museum (see Note 11).

The Museum's support comes primarily from admissions, memberships, support from the Town, special events, and donor contributions.

#### **2. Summary of Significant Accounting Policies**

##### ***Basis of Presentation and Use of Estimates***

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which 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. Accordingly actual results could differ from those estimates.

##### ***Contributions Receivable***

Contributions receivable that are expected to be collected within one year are recorded at net realizable value. Contributions receivable expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. The allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2024 and 2023, there was no allowance recorded.

##### ***Collections***

Contributions and purchases of art and natural science treasures and other similar assets are not capitalized in the accompanying financial statements. It is the policy of BMI that proceeds from the sale of any collection items are to be used to purchase additional collection items or for the direct care of existing collections. BMI defines direct care of collections as any activity that involves the protection and preservation of the collection.

## **Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

### **2. Summary of Significant Accounting Policies (continued)**

#### ***Inventory***

Inventory consists of items held for sale in the Museum's store. Inventory is stated at the lower of actual cost (first-in first-out basis) or market (net realizable value).

#### ***Investments***

Investments are reported at their fair value in the statements of financial position.

#### ***Fair Value of Financial Instruments***

The Museum follows U.S. GAAP guidance on fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets, which may include quoted prices for similar assets or liabilities or other inputs, which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Pursuant to U.S. GAAP guidance, alternative investments where fair value is measured using the Net Asset Value ("NAV") per share as a practical expedient, is not categorized within the fair value hierarchy.

The value by input level of BMI's investments is included in Note 3 to the financial statements.

#### ***Investment Income Recognition***

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Investment expenses are netted against investment returns as allowed by U.S. GAAP. Realized and unrealized gains and losses are included in the determination of change in net assets.

#### ***Property and Equipment***

Property and equipment are recorded at cost, or if received by donation, at estimated fair value at the time such items are received. The cost of property and equipment purchased in excess of \$5,000 is capitalized. Depreciation is provided using the straight-line method over estimated useful lives of 3 to 50 years. Expenditures for maintenance and repairs are expensed as incurred. Expenditures that improve or extend the estimated useful lives are capitalized. Leasehold improvements are amortized over the lesser of the estimated useful life of the asset or the term of the lease inclusive of expected renewals.

## Bruce Museum, Inc.

Notes to Financial Statements  
June 30, 2024 and 2023

### 2. Summary of Significant Accounting Policies (*continued*)

#### ***Deferred Revenue and Refundable Advances***

Deferred revenue consists of fees and special event revenue received but not earned. As of June 30, 2024, 2023, and 2022, deferred revenue from fees and special event revenue was \$152,273, \$250,132, and \$57,572. Refundable advances consist of conditional grants for which payment was received but the barriers to recognition have not been met or have occurred.

#### ***Net Assets***

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor or certain grantor restrictions. This category may also include amounts designated by the Board of Trustees.

*Net Assets With Donor Restrictions* – Net assets subject to donor-imposed or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Contributions restricted by donors are reported as an increase in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Expenditures of net assets restricted for the purchase and construction of property, equipment, and leasehold improvements are released from restriction when the related asset is placed into service.

Earnings related to donor restricted net assets are included in net assets without donor restrictions unless otherwise specifically required to be included in donor restricted net assets by the donor or by applicable state law.

#### ***Revenue Recognition***

BMI recognizes revenue from ticket sales at a point in time when the customer is admitted to the Museum. Admission to Museum and ticket sales typically occur simultaneously. Museum store revenue is recognized at a point in time when store sales occur or when online orders are shipped to the customer. Membership revenue is recognized ratably over the membership period. BMI records special events revenue when the event takes place.

Rental and other income is recognized when the service is completed.

## **Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Contributions and Grants***

Contributions are recorded when cash, securities, other assets, unconditional promises to give, or a notification of a beneficial interest are received. Conditional promises to give, that is those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Federal and state contracts and grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses.

#### ***Contributed Non-cash Assets or Services***

BMI's policy related to gifts-in-kind is to utilize the assets given to carry out its mission. If an asset is provided that does not allow BMI to utilize it in its normal course of business, the asset will be sold. Contributions of donated non-cash assets are recorded at their fair value in the period received.

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received. Donated services primarily consisted of docent services. In addition, a number of volunteers have contributed their time to BMI. No donated services met the requirements for financial statement recognition for the years ended June 30, 2024 and 2023.

#### ***Advertising***

Advertising costs are expensed as incurred. Advertising expense totaled \$197,421 and \$183,458 for the years ended June 30, 2024 and 2023.

#### ***Accounting for Uncertainty in Income Taxes***

BMI recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that BMI had no uncertain tax positions that would require financial statement recognition or disclosure. For information returns, BMI is no longer subject to examinations by the applicable taxing jurisdictions for the year ended June 30, 2020 and prior.

#### ***Measure of Operations***

BMI includes in its measure of operations all revenues and expenses that are an integral part of its programs and supporting activities and excludes contributions to the endowment fund, contributions for capital improvements, recovery (loss) on uncollectible contributions receivables for the endowment fund and capital construction, and investment income, including net realized and unrealized gains and losses, earned in excess of BMI's aggregate authorized spending amount.

