The New York Botanical Garden

Consolidated Financial Statements as of and for the Year Ended June 30, 2024, Supplementary Information as of and for the Year Ended June 30, 2024, and Independent Auditor's Report

THE NEW YORK BOTANICAL GARDEN

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
The New York Botanical Garden
Bronx, New York

Opinion

We have audited the consolidated financial statements of The New York Botanical Garden (the "Garden"), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, 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 the Garden's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Garden's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplemental Consolidating Fund Information and Financial Responsibility Supplemental Schedule

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental consolidating fund information for 2024 is presented for the purpose of additional analysis of the financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual funds, and is not a required part of the financial statements. The financial responsibility supplemental schedule as of and for the year ended June 30, 2024, is also presented for the purpose of additional analysis and is not a required part of the financial statements. This supplementary consolidating fund information and the financial responsibility supplemental schedule are the responsibility of the Garden's management and were derived from and relate directly to the underlying accounting and other records used to prepare the 2024 financial statements. Such information has been subjected to the auditing procedures applied in our audit of the 2024 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 financial statements or to the 2024 financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, such information is fairly stated in all material respects in relation to the 2024 financial statements as a whole.

Deloitte & Touche LLP

March 28, 2025

THE NEW YORK BOTANICAL GARDEN

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(WITH SUPPLEMENTAL CONSOLIDATING FUND INFORMATION)
AS OF JUNE 30, 2024

	Supplemental Consolidating Fund Information				
	General Operations	**Special Programs**	**Endowment and Similar Funds**	**Building and Equipment**	**Total**
ASSETS					
CASH AND CASH EQUIVALENTS	$ 25,594,938	$ 149,379	$ 657,695	$	$ 26,402,012
ACCOUNTS AND INVESTMENT INCOME RECEIVABLE	1,310,009	126,170			1,436,179
GRANTS AND CONTRACTS RECEIVABLE	4,078,261	445,971		5,549,134	10,073,366
PLEDGES RECEIVABLE	638,867	8,256,360	6,085,370	12,581,151	27,561,748
INVENTORIES	873,378				873,378
PREPAID EXPENSES AND OTHER CURRENT ASSETS	581,111	177,327			758,438
FIXED ASSETS—Net				178,791,797	178,791,797
RIGHT-OF-USE ASSET	297,692				297,692
INVESTMENTS	172,220	14,720,325	407,248,934		422,141,479
DUE TO/FROM OTHER FUNDS	(20,256,873)	18,709,703	4,773,510	(3,226,340)	
TOTAL ASSETS	$ 13,289,603	$ 42,585,235	$ 418,765,509	$ 193,695,742	$ 668,336,089
LIABILITIES AND NET ASSETS					
LIABILITIES:					
Accounts payable	$ 6,711,930	$	$	$	$ 6,711,930
Accrued expenses and other liabilities	1,183,785	1,673,631			2,857,416
Deferred income and refundable advances	536,257	71,231			607,488
Accrued vacation liability	1,642,860	436,835			2,079,695
Conditional asset retirement obligation				3,273,111	3,273,111
Interest rate swap valuation liability				1,315,093	1,315,093
Lease Liability	300,923				300,923
Long-term debt				34,994,600	34,994,600
Total liabilities	10,375,755	2,181,697		39,582,804	52,140,256
COMMITMENTS AND CONTINGENCIES					
NET ASSETS:					
Without donor restrictions:					
General operations	2,913,848				2,913,848
Designated for special programs		21,871,589			21,871,589
Nonoperating:					
Funds functioning as endowment			47,883,174		47,883,174
Designated for land, buildings, and equipment				5,549,134	5,549,134
Net investment in land, buildings, and equipment				130,812,697	130,812,697
Total nonoperating			47,883,174	136,361,831	184,245,005
Total without donor restrictions	2,913,848	21,871,589	47,883,174	136,361,831	209,030,442
With donor restrictions:					
Program activities		18,531,949			18,531,949
Unexpended endowment return			87,562,024		87,562,024
Land, buildings, and equipment				17,751,107	17,751,107
Permanently restricted			283,320,311		283,320,311
Total with donor restrictions		18,531,949	370,882,335	17,751,107	407,165,391
Total net assets	2,913,848	40,403,538	418,765,509	154,112,938	616,195,833
TOTAL LIABILITIES AND NET ASSETS	$ 13,289,603	$ 42,585,235	$ 418,765,509	$ 193,695,742	$ 668,336,089

See notes to consolidated financial statements.

