

CHEEKWOOD BOTANICAL GARDEN
AND MUSEUM OF ART

FINANCIAL STATEMENTS,
ADDITIONAL INFORMATION
AND
INDEPENDENT AUDITOR'S REPORTS

DECEMBER 31, 2020 AND 2019

CHEEKWOOD BOTANICAL GARDEN
AND MUSEUM OF ART

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Cheekwood Botanical Garden
and Museum of Art
Nashville, Tennessee

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Cheekwood Botanical Garden and Museum of Art which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cheekwood Botanical Garden and Museum of Art as of December 31, 2020 and 2019, 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.

Knapf CPAs PLLC

Nashville, Tennessee

June 22, 2021

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 4,863,155	\$ 2,211,482
Promises to give and accounts receivable - operating	364,478	676,539
Inventories	119,010	155,262
Prepaid expenses	314,887	453,649
Restricted cash:		
Endowment	1,207,675	179,250
Other long-term purposes	1,058,508	1,367,779
Promises to give, net:		
Endowment	1,680,296	2,923,545
Other long-term purposes	506,298	1,657,725
Investments - endowment	16,574,040	13,033,867
Property, plant and equipment, net	26,571,494	25,775,870
Collections - Notes 1 and 8	-	-
TOTAL ASSETS	<u>\$ 53,259,841</u>	<u>\$ 48,434,968</u>

LIABILITIES AND NET ASSETS

<u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 1,390,638	\$ 1,638,097
Deferred revenues	2,025,236	1,326,155
Other	29,320	28,023
TOTAL LIABILITIES	<u>3,445,194</u>	<u>2,992,275</u>
<u>NET ASSETS</u>		
Without donor restrictions:		
Undesignated	26,960,714	24,144,615
Board-designated endowment	2,519,225	1,971,099
Board-designated future operations	-	728,836
Board-designated Swan Ball	916,423	180,884
Total without donor restrictions	30,396,362	27,025,434
With donor restrictions	19,418,285	18,417,259
TOTAL NET ASSETS	<u>49,814,647</u>	<u>45,442,693</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 53,259,841</u>	<u>\$ 48,434,968</u>

See accompanying notes to financial statements.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Totals
SUPPORT AND REVENUES			
Contributions	\$ 2,046,769	\$ 2,077,902	\$ 4,124,671
Volunteer fundraising contributions	49,300	102,665	151,965
Government grants and programs	1,401,476	-	1,401,476
Contributions and net revenues from special events	1,158,824	-	1,158,824
In-kind contributions	208,207	-	208,207
Admission fees	4,682,236	-	4,682,236
Membership dues	1,329,837	-	1,329,837
Educational programs	101,496	-	101,496
Restaurant, catering and gift shop	1,068,155	-	1,068,155
Rental event income	201,041	-	201,041
Investment income, net	650,459	1,905,348	2,555,807
Loss on disposal of property, plant and equipment	(29,017)	-	(29,017)
Miscellaneous income	128,266	67,250	195,516
Net assets released resulting from satisfaction of donor restrictions	3,152,139	(3,152,139)	-
TOTAL SUPPORT AND REVENUES	16,149,188	1,001,026	17,150,214
FUNCTIONAL EXPENSES			
Program services	10,589,071	-	10,589,071
Administrative	1,181,135	-	1,181,135
Fundraising	1,008,054	-	1,008,054
TOTAL FUNCTIONAL EXPENSES	12,778,260	-	12,778,260
CHANGE IN NET ASSETS	3,370,928	1,001,026	4,371,954
NET ASSETS - BEGINNING OF YEAR	27,025,434	18,417,259	45,442,693
NET ASSETS - END OF YEAR	\$ 30,396,362	\$ 19,418,285	\$ 49,814,647

See accompanying notes to financial statements.

2019

<u>Net Assets Without</u> <u>Donor Restrictions</u>	<u>Net Assets With</u> <u>Donor Restrictions</u>	<u>Totals</u>
\$ 1,658,109	\$ 2,504,219	\$ 4,162,328
476,770	98,369	575,139
238,811	-	238,811
2,397,874	-	2,397,874
272,350	-	272,350
2,852,320	-	2,852,320
1,214,047	-	1,214,047
227,424	-	227,424
1,074,445	-	1,074,445
897,294	-	897,294
554,262	1,472,386	2,026,648
(395,618)	-	(395,618)
73,724	-	73,724
<u>8,597,081</u>	<u>(8,597,081)</u>	<u>-</u>
<u>20,138,893</u>	<u>(4,522,107)</u>	<u>15,616,786</u>
9,547,517	-	9,547,517
986,657	-	986,657
<u>2,272,583</u>	<u>-</u>	<u>2,272,583</u>
<u>12,806,757</u>	<u>-</u>	<u>12,806,757</u>
7,332,136	(4,522,107)	2,810,029
<u>19,693,298</u>	<u>22,939,366</u>	<u>42,632,664</u>
<u>\$ 27,025,434</u>	<u>\$ 18,417,259</u>	<u>\$ 45,442,693</u>

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Program Services</u>			<u>Supporting Services</u>		
	<u>Exhibitions and Programs</u>	<u>Restaurant, Rentals and Gift Shops</u>	<u>Total</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Personnel	\$ 3,659,256	\$ 437,241	\$ 4,096,497	\$ 630,445	\$ 525,167	\$ 5,252,109
Professional fees and contract services	281,612	-	281,612	171,891	22,395	475,898
Exhibitions and public programs	2,156,035	971	2,157,006	541	-	2,157,547
Special events	2,650	1,080	3,730	-	328,700	332,430
Communication, advertising and donor cultivation	591,964	18,737	610,701	20,422	99,691	730,814
Utilities	213,726	4,013	217,739	71,045	1,604	290,388
Maintenance and repairs	359,158	4,370	363,528	13,021	-	376,549
Software and equipment	121,356	13,619	134,975	94,647	21,803	251,425
Supplies	82,934	12,449	95,383	14,889	819	111,091
Travel and transportation	16,970	2,284	19,254	3,471	88	22,813
Insurance	199,058	39,681	238,739	52,143	-	290,882
Interest expense, bank and credit card fees	187,761	53,667	241,428	16,838	5,679	263,945
Miscellaneous	27,849	36,431	64,280	35,360	2,108	101,748
Cost of goods sold	2,903	472,040	474,943	-	-	474,943
Depreciation	1,433,550	155,706	1,589,256	56,422	-	1,645,678
Total	<u>\$ 9,336,782</u>	<u>\$ 1,252,289</u>	<u>\$ 10,589,071</u>	<u>\$ 1,181,135</u>	<u>\$ 1,008,054</u>	<u>\$ 12,778,260</u>