## Bruce Museum, Inc.

Notes to Financial Statements  
June 30, 2024 and 2023

### 2. Summary of Significant Accounting Policies *(continued)*

#### ***Functional Expenses***

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated between program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Utilities, depreciation, repairs and maintenance, and information technology, and equipment	Square footage
Salary, wages and related costs	Square footage, estimated time and effort, and employee count
Advertising and marketing	Estimated use
Hospitality	Estimated time and effort
Insurance	Square footage, estimated time and effort, and employee count
Office expenses	Square footage, estimated time and effort

#### ***Leases***

BMI assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. Lease expense is recognized for these leases on a straight-line basis over the lease term.

#### ***Reclassification***

Certain 2023 amounts have been reclassified to conform with the 2024 financial statement presentation.

#### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 12, 2024.

**Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

**3. Investments and Fair Value of Financial Instruments**

The following table presents the composition of investments, unrestricted and the fair value hierarchy of those investments that are measured at fair value as of June 30:

Description	2024	2023
Quoted Prices in Active Markets for Identical Assets (Level 1)		
Mutual fund and exchanged traded funds		
Fixed income	\$ 362,160	\$ 1,312,946
Money market mutual fund	1,390,609	357,202
	<u>\$ 1,752,769</u>	<u>\$ 1,670,148</u>

The following tables present the composition of assets held in endowment and the fair value hierarchy of those investments that are measured at fair value as of June 30:

Description	2024		Total
	Quoted Prices in Active markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	
Investments, endowment			
Mutual funds/exchanged traded funds			
Domestic equity	\$ 15,105,942	\$ -	\$ 15,105,942
International equity	3,699,963	-	3,699,963
Fixed income	3,420,342	-	3,420,342
Emerging markets	518,337	-	518,337
Fixed income			
U.S. Treasury bonds	2,297,770	-	2,297,770
	<u>\$ 25,042,354</u>	<u>\$ -</u>	25,042,354
Cash (1)			823,099
Private equity investments (2)			1,769,903
Hedge funds (2)			<u>2,817,084</u>
Total Investments Held in Endowment			<u>\$ 30,452,440</u>

**Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

**3. Investments and Fair Value of Financial Instruments (continued)**

Description	2023		Total
	Quoted Prices in Active markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	
Investments, endowment			
Mutual funds/exchanged traded funds			
Domestic equity	\$ 11,491,880	\$ -	\$ 11,491,880
International equity	3,793,155	-	3,793,155
Fixed income	4,013,827	-	4,013,827
Emerging markets	294,727	-	294,727
Money market	2,061,494	-	2,061,494
Fixed income			
U.S. Corporate bonds	-	424,724	424,724
U.S. Treasury bonds	1,514,371	-	1,514,371
	<u>\$ 23,169,454</u>	<u>\$ 424,724</u>	23,594,178
Cash (1)			151,406
Private equity investments (2)			1,218,922
Hedge funds (2)			<u>2,292,380</u>
 Total Investments Held in Endowment			 <u>\$ 27,256,886</u>

(1) Cash is not part of the fair value hierarchy.

(2) As discussed in Note 2, investments that are measured at NAV using the practical expedient are not classified within the fair value hierarchy. The fair value amounts presented in the total column of this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The following is a reconciliation of the beginning and ending balances for assets measured at NAV during the years ended June 30:

	2024		2023	
	Private Equity Investments	Hedge Funds	Private Equity Investments	Hedge Funds
Beginning balance	\$ 1,218,922	\$ 2,292,380	\$ 972,281	\$ 3,463,952
Purchases	390,000	-	360,750	-
Redemptions	(34,350)	-	(116,504)	(1,176,880)
Reported in endowment investment return				
Unrealized gains (losses) on investments held at year end	211,062	524,704	(84,309)	(16,807)
Realized gain on redemptions	(15,731)	-	86,704	22,115
Ending Balance	<u>\$ 1,769,903</u>	<u>\$ 2,817,084</u>	<u>\$ 1,218,922</u>	<u>\$ 2,292,380</u>

**Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

**3. Investments and Fair Value of Financial Instruments (continued)**

Information regarding investments measured at NAV using the practical expedient at June 30, 2024 is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Private equity investments (see "a" below)	\$ 1,769,903	\$ 367,991	N/A	N/A
Long/Short hedge fund (see "b" below)	<u>2,817,084</u>	-	Quarterly	60 days
	<u>\$ 4,586,987</u>	<u>\$ 367,991</u>		

- (a) This category includes two private equity funds that invest in private investment companies and managed advisory accounts. The nature of the investments in this category is that distributions are received when the funds liquidate the underlying assets of the funds. There is no estimate as to when the underlying investments will be liquidated by the funds.
- (b) This category includes a hedge fund that pursues a long/short strategy. By employing a discipline investment process, which utilizes various research techniques and evaluates fundamental factors, the partnership seeks to earn above market returns and long-term appreciation by investing principally in U.S. and foreign marketable securities. The hedge funds' composite portfolio for this category includes investments in approximately 87% United States equity securities, 17% foreign equity securities, 5% in derivatives, 2% in other holdings, and -11% in securities sold short.