THE NEW YORK BOTANICAL GARDEN

CONSOLIDATED STATEMENT OF ACTIVITIES (WITH SUPPLEMENTAL CONSOLIDATING FUND INFORMATION)
FOR THE YEAR ENDED JUNE 30, 2024

	Supplemental Consolidating Fund Information					
	General Operations	Special Programs	Nonoperating	Total Without Donor Restrictions	Total With Donor Restrictions	Total
REVENUES, SUPPORT, AND GAINS:						
Appropriations—City of New York	$ 8,738,831	$	$ 3,821,216	$ 12,560,047	$ 685,620	$ 13,245,667
Grants and contracts:						
Federal	551,298			551,298	1,203,604	1,754,902
State	3,196,435			3,196,435	378,750	3,575,185
Private gifts, grants, and bequests	10,010,721		3,550,775	13,561,496	25,778,651	39,340,147
Special events	2,404,535	1,111,122		3,515,657		3,515,657
Less expenses incurred for special events	(1,490,348)	(359,012)		(1,849,360)		(1,849,360)
Special events—net	914,187	752,110		1,666,297		1,666,297
Net investment return and endowment return not used in operations	1,091,789	603,525	2,394,226	4,089,540	14,419,983	18,509,523
Endowment return used in operations	2,633,708			2,633,708	16,299,266	18,932,974
Tuition fees	2,422,236	297,672		2,719,908		2,719,908
Membership income	6,385,799			6,385,799		6,385,799
Admissions and tours	14,570,473			14,570,473		14,570,473
Auxiliary enterprises	5,613,022	408,555		6,021,577		6,021,577
Other	1,657,213	186,358		1,843,571		1,843,571
Net assets released from restrictions	2,994,451	17,923,044	3,845,354	24,762,849	(24,762,849)	
Total revenues, support, and gains	60,780,163	20,171,264	13,611,571	94,562,998	34,003,025	128,566,023
EXPENSES AND OTHER DEDUCTIONS:						
Program services	47,222,619	19,738,785	13,265,986	80,227,390		80,227,390
Management and general	12,268,352	405,885	2,209,873	14,884,110		14,884,110
Fundraising	5,492,460	1,080	736,481	6,230,021		6,230,021
Total expenses and other deductions	64,983,431	20,145,750	16,212,340	101,341,521		101,341,521
INCREASE (DECREASE) BEFORE TRANSFERS AND NONOPERATING GAINS (LOSSES)	(4,203,268)	25,514	(2,600,769)	(6,778,523)	34,003,025	27,224,502
TRANSFERS	(149,538)	(122,297)	271,835			
INCREASE (DECREASE) BEFORE DEFERRED TAX BENEFIT	(4,352,806)	(96,783)	(2,328,934)	(6,778,523)	34,003,025	27,224,502
DEFERRED TAX EXPENSE		(329,761)		(329,761)		(329,761)
TRANSFER FROM SPECIAL PROGRAMS	5,560,853	(5,560,853)				
ACTIVITY IN THE LEGACY TRUST					(11,559,986)	(11,559,986)
GAIN (LOSS) ON VALUATION OF INTEREST RATE SWAPS AND ACTUARIAL LOSSES			652,369	652,369		652,369
CHANGES IN NET ASSETS	1,208,047	(5,987,397)	(1,676,565)	(6,455,915)	22,443,039	15,987,124
NET ASSETS—Beginning of year (As Previously Reported)	1,705,801	27,858,986	258,480,110	288,044,897	312,163,812	600,208,709
Correction (See Note 18)			(72,558,540)	(72,558,540)	72,558,540	
NET ASSETS- Beginning of Year (As Corrected)	1,705,801	27,858,986	185,921,570	215,486,357	384,722,352	600,208,709
NET ASSETS—End of year	$ 2,913,848	$ 21,871,589	$ 184,245,005	$ 209,030,442	$ 407,165,391	$ 616,195,833

See notes to consolidated financial statements.