See accompanying notes to financial statements.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Program Services</u>			<u>Supporting Services</u>		
	<u>Exhibitions and Programs</u>	<u>Restaurant, Rentals and Gift Shops</u>	<u>Total</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Personnel	\$ 3,320,846	\$ 419,772	\$ 3,740,618	\$ 538,937	\$ 549,733	\$ 4,829,288
Professional fees and contract services	222,379	32,030	254,409	87,056	3,648	345,113
Exhibitions and public programs	1,476,268	416	1,476,684	-	-	1,476,684
Special events	3,540	108,147	111,687	-	1,467,005	1,578,692
Communication, advertising and donor cultivation	494,855	15,149	510,004	29,263	211,501	750,768
Utilities	233,017	4,987	238,004	58,817	1,742	298,563
Maintenance and repairs	462,000	4,560	466,560	29,309	-	495,869
Software and equipment	250,370	24,207	274,577	83,768	22,781	381,126
Supplies	76,370	28,341	104,711	11,180	1,177	117,068
Travel and transportation	17,002	2,541	19,543	1,153	2,168	22,864
Insurance	171,069	34,307	205,376	45,125	-	250,501
Interest expense, bank and credit card fees	105,752	30,551	136,303	21,216	8,747	166,266
Miscellaneous	42,162	3,230	45,392	24,586	4,081	74,059
Cost of goods sold	14,770	866,784	881,554	-	-	881,554
Depreciation	927,434	154,661	1,082,095	56,247	-	1,138,342
Total	<u>\$ 7,817,834</u>	<u>\$ 1,729,683</u>	<u>\$ 9,547,517</u>	<u>\$ 986,657</u>	<u>\$ 2,272,583</u>	<u>\$ 12,806,757</u>

See accompanying notes to financial statements.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 4,371,954	\$ 2,810,029
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,645,678	1,138,342
Contributions restricted or designated for endowment and other long-term purposes	(1,786,508)	(1,857,318)
Loss on disposal of property, plant and equipment	29,017	395,618
Realized and unrealized gains on investments	(2,441,089)	(1,815,951)
Decrease (increase) in:		
Promises to give and accounts receivable - operating	312,061	161,308
Inventories	36,252	(28,304)
Prepaid expenses	138,762	(93,626)
Increase (decrease) in:		
Accounts payable and accrued expenses	(247,459)	475,718
Deferred revenues	699,081	91,682
Other	1,297	28,023
TOTAL ADJUSTMENTS	<u>(1,612,908)</u>	<u>(1,504,508)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,759,046</u>	<u>1,305,521</u>
INVESTING ACTIVITIES		
Purchases of investment securities	(25,948,718)	(14,580,677)
Proceeds from sale of investment securities	24,849,634	12,534,678
Purchases of property, plant and equipment	<u>(2,470,319)</u>	<u>(7,745,345)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(3,569,403)</u>	<u>(9,791,344)</u>
FINANCING ACTIVITIES		
Proceeds from contributions restricted or designated for:		
Investment in endowment	1,513,533	791,108
Investment in capital improvements	2,600,401	6,746,017
Investment in future art acquisitions	<u>67,250</u>	<u>-</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>4,181,184</u>	<u>7,537,125</u>
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	3,370,827	(948,698)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	<u>3,758,511</u>	<u>4,707,209</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 7,129,338</u>	<u>\$ 3,758,511</u>

(continued on next page)

See accompanying notes to financial statements.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CASH, CASH EQUIVALENTS AND RESTRICTED CASH ARE REPORTED IN THE STATEMENTS
OF FINANCIAL POSITION AS FOLLOWS:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 4,863,155	\$ 2,211,482
Restricted cash - endowment	1,207,675	179,250
Restricted cash - other long-term purposes	<u>1,058,508</u>	<u>1,367,779</u>
	<u>\$ 7,129,338</u>	<u>\$ 3,758,511</u>

SUPPLEMENTAL CASH FLOW DISCLOSURE

Interest paid	<u>\$ 8,961</u>	<u>\$ 12,379</u>
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NONCASH INVESTING TRANSACTIONS

Contribution of collection items	<u>\$ -</u>	<u>\$ 559,500</u>
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See accompanying notes to financial statements.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Cheekwood Botanical Garden and Museum of Art (“Cheekwood”) is a Tennessee not-for-profit corporation whose mission is to preserve the institution as a historical landmark where beauty and excellence in art and horticulture stimulate the mind and nurture the spirit. Located on the Cheek estate, including the historic residence and 55 acres of botanical gardens, Cheekwood provides historical interpretation, unique art and garden educational experiences for residents of Middle Tennessee and visitors from across the world. Cheekwood’s financial statements include the accounts and operations of the Swan Ball. The Swan Ball volunteers administer an annual special event (the “Swan Ball”) to benefit Cheekwood.

Basis of Presentation

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Cheekwood’s management and the Board of Trustees. Cheekwood’s Board of Trustees has designated from net assets without donor restrictions, certain net assets for the Swan Ball, future operations and for a board-designated endowment.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Cheekwood or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Support and Revenue Recognition

Contributions: Cheekwood recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest are received. Conditional promises to give, including 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.

Based on giving levels, arrangements with individual and corporate donors often contain both an exchange element, relating to the value of benefits provided, and a contribution element for the difference between the total amount and the value of benefits. Cheekwood recognizes the contribution portion when received and recognizes revenue for the exchange element as the benefits are provided. Benefits provided may include invitations to receptions and dinners, tickets to special events, admission passes, membership benefits and discounts on rental event fees. Corporate benefits may also include advertising and marketing. Benefits generally expire within one year.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Revenue Recognition (continued)

The transaction amount is allocated to each benefit based on actual amounts charged for similar benefits, where applicable, or estimates based on similar goods or services provided within the surrounding area. The amount not allocated to benefits is allocated to contribution. Revenues for invitations and special event tickets are recognized when those activities occur. Revenues for admission passes and membership benefits are recognized when the admission passes are provided and over a one-year period for membership benefits. Revenue associated with discounts on rental events is recognized, net of estimated forfeitures, when the event occurs. Advertising and marketing benefits are generally related to corporate sponsorship of specific events and are recognized over a three-month period during which the event occurs.

Government grants and programs: A portion of Cheekwood's revenue is derived from cost-reimbursable government grant agreements, which are conditioned upon the attainment of certain performance requirements, the incurrence of allowable qualifying expenses or both. Amounts received are recognized as revenue when Cheekwood has incurred expenditures in compliance with the specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported in deferred revenues in the statements of financial position.

Contributions and net revenues from special events: Contributions and net revenues from the Swan Ball and its related events are recognized as those events occur. As of December 31, amounts received for next year's Swan Ball and events are recorded as deferred revenues.

Admission fees: Ticket sales are generally non-refundable and are recognized at the time the transaction is executed by the ticketholder. Ticket sales for special events are deferred until the event occurs.

Membership dues: Cheekwood memberships are for either a one-year or two-year period and offer admission to the estate during regular operating hours as well as discounts for the gift shop, Café 29, and for special programs and events. Membership revenue is recognized ratably over the period of the membership.

Educational programs: Cheekwood provides educational classes, camps and public programs. Fees for these activities are recognized as revenue at the time the activities are held.

Restaurant, catering and gift shop: Merchandise sales at the gift shops and food and beverage purchases at Café 29 are recognized at the point of sale. Catering revenue occurs primarily with rental events and is recognized consistent with those events.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Revenue Recognition (continued)

Rental event income: Cheekwood offers various garden and building spaces for weddings, corporate and other events. Revenue from these events is recognized when the event occurs and services are rendered to the customer. Most rental events require a deposit, which is recorded in deferred revenues until the event occurs.

Due to the nature and timing of the performance of services or access to benefits, substantially all deferred revenues at December 31 relating to the above described activities are recognized in the following year.