Investment return in excess or less than the spending policy amount is reflected in the statements of activities as non-operating revenue or loss. Components of investment return for the years ended June 30 are as follows:

	2024	2023
Endowment Investment Return		
Interest and dividends, net of fees	\$ 933,154	\$ 580,207
Realized (losses) gains	(95,410)	163,202
Unrealized gains	3,616,719	1,340,000
Endowment spending appropriation	<u>(1,482,078)</u>	<u>(1,435,696)</u>
Total Endowment Investment Return	<u>2,972,385</u>	<u>647,713</u>
Non-endowment Investment Return		
Interest and dividends, net of fees	88,237	50,679
Realized (losses) gains	2	-
Unrealized losses	<u>(1,452)</u>	<u>(7,137)</u>
Total Non-Endowment Investment Return	<u>86,787</u>	<u>43,542</u>
Total Investment Return	<u>\$ 3,059,172</u>	<u>\$ 691,255</u>



## Bruce Museum, Inc.

### Notes to Financial Statements June 30, 2024 and 2023

#### 4. Contributions and Grants Receivable

Contributions and grants receivable as of June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Contributions and grants receivable		
Due in less than one year	\$ 1,345,216	\$ 2,717,089
Due in one to five years	<u>642,000</u>	<u>1,941,000</u>
	1,987,216	4,658,089
Discount on pledges	<u>(32,133)</u>	<u>(93,367)</u>
Contributions Receivable, Net	<u>\$ 1,955,083</u>	<u>\$ 4,564,722</u>

The aforementioned contributions and grants receivable have been included in the following net asset categories as of June 30:

	<u>2024</u>	<u>2023</u>
Without donor restrictions	\$ -	\$ 67,643
With donor restrictions	<u>1,955,083</u>	<u>4,497,079</u>
	<u>\$ 1,955,083</u>	<u>\$ 4,564,722</u>

For unconditional promises to give to be received over a period in excess of 1 year, a discount between 4.0% and 5.4% was applied.

Contributions and grants receivable without donor restrictions represent promises to give to fund current operations of BMI for which payment was due as of June 30, 2024 and 2023.

Donor contributions and grants receivable outstanding as of June 30, 2024 are receivable as follows:

2025	\$ 1,345,216
2026	625,000
2027	5,000
2028	<u>12,000</u>
	1,987,216
Discount on contributions receivable	<u>(32,133)</u>
	<u>\$ 1,955,083</u>

As of June 30, 2024, BMI has received indications of support totaling approximately \$2,000,000 for the endowment fund and for the expansion of its facility. These indications of support do not meet the criteria to be recognized as either an asset or revenue on the accompanying financial statements.

## Bruce Museum, Inc.

### Notes to Financial Statements June 30, 2024 and 2023

#### 5. Property and Equipment

Property and equipment as of June 30 consists of the following:

	2024	2023
Leasehold improvements	\$ 62,572,473	\$ 62,138,270
Furniture and equipment	650,327	460,685
Vehicles	59,386	59,386
	<u>63,282,186</u>	<u>62,658,341</u>
Accumulated depreciation and amortization	<u>(2,869,892)</u>	<u>(1,430,556)</u>
	<u>\$ 60,412,294</u>	<u>\$ 61,227,785</u>

Interest capitalized during the years ended June 30, 2024 and 2023 was \$0 and \$205,913.

#### 6. Refundable Contributions

The Museum received cash for contributions which are conditional upon BMI completing an updated outdoor exhibit. Accordingly, the contributions will not be recognized as revenue until the condition for recognition has occurred.

#### 7. Lines of Credit

BMI has a line of credit with a bank ("LOC 1") in the amount of \$18,000,000, expiring February 1, 2029, to be used for construction costs on the Museum expansion completed in the year ended June 30, 2023. Interest only payments are payable monthly at bank's prime rate (8.5% and 8.75% per annum at June 30, 2024 and 2023). \$1,000,000 will be held back to pay interest on the advances made through December 31, 2024. On January 1, 2025, the annual interest rate will be adjusted to the five-year treasury index plus 2.25% in effect on December 28, 2024. Commencing February 1, 2025, monthly payments of principal and interest are due in the amount required to amortize the outstanding principal of LOC 1 over a five-year period, ending on February 1, 2029. For the period subsequent to the completion of the expansion through February 1, 2025, any payments on promises to give or other donations designated by the donor for the expansion of the Museum, shall be paid to the bank as repayment of LOC 1's principal balance. LOC 1 is collateralized by contributions and promises to give received for the Museum expansion. As of June 30, 2024 and 2023, there were gross contributions receivable of approximately \$2,130,000 and \$9,660,000 restricted for the Museum expansion. As of June 30, 2024 and 2023, the outstanding balance on LOC 1 was \$1,481,405 and \$1,507,425.

Estimated future principal payments on the LOC 1 are as follows:

2025	\$ 117,876
2026	286,939
2027	292,730
2028	298,639
2029	304,667
2030	180,554
	<u>\$ 1,481,405</u>

## Bruce Museum, Inc.

### Notes to Financial Statements June 30, 2024 and 2023

#### 7. Lines of Credit (continued)

BMI obtained a line of credit (“LOC 2”) in the amount of \$4,000,000, which is repayable on demand. Interest is payable at Bloomberg Short-Term Bank Yield Index (the “BSBY”) Daily Floating Rate plus 1.25% (6.66% AND 6.41% at June 30, 2024 and 2023). As of June 30, 2024 and 2023, LOC 2 is collateralized by investments held by the bank totaling approximately \$2,359,000 and \$6,570,000. The investments held for collateral are part of the investments that are disclosed in Note 3. At June 30, 2024 and 2023, the outstanding balance was \$2,000,000 and \$2,000,000.