THE NEW YORK BOTANICAL GARDEN

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Saving the Plants of the World	Urban Oasis	Education and Outreach	Exhibitions	Earned Income Activities	Maintenance Security and Energy	Total Program Services	Management and General	Fundraising	Total
OPERATING EXPENSES:										
Salaries and wages	$ 5,769,101	$ 5,031,231	$ 5,959,711	$ 4,449,386	$ 5,036,037	$ 4,951,752	$31,197,218	$ 7,327,880	$3,155,615	$ 41,680,713
Fringe benefits	2,233,504	1,993,885	2,036,803	1,448,806	1,977,127	1,694,247	11,384,372	3,229,538	1,252,087	15,865,997
Professional fees	158,573	2,161,595	777,396	1,069,502	87,408	869,541	5,124,015	574,475	398,630	6,097,120
Supplies and materials	252,108	686,806	346,118	90,302	63,312	57,863	1,496,509	31,353	15,840	1,543,702
Telecommunications	31,351	25,607	4,966	164,158	2,191	12,477	240,750	88,308	460	329,518
Postage and shipping	13,251	112,135	1,989	29,610	191,627	725	349,337	28,320	16,398	394,055
Utilities and occupancy		13,168	2,298	2,263	55,689	2,811,658	2,885,076	3,649		2,888,725
Equipment operating costs	162,471	232,100	168,376	101,965	36,034	241,532	942,478	536,453	10,324	1,489,255
Equipment purchases	34,400	35,625	44,106	27,547	57,799	72,932	272,409	54,454	26,672	353,535
Printing and publications	221,598	332,707	28,548	224,156	300,449	9,213	1,116,671	190,834	54,800	1,362,305
Travel and fieldwork	801,381	41,220	141,338	23,626	30,274	13,914	1,051,753	27,025	29,138	1,107,916
Conferences and meetings	17,894	13,497	54,768	159,819	15,246	11,238	272,462	26,897	71,754	371,113
Bank and investment fees	300	2,556	72,677	344,526	285,720	49,482	755,261	16,379	33,670	805,310
Insurance		165,609	156,582	156,582		156,582	635,355	313,164	313,164	1,261,683
Cost of goods sold	27,364	835			2,038,704		2,066,903			2,066,903
Advertising and marketing		219	219	2,580,473	38,500	219	2,619,630	438	438	2,620,506
Miscellaneous	122,337	1,799,222	88,236	381,119	575,097	1,585,194	4,551,205	225,070	114,550	4,890,825
Total operating expenses	9,845,633	12,648,017	9,884,131	11,253,840	10,791,214	12,538,569	66,961,404	12,674,237	5,493,540	85,129,181
NONOPERATING EXPENSES:										
Noncapitalized expenditures for land, buildings, and equipment	165,000					871,526	1,036,526	1,105,151		2,141,677
Interest, fees, and amortization	756,569	547,576	104,629		387,203		1,795,977			1,795,977
Depreciation	2,019,342	2,253,212	3,073,957		650,576	2,436,396	10,433,483	1,104,722	736,481	12,274,686
Total nonoperating expenses	2,940,911	2,800,788	3,178,586		1,037,779	3,307,922	13,265,986	2,209,873	736,481	16,212,340
TOTAL EXPENSES	$12,786,544	$15,448,805	$13,062,717	$11,253,840	$11,828,993	$15,846,491	$80,227,390	$14,884,110	$6,230,021	$ 101,341,521

See notes to consolidated financial statements.