Deferred Revenues

Deferred revenues represent amounts received from exchange transactions prior to providing the related goods and services. Deferred revenues relate to rental event deposits, memberships, certain government grants, and the exchange component of individual and corporate giving and sponsorships. Amounts received for Swan Ball in advance of the event are also recorded as deferred revenues.

Collections

In accordance with professional standards, Cheekwood has elected that certain objects acquired through purchases and contributions since Cheekwood's inception not be valued in the accompanying statements of financial position. The cost of such objects purchased are reflected as program expenses and treated 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 are restricted by donors. The value of collection items contributed by donors is not recorded in the financial statements but is disclosed at estimated fair value as a non-cash activity in the statements of cash flows. Proceeds from the sale of any deaccessioned items are classified as net assets with donor restrictions, to be applied toward future acquisitions of new collection items or the direct care of the collection. Direct care of the collection expenditures include those that enhances the life, usefulness or quality of the collection. To qualify as direct care, an expenditure must: be a strategic investment consistent with responsible fiscal planning and adequate planning for collections; be an expense not normally considered part of the regular operating budget; make a physical or immediate impact on the object(s) that increases or restores its cultural or scientific value, thus prolonging its life and usefulness.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments that are readily convertible to cash, with maturities of three months or less from the date of purchase. Cash and cash equivalents held in brokerage accounts are included in investments.

Promises to Give

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discount on those amounts is computed using a risk-free interest rate applicable to the year in which the promise is received (0.42% in 2020 and 1.94% in 2019). Amortization of the discount is recognized on the interest method over the term of the gift and included in contribution revenue. Cheekwood determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions and a review of subsequent collections.

Charitable Remainder Trusts

A charitable remainder trust is a split-interest agreement in which the charitable beneficiary receives its beneficial interest in the donated assets after the primary beneficiary (life income recipient) has received benefits for a specified time period. At the termination of the agreement, the remaining assets in the trust pass to the charitable beneficiary for its use. A donor-restricted contribution and the related receivable are recognized in the period the trust is established based on the fair value of the assets contributed less the present value of the future payments to be made to the donor or other beneficiaries. Beneficial interests in charitable remainder trusts are based on the actuarial life expectancy of the life income recipient using the discount rate in existence at the time of notification by the trustee of Cheekwood's remainder interest. Discount amortization and any revaluations of expected future payments to the donor or other beneficiaries are recognized as periodic adjustments to the receivable. Corresponding changes in the value of split-interest agreements are recognized currently and included in net assets with donor restrictions. During 2019, Cheekwood received distributions from two charitable remainder trusts, as the life income recipient passed away and the trusts were terminated.

Investments

Investments are carried at the quoted market value on the last business day of the reporting period. Net realized and unrealized gains and losses are reflected in the statements of activities.

Inventories

Inventories consist principally of catering supplies and gift shop items and are reported at the lower of cost (first-in, first-out method) or net realizable value.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Plant and Equipment

Land, land improvements, buildings and equipment and furnishings are stated at cost or, if donated, at estimated fair value at the date of donation. Cheekwood capitalizes assets with a cost over \$1,000 and an estimated useful life greater than one year. Depreciation of land improvements, buildings and equipment and furnishings is provided on a straight-line basis over estimated useful lives ranging from five to forty years. Costs of maintenance and repairs are charged to expense. When depreciable assets are disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain (except trade-ins) or loss is included in operations for the period. Gains on trade-ins are applied to reduce the cost of the new acquisition.

Donated Services

A substantial number of volunteers have donated significant amounts of their time to Cheekwood's program services and fundraising activities; however, no amounts have been reflected in the accompanying financial statements for donated services by volunteers since there is no objective basis by which to measure the value of such services. Donated services that require specialized skills and would be purchased if not provided by the donor are recognized as support and expenses based on the estimated fair value of the services received.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense amounted to \$505,178 and \$366,027 for the years ended December 31, 2020 and 2019, respectively.

Income Taxes

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

Cheekwood files U.S. Federal Form 990 for organizations exempt from income tax. Cheekwood files U.S. Federal Form 990T, for organizations exempt from income tax with unrelated business income, as well as a State of Tennessee income tax return.

Management performs an evaluation of all income tax positions taken or expected to be taken in the course of preparing Cheekwood's income tax returns to determine whether the income tax positions meet a "more likely than not" standard of being sustained under examination by the applicable taxing authorities. Management has performed its evaluation of all income tax positions taken on all open income tax returns and has determined that there were no positions taken that do not meet the "more likely than not" standard. Accordingly, there are no provisions for income taxes, penalties or interest receivable or payable relating to uncertain income tax positions in the accompanying financial statements.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

Cheekwood classifies its assets measured at fair value based on a hierarchy consisting of: Level 1 (valued using quoted prices from active markets for identical assets), Level 2 (not traded on an active market but for which observable market inputs are readily available) and Level 3 (valued based on significant unobservable inputs). Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1 measurements) and gives the lowest priority to unobservable inputs (Level 3 measurements). In some cases, a valuation technique used to measure fair value may include inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

Investments - Money market funds, mutual funds and equity securities, including exchange traded funds, are valued at the closing price reported on the active market which they are traded and are classified within Level 1 of the valuation hierarchy.

There have been no changes in the methodologies used at December 31, 2020 and 2019.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Cheekwood's 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 estimate of fair value at the reporting date.

Endowment Funds

Cheekwood has various endowment funds, which include both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Cheekwood's donor-restricted endowment funds are subject to the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") and the State of Tennessee's State Uniform Prudent Management of Institutional Funds Act ("SUPMIFA").

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Endowment Funds (continued)

Interpretation of applicable law - The Board of Trustees has interpreted SUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Cheekwood classified as donor-restricted net assets (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Spending policy - Cheekwood has a policy of appropriating for distribution each year a payout of 4.5% of the moving average, which is based on the rolling quarterly average of the portfolio value over the previous three years.

Investment return objective, risk parameters and strategies - Cheekwood has adopted investment and spending policies to establish asset allocation targets, investment objectives and guidelines and the degree of investment risk the Board deems acceptable.

The primary investment objective of the endowment is to provide long-term growth of capital sufficient to meet Cheekwood's current and future spending obligations and to protect the endowment from long-term effects of inflation. To achieve its investment objectives, Cheekwood acknowledges that risk tolerance and diversification are overriding guiding principles of its investment policy and that the primary objectives of diversification across uncorrelated asset classes are to enhance long-term total return and reducing portfolio volatility.

Cheekwood recognizes that higher returns require an acceptance of higher risk and the potential for higher volatility. Cheekwood is willing to accept a moderate level of volatility, based on the target allocation of the assets, in order to optimize total return within an acceptable risk tolerance. In order to reduce volatility, the assets will be diversified fully across a range of approved asset classes. These include small, medium and large capitalization domestic equities, international equities from emerging and developed markets and fixed income securities.

As of December 31, 2020, the asset allocation ranges were 35% to 45% large-cap equity, 0% to 10% mid cap and small cap equity, 10% to 20% international equity, 0% to 10% emerging market equity, 15% to 25% fixed income and 5% to 15% non-traditional. Cheekwood engages an outside investment management firm to manage the portfolio within the stated guidelines and objectives.