#### 8. Employee Benefits

BMI sponsors a 401(k) plan. This plan is for the benefit of substantially all full-time professional and support staff of BMI. For the years ended June 30, 2024 and 2023, BMI’s contribution to the 401(k) plan was \$176,061 and \$138,862.

#### 9. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at June 30:

	2024	2023
Programs	\$ 945,924	\$ 862,837
Collection acquisitions and maintenance	292,228	292,226
Time restricted	1,445,367	3,497,079
Unappropriated endowment returns	7,757,777	4,791,869
Endowment	22,580,921	22,456,041
	<u>\$ 33,022,217</u>	<u>\$ 31,900,052</u>

Net assets released from restrictions during the years ended June 30 by incurring expenses that satisfy the restricted purposes or by the occurrence of other events specified by donors were as follows:

	2024	2023
Programs	\$ 16,149	\$ 14,838
Time restricted	2,022,000	4,450
	<u>\$ 2,038,149</u>	<u>\$ 19,288</u>

#### 10. Liquidity and Availability of Financial Assets

The following reflects BMI’s available financial assets, reduced by amounts not available for general use within one year. Amounts not available for use within one year include financial assets received with donor restrictions that are designated for a specific purpose, timeline or contractual obligation, and have been earmarked as resources available for future years.

## Bruce Museum, Inc.

Notes to Financial Statements  
June 30, 2024 and 2023

### 10. Liquidity and Availability of Financial Assets (continued)

The principal source of liquidity is cash flow generated from contributions, membership dues, proceeds from special events, appropriations from the Town of Greenwich, and appropriation from the endowment fund. As part of BMI's liquidity strategy, management structures its financial assets, consisting of cash, investments, and receivables to be available as its general expenditures, liabilities and obligations come due within one year. Additionally, to maintain sufficient liquidity during the Museum expansion, BMI obtained two lines of credit during the year ended June 30, 2022 with a maximum borrowing capacity of \$22,000,000. Excess cash from prior years has been designated by the board to be invested in the endowment fund, which could be drawn upon in the event of an unanticipated liquidity need.

Total financial assets available to meet cash needs for general expenditure within one year at June 30, are as follows:

	2024	2023
Cash	\$ 1,526,191	\$ 819,485
Investments, unrestricted	1,752,769	1,670,148
Contributions receivable, net	1,955,083	4,564,722
Unrestricted portion of endowment fund	<u>35,295</u>	<u>35,295</u>
Total Financial Assets Available Within One Year	<u>5,269,338</u>	<u>7,089,650</u>
Less amounts unavailable for general expenditures within one year due to:		
Donor restrictions for programs, time, and collection acquisitions and maintenance	2,683,519	4,652,142
Contribution receivable for endowment	509,716	1,000,000
Board designated for capital account	<u>27,919</u>	<u>27,919</u>
	<u>3,221,154</u>	<u>5,680,061</u>
Total Financial Assets Available to Meet Cash Needs for General Expenditures Within one Year	<u>\$ 2,048,184</u>	<u>\$ 1,409,589</u>

### 11. Transactions With the Town of Greenwich

The Agreement between BMI and the Town (see Note 1) provides that the Town will:

- Give an annual budget appropriation to BMI to assist it in meeting its operating requirements,
- Maintain insurance coverage on Museum premises and collection objects, including items on temporary loan
- Provide maintenance and repairs, as defined in the Agreement

During the years ended June 30, 2024 and 2023, budget appropriations made by the Town on behalf of and paid to BMI amounted to \$900,867 and \$900,867, representing approximately 10% and 11% of BMI's total operating public support and revenue.

**Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

**12. Endowment Fund**

BMI maintains various donor-restricted and board-designated funds whose purpose is to provide long term support for its charitable programs. In classifying such funds for financial statement purposes as either net assets with donor restrictions or without donor restrictions, the Board looks to the explicit direction of the donor where applicable and the provisions of the laws of the State of Connecticut. Absent donor stipulations to the contrary, Connecticut State law suggests a permanent restriction on the portion of the total return of the endowment required to maintain its purchasing power over time. Connecticut State law suggests a temporary (time) restriction on the balance of the total return over such amount until appropriated by the Board for expenditure. For the years ended June 30, 2024 and 2023, the Board utilized a spending rate of five percent (5%) of its endowment calculated based upon the average value of such endowment on each of the twelve previous calendar quarters ending on March 31.

The following is a reconciliation of the activity in the endowment funds for the year ended June 30, 2024:

	Without Donor Restriction	With Donor Restriction	Total Endowment
Balance, July 1, 2023	\$ 1,060,498	\$ 26,247,910	\$ 27,308,408
Cash contributions received and receivable collections	-	609,165	609,165
Investment return, net	6,681	4,447,782	4,454,463
Transfer to investment account	669,339	-	669,339
Withdrawal from investment account	(1,025,000)	-	(1,025,000)
Appropriation for expenditure	(203)	(1,481,875)	(1,482,078)
Balance, June 30, 2024	\$ 711,315	\$ 29,822,982	\$ 30,534,297
Reconciliation to Assets Held for Endowment			
(Due from) operating			(81,857)
Investments held for Endowment (Note 3)			\$ 30,452,440

**Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

**12. Endowment Fund (continued)**

The following is a reconciliation of the activity in the endowment funds for the year ended June 30, 2023:

	Without Donor Restriction	With Donor Restriction	Total Endowment
Balance, July 1, 2022	\$ 1,040,433	\$ 24,581,876	\$ 25,622,309
Cash contributions received and receivable collections	-	1,038,386	1,038,386
Investment return, net	78,357	2,005,052	2,083,409
Appropriation for expenditure	(58,292)	(1,377,404)	(1,435,696)
Balance, June 30, 2023	\$ 1,060,498	\$ 26,247,910	\$ 27,308,408

Reconciliation to Assets Held for Endowment

Due to operating		(51,522)
Investments held for Endowment (Note 3)		\$ 27,256,886

As of June 30, 2024 and 2023, BMI had the following endowment net asset composition by type of fund:

	2024	2023
Without Donor Restrictions		
Undesignated	\$ 711,315	\$ 35,295
Board Designated	-	1,025,203
Total Without Donor Restrictions	711,315	1,060,498
With Donor Restrictions		
Amounts to be held in perpetuity		
Purpose restricted	11,928,235	11,928,235
General use	10,136,970	9,527,806
Accumulated investment gains		
Purpose restricted	4,621,210	2,975,361
Available for general use	3,136,567	1,816,508
Total With Donor Restrictions	29,822,982	26,247,910
Total Endowment Composition	\$ 30,534,297	\$ 27,308,408

## Bruce Museum, Inc.

### Notes to Financial Statements June 30, 2024 and 2023

#### 12. Endowment Fund (continued)

Net assets donor restricted for the endowment was comprised of the following as of June 30:

	2024	2023
Endowment fund	\$ 22,065,205	\$ 21,456,041
Other	6,000	-
Contributions receivable, net	509,716	1,000,000
	<u>\$ 22,580,921</u>	<u>\$ 22,456,041</u>

The investment objectives for BMI are 1) to provide BMI with a dependable source of income to be applied towards the spending policy; 2) to increase the size of the endowment fund by achieving positive returns on a net basis after expenses and withdrawals; and 3) to maintain required amounts in the endowment funds pursuant to the Board's interpretation of Connecticut State law. BMI seeks to achieve these objectives through the use of broad diversification in order to control the risks of loss and volatility and through the use of an asset allocation policy appropriate to the needs of BMI, designed to maximize risk-adjusted long-term returns. This diversification means that in addition to the traditional investment classes of equity and fixed-income securities, the fund's assets may be allocated to non-traditional investment classes including foreign securities, real estate, commodities, derivatives and "alternative investments" such as hedge funds and private equity. These non-traditional investment classes may have higher risk characteristics than traditional investment classes.

#### 13. Museum Facility

As described in Note 1, BMI manages and operates the Museum in a facility that is owned by the Town. The use of the facility by BMI is provided by the Town free of charge. In exchange for the use of the facility and in lieu of paying rent, BMI agreed in 1992 to incur the cost to improve, expand, and operate the facility pursuant to the Agreement. At the end of the Agreement between BMI and the Town, all improvements to the facility become the Town's property. The agreement was extended in 2016 through January 31, 2042. In the year ended June 30, 2024, BMI and the Town entered into agreement to grant the town the right to extend the lease through February 1, 2073. Since the cost of the improvements, expansion, and operations exceed the fair rental value of the property over the extended term of the Agreement, BMI has not recorded any contribution income in connection with the use of the facility.

#### 14. Collections

The Museum's collections comprise artwork consisting of fine examples of 19th and 20th century American and European painting, sculpture, and graphics, as well as world-class minerals and exceptional wildlife specimens depicted in their native environments. The Museum's collections of pre-Columbian, Native American, and Asian art enable the Museum to mount exhibits of rich cultural diversity.

## **Bruce Museum, Inc.**

### Notes to Financial Statements June 30, 2024 and 2023

#### **14. Collections (continued)**

In addition to the permanent display of natural history objects, the Museum rotates art objects onto display from the permanent collection, often featuring them in temporary exhibitions. When off view, the objects are kept in secure, climate controlled storage. The Museum maintains policies and procedures addressing the collection's maintenance and upkeep, as well as aspects of its management, including accessioning and de-accessioning. These procedures are in accordance with guidelines from the American Association of Museums, which reaccredited the Bruce Museum in July 2024. The permanent collections are held on site are insured by the Town for \$15 million; additional insurance is purchased to cover the value of works loaned to the Museum for temporary exhibitions.

Various collection items were donated to the Museum, which is owned by the Town, during the years ended June 30, 2024 and 2023. Title to all objects in the collections of the Museum, and all additions thereto, is vested exclusively in the Town and is held in public trust. Accordingly, BMI did not recognize income from the donations of objects to the Museum's collection on the statements of activities.