The majority of endowment funds are held in an investment account. The portion held in cash represents amounts received near year end and transferred to the investment account subsequent to year end.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Program Services - expenses related to providing a premiere cultural resource for Tennessee residents and visitors to Middle Tennessee. Cheekwood provides arts, gardens and history to students of all ages through a significant commitment to educational programming. Cheekwood programs are blended through two distinctive areas:

Exhibitions and Programs - Cheekwood provides a wide variety of activities inspired by its extensive indoor and outdoor collections. The Historic Mansion and Museum features selections of the Cheek family residence as it looked in the 1930's as well as gallery rooms to display art exhibitions. The Mansion is named on the National Register of Historic Places, and the Museum is accredited by the American Association of Museums. Cheekwood offers a spectrum of American art, decorative arts, and outdoor sculpture through its permanent collection, traveling exhibitions and a woodland sculpture trail. Cheekwood's estate and gardens encompass 55 acres of woodland, pastoral and landscaped gardens which have been designated as a level IV Arboretum by the Tennessee Urban Forestry Council and accredited by ArbNet. The historic gardens, designed by Bryant Fleming in 1930, mingle harmoniously with specialized gardens featuring outstanding collections of plants that thrive in this area of the country, including boxwoods, dogwoods and plants native to the Southeastern United States. These offerings are brought alive regularly through classes, school programs and fieldtrips, lectures, family days and seasonal festivals. Also at Cheekwood is the Frist Learning Center, which features the Cheek family horse stable as well as art studios and meeting rooms for educational programming.

Restaurant, Rentals and Gift Shops - Cheekwood offers visitor amenities through Café 29 and two gift shops. Visitors are able to enjoy delicious food and beverages, including in-restaurant dining and picnic options, and take away a souvenir of their day's experience. Cheekwood also provides rental and catering facilities to further open Cheekwood to the public through the hosting of meetings and events on the grounds.

Supporting Services

Administrative - relates to the overall direction of the organization. These expenses are not identifiable with a particular program or with fundraising but are indispensable to the conduct of those activities and are essential to the organization.

Fundraising - includes costs of activities directed toward appeals for financial support, including Swan Ball and other special events. Other activities include the cost of solicitations and creation and distribution of fundraising materials.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include personnel, which is allocated based on time and effort, and utilities, insurance and depreciation, which are allocated primarily based on a location or square footage basis.

Sales Taxes Collected

Sales taxes collected and remitted to governmental authorities are excluded from sales and costs and presented on a net basis in the financial statements.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP 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.

Recent Authoritative Accounting Guidance

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities in the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The FASB has issued several subsequent ASUs to make improvements to the original standard for specific issues, provide an optional transition method and provide exemption to certain interim disclosures.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Authoritative Accounting Guidance (Continued)

A modified retrospective transition approach is required. An entity may adopt the guidance either (1) retrospectively to each prior reporting period presented in the financial statements with a cumulative effect adjustment recognized at the beginning of the earliest comparative period presented or (2) retrospectively at the beginning of the period of adoption through a cumulative-effect adjustment. Cheekwood expects to adopt the guidance effective January 1, 2022, and management is currently evaluating the impact of the pending adoption of the new standard on the financial statements. The new standard provides a number of practical expedients. Upon adoption, Cheekwood expects to elect all the practical expedients available.

Events Occurring After Reporting Date

Cheekwood has evaluated events and transactions that occurred between December 31, 2020 and June 22, 2021, the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 2 - COVID-19 PANDEMIC AND 2020 OPERATIONS

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus, COVID-19. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. In response to the pandemic and related orders of the Metropolitan Government of Nashville and Davidson County and Governor of Tennessee, Cheekwood closed the estate and gardens on March 17, 2020. The entire property remained closed through May 21, 2020. Upon reopening, significant safety measures were put in place, including limiting the number of visitors on-site. Cheekwood hosted the *Chihuly at Cheekwood* exhibition on a revised schedule, opening the exhibit on July 18, 2020. As a result of the pandemic, the Swan Ball and significant other events were cancelled in 2020, and the Swan Ball has been cancelled again for 2021. Swan Ball volunteers have continued their fundraising efforts.

During April 2020, as a result of economic uncertainty, Cheekwood applied for and received an \$871,100 loan through the Paycheck Protection Program (“PPP”) as set forth in Section 1102 of the Coronavirus Aid, Relief, and Economic Security Act, commonly known as the CARES Act. The loan proceeds were spent entirely on payroll costs. Accordingly, during December 2020, Cheekwood received forgiveness of the entire loan amount as specified in the PPP regulations. The forgiven PPP amount is included in government grants and programs in the accompanying 2020 statement of activities.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 3 - AVAILABILITY AND LIQUIDITY

Financial assets available for expenditure within one year of the statement of financial position date, consist of the following as of December 31:

	<u>2020</u>	<u>2019</u>
Assets available for general expenditure:		
Cash and cash equivalents	\$ 4,093,503	\$ 1,640,480
Promises to give and accounts receivable - operating	187,978	182,238
Assets limited as to use:		
Cash and cash equivalents	222,693	359,746
Promises to give	109,833	494,300
Endowment spending rate distributions	<u>488,949</u>	<u>385,885</u>
	<u>\$ 5,102,956</u>	<u>\$ 3,062,649</u>

Cheekwood has certain assets limited as to use which will be available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included above. Cheekwood's other donor-restricted assets limited as to use, which are principally for endowment, construction or other long-term purposes, are not available for general expenditure and are not included above.

Cheekwood's liquidity management includes structuring its financial assets to be available as its general expenditures and obligations come due. As part of the liquidity management plan, cash in excess of daily requirements is invested in a money market account. Additionally, Cheekwood maintains a \$4,000,000 line of credit, as described in Note 9. The line of credit is used primarily for cash flow purposes during seasonal periods and to pay for construction and other projects in advance of receipt of related contributions. As of December 31, 2020, there was no amount outstanding on the line of credit; and therefore, the entire credit limit is available to meet liquidity needs in the upcoming period as needed.

Cheekwood also has \$2,519,225 in a Board-designated endowment at December 31, 2020 (\$1,971,099 at December 31, 2019). Although Cheekwood does not intend to spend from the Board-designated endowment, other than amounts appropriated for general expenditure as part of its annual spending-rate distribution, amounts from the Board-designated endowment could be made available for general expenditure, if needed and approved by the Board.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 4 - FAIR VALUE MEASUREMENTS

The following table sets forth Cheekwood's major categories of assets measured at fair value on a recurring basis, by level within the fair value hierarchy, as of December 31:

	2020			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Money market fund	\$ 186,020	\$ -	\$ -	\$ 186,020
Mutual funds:				
Equities:				
Large cap	5,481,746	-	-	5,481,746
Mid cap	555,617	-	-	555,617
Small cap	840,771	-	-	840,771
International	2,565,724	-	-	2,565,724
Emerging markets	417,836	-	-	417,836
Real estate	400,677	-	-	400,677
Fixed income:				
Intermediate term bond	2,490,148	-	-	2,490,148
Non-traditional:				
Event driven fund	240,468	-	-	240,468
Long/short fund	243,377	-	-	243,377
Exchange traded funds:				
Equities:				
Large cap	1,181,272	-	-	1,181,272
Mid cap	277,058	-	-	277,058
Emerging markets	418,026	-	-	418,026
Fixed income:				
High yield bond	483,904	-	-	483,904
Intermediate term bond	379,664	-	-	379,664
Non-traditional:				
Gold fund	411,732	-	-	411,732
	<u>\$ 16,574,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,574,040</u>