BMI expended approximately \$195,000 and \$50,000 to acquire collection items during the years ended June 30, 2024 and 2023. There were no items de-accessed during the years ended June 30, 2024 and 2023.

#### **15. Concentration of Credit Risk, Risks and Uncertainties, and Related Party Transactions**

##### ***Concentrations of Credit Risks***

##### *Cash and Investments Held at Financial Institutions*

Financial instruments that potentially subject BMI to concentrations of credit and market risk consist principally of cash and cash equivalents on deposit with financial institutions, which from time to time may exceed the Federal Deposit Insurance Corporation ("FDIC") limit. BMI does not believe that a significant risk of loss due to the failure of a financial institution presently exists. At June 30, 2024 and 2023, \$1,294,000 and \$705,000 of cash was maintained with institutions in excess of FDIC limits.

The investment portfolio is diversified by type of investments and industry concentrations so that no individual investment, investment advisor, investment manager or group of investments represents a significant concentration of credit risk.

BMI's investments are held in various financial institutions. In the event of a failure by the brokerage firm, these investments are protected by the Securities Investor Protection Corporation ("SIPC") up to \$500,00 (\$250,000 for cash) per financial institution. As of June 30, 2024 and 2023, BMI has \$1,500,000 of their investments were protected by the SIPC.



## **Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

### **15. Concentration of Credit Risk, Risks and Uncertainties, and Related Party Transactions (continued)**

#### ***Concentrations of Credit Risks (continued)***

##### *Contributions*

For the year ended June 30, 2024, one donor represented 11% of total contributions, membership dues, and special event revenues. For the year ended June 30, 2023, two donors represented 26% of total contributions, membership dues, and special event revenues. Three donors represent 88% of gross contributions receivable as of June 30, 2024. Three donors represent 73% of gross contributions receivable as of June 30, 2023.

##### *Geographic Concentration*

BMI's market is concentrated in Greenwich, Connecticut and the surrounding area.

#### ***Risks and Uncertainties***

##### *Alternative Investments*

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

##### *Investments*

BMI invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes may be material.

#### ***Related Party Transactions***

For the years ended June 30, 2024 and 2023, BMI received contributions, membership dues, special events revenues, and contributions for museum expansion from trustees totaling approximately \$766,000 and \$5,800,000 representing approximately 9% and 37% of total contributions, membership dues, and special event revenues. As of June 30, 2024 and 2023, 9% and 30% of gross contributions receivable were due from trustees.

**Bruce Museum, Inc.**

Notes to Financial Statements  
June 30, 2024 and 2023

**16. Commitments and Contingencies**

The Museum is currently involved in legal proceedings that arise in the normal course of operations. While the outcomes of these matters are uncertain, management does not believe they will have a material adverse effect on the Museum's financial position or results of operations

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**Bruce Museum, Inc.**

Supplementary Information

June 30, 2024 and 2023

**Bruce Museum, Inc.**

Statement of Financial Position - Supplemental Schedule  
June 30, 2024

	Operating Fund	Property and Equipment Fund	Temporarily Restricted Fund	Capital Campaign Fund	Endowment Fund	Eliminations	Total
<b>ASSETS</b>							
Cash	\$ 463,470	\$ -	\$ -	\$ 1,062,721	\$ -	\$ -	\$ 1,526,191
Investments, unrestricted	-	-	1,752,769	-	-	-	1,752,769
Contributions and grants receivable, net	1,000,000	-	-	445,367	509,716	-	1,955,083
Inventory	97,262	-	-	-	-	-	97,262
Prepaid expenses and other current assets	41,505	-	-	-	-	-	41,505
Interfund receivables	2,312,958	-	-	-	87,857	(2,400,815)	-
Investments held in endowment	-	-	-	-	30,452,440	-	30,452,440
Property and equipment, net	-	60,412,294	-	-	-	-	60,412,294
	<u>\$ 3,915,195</u>	<u>\$ 60,412,294</u>	<u>\$ 1,752,769</u>	<u>\$ 1,508,088</u>	<u>\$ 31,050,013</u>	<u>\$ (2,400,815)</u>	<u>\$ 96,237,544</u>
<b>LIABILITIES AND NET ASSETS</b>							
Liabilities							
Accounts payable and accrued expenses	\$ 404,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 404,861
Refundable contributions	-	-	-	34,963	-	-	34,963
Deferred revenue and refundable advances	152,273	-	-	-	-	-	152,273
Line of credit	-	-	-	3,481,405	-	-	3,481,405
Interfund payables	-	-	750,173	1,650,642	-	(2,400,815)	-
Total Liabilities	<u>557,134</u>	<u>-</u>	<u>750,173</u>	<u>5,167,010</u>	<u>-</u>	<u>(2,400,815)</u>	<u>4,073,502</u>
Net Assets							
Without Donor Restrictions							
Undesignated	2,330,142	60,412,294	(235,556)	(4,104,289)	711,315	-	59,113,906
Board designated for capital account	27,919	-	-	-	-	-	27,919
Board designated endowment	-	-	-	-	-	-	-
Total Without Donor Restrictions	<u>2,358,061</u>	<u>60,412,294</u>	<u>(235,556)</u>	<u>(4,104,289)</u>	<u>711,315</u>	<u>-</u>	<u>59,141,825</u>
With donor restrictions	<u>1,000,000</u>	<u>-</u>	<u>1,238,152</u>	<u>445,367</u>	<u>30,338,698</u>	<u>-</u>	<u>33,022,217</u>
Total Net Assets	<u>3,358,061</u>	<u>60,412,294</u>	<u>1,002,596</u>	<u>(3,658,922)</u>	<u>31,050,013</u>	<u>-</u>	<u>92,164,042</u>
	<u>\$ 3,915,195</u>	<u>\$ 60,412,294</u>	<u>\$ 1,752,769</u>	<u>\$ 1,508,088</u>	<u>\$ 31,050,013</u>	<u>\$ (2,400,815)</u>	<u>\$ 96,237,544</u>