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

	2019			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments:				
Money market fund	\$ 231,934	\$ -	\$ -	\$ 231,934
Mutual funds:				
Equities:				
Large cap	6,080,869	-	-	6,080,869
Mid cap	679,903	-	-	679,903
Small cap	1,022,683	-	-	1,022,683
International	300,547	-	-	300,547
Fixed income:				
High yield bond	783,086	-	-	783,086
Intermediate term bond	2,264,294	-	-	2,264,294
Non-traditional:				
Real estate	571,056	-	-	571,056
Exchange traded funds:				
Large blend	387,318	-	-	387,318
International	712,177	-	-	712,177
	<u>\$ 13,033,867</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,033,867</u>

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 5 - INVESTMENTS

Investments consisted of the following as of December 31:

	2020		
	Cost	Unrealized Gain, Net	Fair Value
Investments:			
Money market funds	\$ 186,020	\$ -	\$ 186,020
Equity securities	3,063,893	87,763	3,151,656
Mutual funds	11,631,194	1,605,170	13,236,364
	<u>\$ 14,881,107</u>	<u>\$ 1,692,933</u>	<u>\$ 16,574,040</u>
	2019		
	Cost	Unrealized Gain, Net	Fair Value
Investments:			
Money market funds	\$ 231,934	\$ -	\$ 231,934
Equity securities	1,041,095	58,400	1,099,495
Mutual funds	10,985,674	716,764	11,702,438
	<u>\$ 12,258,703</u>	<u>\$ 775,164</u>	<u>\$ 13,033,867</u>

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 6 - PROMISES TO GIVE AND ACCOUNTS RECEIVABLE

Promises to give and accounts receivable consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Promises to give - operating	\$ 224,784	\$ 540,550
Other receivables:		
Rental and catering clients	-	4,872
Grants	100,477	102,691
Other	<u>39,217</u>	<u>28,426</u>
Total promises to give and accounts receivables - operating	<u>\$ 364,478</u>	<u>\$ 676,539</u>
Promises to give:	<u>2020</u>	<u>2019</u>
Operating	\$ 224,784	\$ 540,550
Endowment	1,680,296	2,923,545
Other long-term purposes	<u>506,298</u>	<u>1,657,725</u>
Total promises to give, net	<u>\$ 2,411,378</u>	<u>\$ 5,121,820</u>

Total promises to give were due as follows at December 31:

	<u>2020</u>	<u>2019</u>
In less than one year	\$ 2,182,467	\$ 3,363,354
In one to five years	<u>334,911</u>	<u>1,998,966</u>
	2,517,378	5,362,320
Less: Allowance for doubtful accounts	(100,000)	(178,800)
Less: Discount to present value	<u>(6,000)</u>	<u>(61,700)</u>
	<u>\$ 2,411,378</u>	<u>\$ 5,121,820</u>

Cheekwood has been notified that a donor will recommend to the Community Foundation of Middle Tennessee, Inc. (the "Foundation"), that gifts totaling \$500,000 be made to Cheekwood over a five-year period from donor advised funds beginning in 2018. Cheekwood has received \$100,000 in each of 2018, 2019 and 2020. The Foundation has final authority over these donor recommendations, which are advisory only and, accordingly, the balance of these contributions will not be recognized until the period approved by the Foundation.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Land	\$ 1,570,000	\$ 1,570,000
Land improvements	13,581,013	6,432,655
Buildings	22,363,821	21,821,819
Equipment and furnishings	6,201,342	3,915,692
Construction in progress	<u>-</u>	<u>7,749,582</u>
	43,716,176	41,489,748
Less: accumulated depreciation	<u>17,144,682</u>	<u>15,713,878</u>
	<u><u>\$ 26,571,494</u></u>	<u><u>\$ 25,775,870</u></u>

Construction in progress as of December 31, 2019, was related to the Bracken Foundation Children's Garden, redevelopment of the Ann and Monroe Carell, Jr. Family Sculpture Trail, enhancements of the Blevins Japanese Garden and other projects. The projects were completed and placed in-service in 2020.

NOTE 8 - COLLECTIONS

The collections at Cheekwood consist of a wide range of media from different periods and cultures, with special emphasis on American art from the 18th through the 20th centuries, American and English silver, Worcester porcelain, and contemporary outdoor sculpture. Each of the items is cataloged, preserved and cared for, and activities verifying their existence and assessing their condition are performed continuously. The collections are subject to a policy that requires proceeds from their sale to be used to acquire other items for collections or uses that directly support preservation of the collection. Sales totaled \$67,250 in 2020. There were no sales in 2019.

NOTE 9 - LINE OF CREDIT

As of December 31, 2019, Cheekwood had a \$2,500,000 line of credit with a financial institution. The credit limit was increased to \$4,000,000 in April 2020. The line of credit requires monthly interest payments on the outstanding principal balance at the rate of 2.0% above the LIBOR rate (an effective rate of 2.15% at December 31, 2020). The terms of the note require all unpaid principal and interest to be paid on May 1, 2022. The line of credit is collateralized by Cheekwood's endowment investment assets held with the financial institution. There was no balance outstanding at December 31, 2020 or 2019.

Interest expense for the year ended December 31, 2020 was \$5,971 (\$10,123 for 2019).

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 10 - SUPPORT AND REVENUES

Amounts reported as contributions in the accompanying statements of activities are comprised of a contribution element and an exchange transaction element based on value of benefits provided under arrangements with donors. Contributions and net revenues from special events contain both contribution and exchange transaction elements for the Swan Ball. The following table provides information on the contribution and exchange transaction elements for the years ended December 31, 2020 and 2019:

	<u>Net Assets Without Donor Restrictions</u>		
	<u>2020</u>		
	<u>Exchange</u>		
	<u>Contributions</u>	<u>Transaction Revenue</u>	<u>Total</u>
Contributions	\$ 1,392,646	\$ 654,123	\$ 2,046,769
Contributions and net revenues from special events	<u>1,133,933</u>	<u>24,891</u>	<u>1,158,824</u>
	<u>\$ 2,526,579</u>	<u>\$ 679,014</u>	<u>\$ 3,205,593</u>
	<u>2019</u>		
	<u>Exchange</u>		
	<u>Transaction</u>		
	<u>Contributions</u>	<u>Revenue</u>	<u>Total</u>
Contributions	\$ 1,264,399	\$ 393,710	\$ 1,658,109
Contributions and net revenues from special events	<u>1,381,709</u>	<u>1,016,165</u>	<u>2,397,874</u>
	<u>\$ 2,646,108</u>	<u>\$ 1,409,875</u>	<u>\$ 4,055,983</u>

Deferred revenues at December 31, 2020 and 2019, are related to the following:

	<u>2020</u>	<u>2019</u>
Memberships	\$ 1,037,454	\$ 676,517
Admission fees	268,527	-
Rental events	332,045	73,750
Benefits provided to donors	173,943	365,235
Government grants and programs	75,315	-
Swan Ball	<u>137,952</u>	<u>210,653</u>
	<u>\$ 2,025,236</u>	<u>\$ 1,326,155</u>

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 11 - NET ASSETS

Net assets without donor restrictions consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Net assets without donor restrictions - undesignated:		
Accumulated earnings (deficit) from operations	\$ 389,220	\$ (1,631,255)
Amounts invested in property, plant and equipment	<u>26,571,494</u>	<u>25,775,870</u>
	26,960,714	24,144,615
Board-designated:		
Amounts functioning as endowment	2,519,225	1,971,099
Amounts designated for future operations	-	728,836
Amounts designated as Swan Ball	<u>916,423</u>	<u>180,884</u>
	<u>\$ 30,396,362</u>	<u>\$ 27,025,434</u>

Donor-restricted net assets are available for the following purposes at December 31:

	<u>2020</u>	<u>2019</u>
<i>Temporary in nature - subject to expenditure for specified purpose:</i>		
Museum of art	\$ 389,128	\$ 441,076
Botanical garden	608,367	1,427,209
Sculpture trail	105,954	380,072
Art conservation	80,310	87,000
Future exhibits	171,291	517,414
Cheekwood Campaign	915,160	1,262,043
Historic room restoration and ongoing museum maintenance	102,522	43,815
Other	164,767	192,967
Less: discount and allowance for uncollectible promises to give	<u>(62,000)</u>	<u>(99,900)</u>
	<u>2,475,499</u>	<u>4,251,696</u>

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CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 11 - NET ASSETS (CONTINUED)

Donor-restricted net assets are available for the following purposes at December 31 (continued):

	<u>2020</u>	<u>2019</u>
<i>Temporary in nature - endowments - subject to appropriation:</i>		
Artist-in-residency program	\$ 424,202	\$ 214,321
Botanical garden	1,698,001	764,127
Cheekwood Campaign	2,169,919	1,111,921
Historic room restoration and ongoing museum maintenance	265,821	94,201
Other	104,987	65,446
	<u>4,662,930</u>	<u>2,250,016</u>
<i>Total net assets with donor restrictions - temporary in nature</i>	<u>7,138,429</u>	<u>6,501,712</u>
<i>Perpetual in nature - endowments:</i>		
General use	1,807,416	1,798,161
Artist-in-residency program	1,000,000	1,000,000
Botanical garden	6,166,460	4,770,414
Cheekwood Campaign	401,998	384,498
Historic room restoration and ongoing museum maintenance	954,954	814,221
Other	268,732	224,708
Unconditional promises to give, net	<u>1,680,296</u>	<u>2,923,545</u>
<i>Total net assets with donor restrictions - perpetual in nature</i>	<u>12,279,856</u>	<u>11,915,547</u>
<i>Total net assets with donor restrictions</i>	<u><u>\$ 19,418,285</u></u>	<u><u>\$ 18,417,259</u></u>

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 12 - ENDOWMENT

The endowment net asset composition by type of fund was as follows, as of December 31:

	2020		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 15,262,490	\$ 15,262,490
Board-designated endowment funds	2,519,225	-	2,519,225
Total	<u>\$ 2,519,225</u>	<u>\$ 15,262,490</u>	<u>\$ 17,781,715</u>

	2019		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 11,242,018	\$ 11,242,018
Board-designated endowment funds	1,971,099	-	1,971,099
Total	<u>\$ 1,971,099</u>	<u>\$ 11,242,018</u>	<u>\$ 13,213,117</u>

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). Cheekwood has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law. There were not any underwater endowments as of December 31, 2020 or 2019.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 12 - ENDOWMENT (CONTINUED)

A summary of changes in endowments follows for the years ended December 31:

	2020		
	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>
Endowment net assets,			
January 1, 2020	\$ 1,971,099	\$ 11,242,018	\$ 13,213,117
Interest and dividend income	43,756	123,825	167,581
Realized gain on investments	381,804	1,141,516	1,523,320
Unrealized gain on investments	238,961	678,808	917,769
Contributions	25,000	2,356,064	2,381,064
Bank fees	(14,062)	(38,801)	(52,863)
Appropriation of endowment assets for expenditure	<u>(127,333)</u>	<u>(240,940)</u>	<u>(368,273)</u>
Endowment net assets,			
December 31, 2020	<u>\$ 2,519,225</u>	<u>\$ 15,262,490</u>	<u>\$ 17,781,715</u>
	2019		
	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>
Endowment net assets,			
January 1, 2019	\$ 840,153	\$ 9,141,572	\$ 9,981,725
Interest and dividend income	71,145	184,505	255,650
Realized gain on investments	2,826	13,201	16,027
Unrealized gain on investments	492,847	1,307,077	1,799,924
Contributions	101,412	791,108	892,520
Bank fees	(12,556)	(32,397)	(44,953)
Addition to Board-designated endowment	575,501	-	575,501
Appropriation of endowment assets for expenditure	<u>(100,229)</u>	<u>(163,048)</u>	<u>(263,277)</u>
Endowment net assets,			
December 31, 2019	<u>\$ 1,971,099</u>	<u>\$ 11,242,018</u>	<u>\$ 13,213,117</u>

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 13 - OPERATING LEASES

Cheekwood leases certain facilities, storage units and a portion of its office equipment under non-cancelable operating leases which expire at various times through December 2024 and require specified minimum rental payments.

A schedule of future minimum lease commitments under all noncancelable operating leases as of December 31, 2020, follows:

<u>For the year ending December 31,</u>	
2021	\$ 91,981
2022	77,040
2023	49,984
2024	<u>48,000</u>
Total future minimum lease payments	<u>\$ 267,005</u>

Total rental expense incurred under all such agreements amounted to approximately \$96,000 for each of the years ended December 31, 2020 and 2019.

NOTE 14 - RETIREMENT PLAN

Cheekwood sponsors a Section 403(b) retirement plan for the benefit of eligible employees. Under the plan, employees may contribute a specified amount or percentage of their annual compensation, not to exceed statutory limits. Cheekwood offers a matching contribution for eligible employees starting one year after employment, equal to 100% of the employees' contribution, limited to 5% of their annual compensation. Cheekwood's matching contributions for the years ended December 31, 2020 and 2019 totaled \$125,481 and \$115,132, respectively.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 15 - AFFILIATED ORGANIZATIONS AND SPECIAL EVENTS

The Horticulture Society of Middle Tennessee (“HSMT”), Garden Club of Nashville and the Antiques and Garden Show are affiliated but autonomously operating organizations with a primary objective of supporting Cheekwood. Accordingly, these organizations contribute significant portions of their net revenues to Cheekwood annually. Cheekwood is also beneficiary of activities of the Swan Ball, administered by an unincorporated volunteer group. Contributions and revenues from HSMT, Garden Club of Nashville and the Antiques and Garden Show are reported in volunteer fundraising contributions in the period received. No significant direct benefits to donors are applicable to these activities.