See Independent Auditors' Report

**Bruce Museum, Inc.**

Statement of Financial Position - Supplemental Schedule  
June 30, 2023

	Operating Fund	Property and Equipment Fund	Temporarily Restricted Fund	Capital Campaign Fund	Endowment Fund	Eliminations	Total
<b>ASSETS</b>							
Cash	\$ 614,831	\$ -	\$ -	\$ 204,654	\$ -	\$ -	\$ 819,485
Investments, unrestricted	-	-	1,670,148	-	-	-	1,670,148
Contributions and grants receivable, net	1,567,643	-	-	1,997,079	1,000,000	-	4,564,722
Inventory	108,646	-	-	-	-	-	108,646
Prepaid expenses and other current assets	127,422	-	-	-	-	-	127,422
Interfund receivables	2,868,722	-	-	-	-	(2,868,722)	-
Investments held in endowment	-	-	-	-	27,256,886	-	27,256,886
Improvements and equipment, net	-	61,227,785	-	-	-	-	61,227,785
Other assets - museum expansion costs	-	-	-	-	-	-	-
	<u>\$ 5,287,264</u>	<u>\$ 61,227,785</u>	<u>\$ 1,670,148</u>	<u>\$ 2,201,733</u>	<u>\$ 28,256,886</u>	<u>\$ (2,868,722)</u>	<u>\$ 95,775,094</u>
<b>LIABILITIES AND NET ASSETS</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	\$ 1,547,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,547,841
Retainage payable	-	-	-	1,610,296	-	-	1,610,296
Refundable contributions	-	-	-	34,963	-	-	34,963
Deferred revenue and refundable advances	250,132	-	-	-	-	-	250,132
Line of credit	-	-	-	3,507,425	-	-	3,507,425
Interfund payables	-	-	756,810	2,163,434	(51,522)	(2,868,722)	-
Total Liabilities	<u>1,797,973</u>	<u>-</u>	<u>756,810</u>	<u>7,316,118</u>	<u>(51,522)</u>	<u>(2,868,722)</u>	<u>6,950,657</u>
<b>Net Assets</b>							
<b>Without donor restrictions</b>							
Undesignated	1,961,372	61,227,785	(241,725)	(7,111,464)	35,295	-	55,871,263
Board designated for capital account	27,919	-	-	-	-	-	27,919
Board designated endowment	-	-	-	-	1,025,203	-	1,025,203
Total Without Donor Restrictions	<u>1,989,291</u>	<u>61,227,785</u>	<u>(241,725)</u>	<u>(7,111,464)</u>	<u>1,060,498</u>	<u>-</u>	<u>56,924,385</u>
With donor restrictions	<u>1,500,000</u>	<u>-</u>	<u>1,155,063</u>	<u>1,997,079</u>	<u>27,247,910</u>	<u>-</u>	<u>31,900,052</u>
Total Net Assets	<u>3,489,291</u>	<u>61,227,785</u>	<u>913,338</u>	<u>(5,114,385)</u>	<u>28,308,408</u>	<u>-</u>	<u>88,824,437</u>
	<u>\$ 5,287,264</u>	<u>\$ 61,227,785</u>	<u>\$ 1,670,148</u>	<u>\$ 2,201,733</u>	<u>\$ 28,256,886</u>	<u>\$ (2,868,722)</u>	<u>\$ 95,775,094</u>