Following is a summary of contributions provided by these parties:

	<u>2020</u>	<u>2019</u>
Horticulture Society of Middle Tennessee	\$ 20,000	\$ 35,000
Garden Club of Nashville	86,500	127,719
Antiques and Garden Show	<u>45,465</u>	<u>412,420</u>
Contributions from affiliated parties	<u>\$ 151,965</u>	<u>\$ 575,139</u>

Following is a summary of the activity of the Swan Ball for the years ended December 31, which is reported as contributions and net revenues from special events:

	<u>2020</u>	<u>2019</u>
Contributions	\$ 1,133,933	\$ 1,381,709
Special event revenues	28,704	1,403,919
Direct benefits to donors	<u>(3,813)</u>	<u>(387,754)</u>
Contributions and net revenues from special events	1,158,824	2,397,874
Less fundraising expenses	<u>(295,489)</u>	<u>(1,427,088)</u>
	<u>\$ 863,335</u>	<u>\$ 970,786</u>

The timing of cash transfers from the Swan Ball to Cheekwood may differ on an annual basis. During 2020, as described in Note 2, the Swan Ball and its related events were cancelled due to the COVID-19 pandemic.

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020 AND 2019

NOTE 16 - CONCENTRATIONS OF CREDIT RISK

Cheekwood maintains cash at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to statutory limits. As of December 31, 2020, Cheekwood's depositor accounts exceeded the FDIC insurance limits by approximately \$6,300,000.

At December 31, 2020, the investments were held under custodial care by one brokerage and investment company. These investments are not insured by the FDIC or any other government agency and are subject to investment risk, including loss of principal. The investments are insured by the Securities Investor Protection Corporation ("SIPC"), which insures investor losses attributable to bankruptcy or fraudulent practices of brokerage firms up to \$500,000 (including \$250,000 in cash).

At December 31, 2020, promises to give from one source represented 60% of total promises to give. At December 31, 2019, promises to give from two sources represented 61% of total promises to give.

NOTE 17 - DONOR-DESIGNATED ENDOWMENT FUNDS IN TRUST

Two donors have established donor-designated endowment funds with the Community Foundation of Middle Tennessee for the benefit of the Cheekwood Botanical Garden and Museum of Art. The Community Foundation of Middle Tennessee has the ultimate authority and control over these funds and, therefore, these investments are not included in the financial statements of Cheekwood. Income distributions from these funds are recognized by Cheekwood in the year received. Such distributions amounted to \$14,000 during the year ended December 31, 2020 (\$13,900 during 2019). Total assets held in these funds amounted to \$308,978 at December 31, 2020 (\$293,786 at December 31, 2019).

NOTE 18 - OTHER MATTERS

Cheekwood occasionally contracts with businesses controlled by or affiliated with members of its Board of Trustees, or their family members, for outside services in the ordinary course of business. In management's opinion, the effect of these relationships on the nature and terms of the business arrangements entered into with the providers of these services was not significant.

Cheekwood has contracted with companies affiliated with certain members of its Board of Trustees for design, engineering and construction relating to certain projects, as described in Note 7, as well as for other goods and professional services. Amounts incurred under these contracts totaled \$2,078,675 during 2020 (\$7,253,347 during 2019). Amounts owed to related parties included in accounts payable and accrued expenses totaled \$3,097 at December 31, 2020 (\$650,110 at December 31, 2019).

ADDITIONAL INFORMATION

INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

The Board of Trustees
Cheekwood Botanical Garden
and Museum of Art
Nashville, Tennessee

We have audited the financial statements of Cheekwood Botanical Garden and Museum of Art ("Cheekwood") as of and for the years ended December 31, 2020 and 2019, and have issued our report thereon, dated June 22, 2021, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole.

The accompanying additional information is presented for the 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 audits 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.

KraftCPAs PLLC

Nashville, Tennessee
June 22, 2021

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

COMBINING SCHEDULE OF CHEEKWOOD AND SWAN BALL FINANCIAL POSITION

DECEMBER 31, 2020

	<u>CHEEKWOOD</u>	<u>SWAN BALL</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 3,877,140	\$ 986,015	\$ 4,863,155
Promises to give and accounts receivable - operating	364,478	-	364,478
Inventories	117,700	1,310	119,010
Prepaid expenses	236,690	78,197	314,887
Restricted cash:			
Endowment	1,207,675	-	1,207,675
Other long-term purposes	1,058,508	-	1,058,508
Promises to give, net:			
Endowment	1,680,296	-	1,680,296
Other long-term purposes	506,298	-	506,298
Investments - endowment	16,574,040	-	16,574,040
Property, plant and equipment, net	26,571,494	-	26,571,494
Collections - Notes 1 and 8	-	-	-
TOTAL ASSETS	\$ 52,194,319	\$ 1,065,522	\$ 53,259,841

LIABILITIES AND NET ASSETS

<u>LIABILITIES</u>			
Accounts payable and accrued expenses	\$ 1,379,491	\$ 11,147	\$ 1,390,638
Deferred revenues	1,887,284	137,952	2,025,236
Other	29,320	-	29,320
TOTAL LIABILITIES	3,296,095	149,099	3,445,194
<u>NET ASSETS</u>			
Without donor restrictions:			
Undesignated	26,960,714	-	26,960,714
Board-designated endowment	2,519,225	-	2,519,225
Board-designated Swan Ball	-	916,423	916,423
Total without donor restrictions	29,479,939	916,423	30,396,362
With donor restrictions	19,418,285	-	19,418,285
TOTAL NET ASSETS	48,898,224	916,423	49,814,647
TOTAL LIABILITIES AND NET ASSETS	\$ 52,194,319	\$ 1,065,522	\$ 53,259,841

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

COMBINING SCHEDULE OF CHEEKWOOD AND SWAN BALL ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2020

	Cheekwood			Swan Ball			Total		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Totals
SUPPORT AND REVENUES									
Contributions	\$ 2,046,769	\$ 2,077,902	\$ 4,124,671	\$ -	\$ -	\$ -	\$ 2,046,769	\$ 2,077,902	\$ 4,124,671
Volunteer fundraising contributions	49,300	102,665	151,965	-	-	-	49,300	102,665	151,965
Government grants and programs	1,401,476	-	1,401,476	-	-	-	1,401,476	-	1,401,476
Contributions and net revenues from special events	-	-	-	1,158,824	-	1,158,824	1,158,824	-	1,158,824
In-kind contributions	208,207	-	208,207	-	-	-	208,207	-	208,207
Admission fees	4,682,236	-	4,682,236	-	-	-	4,682,236	-	4,682,236
Membership dues	1,329,837	-	1,329,837	-	-	-	1,329,837	-	1,329,837
Educational programs	101,496	-	101,496	-	-	-	101,496	-	101,496
Restaurant, catering and gift shop	1,068,155	-	1,068,155	-	-	-	1,068,155	-	1,068,155
Rental event income	201,041	-	201,041	-	-	-	201,041	-	201,041
Investment income, net	650,459	1,905,348	2,555,807	-	-	-	650,459	1,905,348	2,555,807
Loss on disposal of property, plant and equipment	(29,017)	-	(29,017)	-	-	-	(29,017)	-	(29,017)
Miscellaneous income	128,266	67,250	195,516	-	-	-	128,266	67,250	195,516
Net assets released resulting from satisfaction of donor restrictions	3,152,139	(3,152,139)	-	-	-	-	3,152,139	(3,152,139)	-
TOTAL SUPPORT AND REVENUES	14,990,364	1,001,026	15,991,390	1,158,824	-	1,158,824	16,149,188	1,001,026	17,150,214
FUNCTIONAL EXPENSES									
Program services	10,589,071	-	10,589,071	-	-	-	10,589,071	-	10,589,071
Administrative	1,181,135	-	1,181,135	-	-	-	1,181,135	-	1,181,135
Fundraising	712,565	-	712,565	295,489	-	295,489	1,008,054	-	1,008,054
TOTAL FUNCTIONAL EXPENSES	12,482,771	-	12,482,771	295,489	-	295,489	12,778,260	-	12,778,260
EXCESS OF SUPPORT AND REVENUES OVER EXPENSES	2,507,593	1,001,026	3,508,619	863,335	-	863,335	3,370,928	1,001,026	4,371,954
CONTRIBUTION TO CHEEKWOOD FROM SWAN BALL	127,796	-	127,796	(127,796)	-	(127,796)	-	-	-
CHANGE IN NET ASSETS	2,635,389	1,001,026	3,636,415	735,539	-	735,539	3,370,928	1,001,026	4,371,954
NET ASSETS - BEGINNING OF YEAR	26,844,550	18,417,259	45,261,809	180,884	-	180,884	27,025,434	18,417,259	45,442,693
NET ASSETS - END OF YEAR	\$ 29,479,939	\$ 19,418,285	\$ 48,898,224	\$ 916,423	\$ -	\$ 916,423	\$ 30,396,362	\$ 19,418,285	\$ 49,814,647

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART

COMBINING SCHEDULE OF CHEEKWOOD AND SWAN BALL FINANCIAL POSITION

DECEMBER 31, 2019

	<u>CHEEKWOOD</u>	<u>SWAN BALL</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 1,924,636	\$ 286,846	\$ 2,211,482
Promises to give and accounts receivable - operating	676,539	-	676,539
Inventories	153,952	1,310	155,262
Prepaid expenses	313,431	140,218	453,649
Restricted cash:			
Endowment	179,250	-	179,250
Other long-term purposes	1,367,779	-	1,367,779
Promises to give, net:			
Endowment	2,923,545	-	2,923,545
Other long-term purposes	1,657,725	-	1,657,725
Investments - endowment	13,033,867	-	13,033,867
Property, plant and equipment, net	25,775,870	-	25,775,870
Collections - Notes 1 and 8	-	-	-
TOTAL ASSETS	<u><u>\$ 48,006,594</u></u>	<u><u>\$ 428,374</u></u>	<u><u>\$ 48,434,968</u></u>
<u>LIABILITIES AND NET ASSETS</u>			
<u>LIABILITIES</u>			
Accounts payable and accrued expenses	\$ 1,601,260	\$ 36,837	\$ 1,638,097
Deferred revenues	1,115,502	210,653	1,326,155
Other	28,023	-	28,023
TOTAL LIABILITIES	<u><u>2,744,785</u></u>	<u><u>247,490</u></u>	<u><u>2,992,275</u></u>
<u>NET ASSETS</u>			
Without donor restrictions:			
Undesignated	24,144,615	-	24,144,615
Board-designated endowment	1,971,099	-	1,971,099
Board-designated for future operations	728,836	-	728,836
Board-designated Swan Ball	-	180,884	180,884
Total without donor restrictions	<u>26,844,550</u>	<u>180,884</u>	<u>27,025,434</u>
With donor restrictions	<u>18,417,259</u>	<u>-</u>	<u>18,417,259</u>
TOTAL NET ASSETS	<u><u>45,261,809</u></u>	<u><u>180,884</u></u>	<u><u>45,442,693</u></u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 48,006,594</u></u>	<u><u>\$ 428,374</u></u>	<u><u>\$ 48,434,968</u></u>

CHEEKWOOD BOTANICAL GARDEN AND MUSEUM OF ART
COMBINING SCHEDULE OF CHEEKWOOD AND SWAN BALL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Cheekwood			Swan Ball			Total		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Totals
SUPPORT AND REVENUES									
Contributions	\$ 1,658,109	\$ 2,504,219	\$ 4,162,328	\$ -	\$ -	\$ -	\$ 1,658,109	\$ 2,504,219	\$ 4,162,328
Volunteer fundraising contributions	476,770	98,369	575,139	-	-	-	476,770	98,369	575,139
Government grants and programs	238,811	-	238,811	-	-	-	238,811	-	238,811
Contributions and net revenues from special events	-	-	-	2,397,874	-	2,397,874	2,397,874	-	2,397,874
In-kind contributions	272,350	-	272,350	-	-	-	272,350	-	272,350
Admission fees	2,852,320	-	2,852,320	-	-	-	2,852,320	-	2,852,320
Membership dues	1,214,047	-	1,214,047	-	-	-	1,214,047	-	1,214,047
Educational programs	227,424	-	227,424	-	-	-	227,424	-	227,424
Restaurant, catering and gift shop	1,074,445	-	1,074,445	-	-	-	1,074,445	-	1,074,445
Rental event income	897,294	-	897,294	-	-	-	897,294	-	897,294
Investment income, net	554,262	1,472,386	2,026,648	-	-	-	554,262	1,472,386	2,026,648
Loss on disposal of property, plant and equipment	(395,618)	-	(395,618)	-	-	-	(395,618)	-	(395,618)
Miscellaneous income	73,724	-	73,724	-	-	-	73,724	-	73,724
Net assets released resulting from satisfaction of donor restrictions	8,247,081	(8,247,081)	-	350,000	(350,000)	-	8,597,081	(8,597,081)	-
TOTAL SUPPORT AND REVENUES	17,391,019	(4,172,107)	13,218,912	2,747,874	(350,000)	2,397,874	20,138,893	(4,522,107)	15,616,786
FUNCTIONAL EXPENSES									
Program services	9,547,517	-	9,547,517	-	-	-	9,547,517	-	9,547,517
Administrative	986,657	-	986,657	-	-	-	986,657	-	986,657
Fundraising	845,495	-	845,495	1,427,088	-	1,427,088	2,272,583	-	2,272,583
TOTAL FUNCTIONAL EXPENSES	11,379,669	-	11,379,669	1,427,088	-	1,427,088	12,806,757	-	12,806,757
EXCESS (DEFICIENCY) OF SUPPORT AND REVENUES OVER (UNDER) EXPENSES	6,011,350	(4,172,107)	1,839,243	1,320,786	(350,000)	970,786	7,332,136	(4,522,107)	2,810,029
CONTRIBUTION TO CHEEKWOOD FROM SWAN BALL	2,258,048	-	2,258,048	(2,258,048)	-	(2,258,048)	-	-	-
CHANGE IN NET ASSETS	8,269,398	(4,172,107)	4,097,291	(937,262)	(350,000)	(1,287,262)	7,332,136	(4,522,107)	2,810,029
NET ASSETS - BEGINNING OF YEAR	18,575,152	22,589,366	41,164,518	1,118,146	350,000	1,468,146	19,693,298	22,939,366	42,632,664
NET ASSETS - END OF YEAR	\$ 26,844,550	\$ 18,417,259	\$ 45,261,809	\$ 180,884	\$ -	\$ 180,884	\$ 27,025,434	\$ 18,417,259	\$ 45,442,693