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**Bruce Museum, Inc.**

Statement of Activities - Supplemental Schedule  
Year Ended June 30, 2024

	Operating Fund	Property and Equipment Fund	Temporarily Restricted Fund	Capital Campaign Fund	Endowment Fund	Total
<b>PUBLIC SUPPORT AND REVENUE</b>						
Contributions and grants	\$ 3,690,379	\$ -	\$ 358,250	\$ -	\$ -	\$ 4,048,629
Town of Greenwich appropriations	900,867	-	-	-	-	900,867
Endowment spending appropriation	1,482,078	-	-	-	-	1,482,078
Admissions	507,922	-	-	-	-	507,922
Membership dues	629,040	-	-	-	-	629,040
Museum store revenue	435,398	-	-	-	-	435,398
Special events revenue, net of direct donor benefits of \$306,759	911,724	-	-	-	-	911,724
Rental and other revenue	244,255	-	-	-	-	244,255
Total Public Support and Revenue	<u>\$ 8,801,663</u>	<u>\$ -</u>	<u>\$ 358,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,159,913</u>
<b>EXPENSES</b>						
Program services	7,160,320	1,223,973	353,607	482,636	-	9,220,536
General and administrative	543,533	144,575	282	44,553	-	732,943
Development	1,034,623	72,288	286	22,468	-	1,129,665
Special events	46,120	-	-	-	-	46,120
Total Expenses	<u>\$ 8,784,596</u>	<u>\$ 1,440,836</u>	<u>\$ 354,175</u>	<u>\$ 549,657</u>	<u>\$ -</u>	<u>\$ 11,129,264</u>
Excess (Deficiency) of Support and Revenue Over Expenses from Operations	17,067	(1,440,836)	4,075	(549,657)	-	(1,969,351)
<b>OTHER INCOME, OTHER EXPENSES, AND TRANSFERS</b>						
Endowment investment return, net of endowment spending appropriation	\$ -	\$ -	\$ -	\$ -	\$ 2,972,385	\$ 2,972,385
Non-endowment investment return	1,604	-	85,183	-	-	86,787
Net board authorized transfers	155,661	-	-	200,000	(355,661)	-
Purchase of improvements and equipment	(305,562)	625,345	-	(319,783)	-	-
Contributions for museum expansion	-	-	-	2,215,849	-	2,215,849
Contributions for endowment	-	-	-	-	124,881	124,881
Loss on uncollectible contributions receivable	-	-	-	(90,946)	-	(90,946)
Change in Net Assets	<u>\$ (131,230)</u>	<u>\$ (815,491)</u>	<u>\$ 89,258</u>	<u>\$ 1,455,463</u>	<u>\$ 2,741,605</u>	<u>\$ 3,339,605</u>
<b>NET ASSETS</b>						
Beginning of year	<u>3,489,291</u>	<u>61,227,785</u>	<u>913,338</u>	<u>(5,114,385)</u>	<u>28,308,408</u>	<u>88,824,437</u>
End of year	<u>\$ 3,358,061</u>	<u>\$ 60,412,294</u>	<u>\$ 1,002,596</u>	<u>\$ (3,658,922)</u>	<u>\$ 31,050,013</u>	<u>\$ 92,164,042</u>

See Independent Auditors' Report

**Bruce Museum, Inc.**

Statement of Activities - Supplemental Schedule  
Year Ended June 30, 2023

	Operating Fund	Property and Equipment Fund	Temporarily Restricted Fund	Capital Campaign Fund	Endowment Fund	Total
<b>PUBLIC SUPPORT AND REVENUE</b>						
Contributions and grants	\$ 3,978,928	\$ -	\$ 148,602	\$ -	\$ -	\$ 4,127,530
Town of Greenwich appropriations	900,867	-	-	-	-	900,867
Endowment spending appropriation	1,435,696	-	-	-	-	1,435,696
Admissions	223,245	-	-	-	-	223,245
Membership dues	546,189	-	-	-	-	546,189
Museum store revenue	168,977	-	-	-	-	168,977
Special events revenue, net of direct donor benefits of \$256,454	513,064	-	-	-	-	513,064
Rental and other revenue	42,468	-	-	-	-	42,468
Total Public Support and Revenue	<u>\$ 7,809,434</u>	<u>\$ -</u>	<u>\$ 148,602</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,958,036</u>
<b>EXPENSES</b>						
Program services	4,903,114	993,700	171,298	265,332	-	6,333,444
General and administrative	595,511	119,602	-	4,544	-	719,657
Development	1,192,895	59,801	-	117,367	-	1,370,063
Special events	16,307	-	-	-	-	16,307
Total Expenses	<u>\$ 6,707,827</u>	<u>\$ 1,173,103</u>	<u>\$ 171,298</u>	<u>\$ 387,243</u>	<u>\$ -</u>	<u>\$ 8,439,471</u>
Excess (Deficiency) of Support and Revenue Over Expenses from Operations	1,101,607	(1,173,103)	(22,696)	(387,243)	-	(481,435)
<b>OTHER INCOME, OTHER EXPENSES, AND TRANSFERS</b>						
Endowment investment return, net of endowment spending appropriation	-	-	-	-	647,713	647,713
Non-endowment investment return	2,001	-	41,541	-	-	43,542
Museum expansion placed into service	-	59,421,672	-	(59,421,672)	-	-
Purchase of improvements and equipment	(48,498)	48,498	-	-	-	-
Loss on disposal of improvements and equipment	-	(15,250)	-	-	-	(15,250)
Contributions for museum expansion	-	-	-	7,614,304	-	7,614,304
Contributions for endowment	-	-	-	-	2,038,386	2,038,386
Loss on uncollectible contributions receivable	-	-	-	(109,851)	(500)	(110,351)
Change in Net Assets	\$ 1,055,110	\$ 58,281,817	\$ 18,845	\$ (52,304,462)	\$ 2,685,599	\$ 9,736,909
<b>NET ASSETS</b>						
Beginning of year	<u>2,434,181</u>	<u>2,945,968</u>	<u>894,493</u>	<u>47,190,077</u>	<u>25,622,809</u>	<u>79,087,528</u>
End of year	<u>\$ 3,489,291</u>	<u>\$ 61,227,785</u>	<u>\$ 913,338</u>	<u>\$ (5,114,385)</u>	<u>\$ 28,308,408</u>	<u>\$ 88,824,437</u>

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