THE NEW YORK BOTANICAL GARDEN

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

		2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	$	15,987,124
Adjustments to reconcile changes in net assets to net cash and cash equivalents used in operating activities:		
Depreciation		12,274,686
Amortization of discount on conditional asset retirement obligation		103,500
Actuarial loss on annuity obligations		128,620
Gain on valuation of interest rate swaps		(652,369)
Deferred tax (benefit)		329,761
Amortization of bond issue costs and bond discount		48,175
Amortization of discount on pledges receivable		1,917,638
Contributions designated for permanently restricted endowment		(355,000)
Grants and contributions designated for land, buildings, and equipment		(3,654,486)
Stock gifts		(2,900,886)
Net realized and unrealized (gains) on investments		(23,075,845)
Decrease (increase) in operating assets:		
Accounts receivable and investment income receivable		(58,391)
Grants and contracts receivable		(4,123,918)
Pledges receivable		(19,220,402)
Inventories		6,219
Prepaid expenses and other assets		(395,364)
Right-of-use asset		85,918
Increase (decrease) in operating liabilities:		
Accounts payable		1,290,865
Accrued expenses and other liabilities		(223,879)
Deferred income and refundable advances		(279,422)
Accrued vacation liability		64,790
Lease Liability		(85,172)
Net cash and cash equivalents used in operating activities		(22,787,838)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from maturities/sales of investments		81,256,099
Purchases of investments		(59,207,570)
Purchase of fixed assets		(6,606,967)
Net cash and cash equivalents provided by investing activities		15,441,562
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions received for endowment		355,000
Grants and contributions received for fixed assets		3,654,486
Repayment of long-term debt		(3,950,000)
Net cash and cash equivalents provided by financing activities		59,486
NET CHANGE IN CASH AND CASH EQUIVALENTS		(7,286,790)
CASH AND CASH EQUIVALENTS—Beginning of year		33,688,802
CASH AND CASH EQUIVALENTS—End of year	$	26,402,012
SUPPLEMENTARY INFORMATION—Interest paid	$	1,613,458
LEASE ASSETS ACQUIRED IN EXCHANGE FOR LEASE OBLIGATIONS	$	12,780

See notes to consolidated financial statements.

1. ORGANIZATION

The New York Botanical Garden (the "Garden") located in the Bronx, New York, a not-for-profit organization, is a museum of plants and a scientific research center devoted to the study of plants and their uses. It is the Garden's mission to improve public understanding of the natural world, horticulture, and the relationships between plants and people. It is also the Garden's mission to expand humanity's knowledge of plants and how they are utilized.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation—The accompanying consolidated financial statements represent the accounts of the Garden, a private not-for-profit corporation, formed in 1891 by the State of New York (the "State"), and its wholly owned limited liability company, North Central Bronx Real Estate, LLC. North Central Bronx Real Estate, LLC was formed during the year ended June 30, 2013, to conduct acquisition of real property investments for the Garden and to perform management services incidental to ownership of those investments. The accompanying consolidated financial statements also include the activities of The LuEsther T. Mertz Legacy Trust for The New York Botanical Garden (the "Legacy Trust"). The Legacy Trust was created on May 12, 2021, and was organized for the benefit of the Garden. The Garden controls the majority voting interest in the Legacy Trust, and the Garden benefits from any income generated by the Legacy Trust's assets. The Legacy Trust contributed $550,000 to the Garden during the fiscal year ended June 30, 2024.

The consolidated financial statements of the Garden have been prepared on an accrual basis to conform with accounting principles generally accepted in the United States of America and with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*.

Based on the existence or absence of donor-imposed restrictions, the Garden classifies resources into two categories: without donor restrictions and with donor restrictions.

Net assets without donor restrictions include all resources which are not subject to donor-imposed restrictions. All revenues, gains, and losses that are not restricted by donors are included in this classification. All expenses are reported as decreases in net assets without donor restrictions.

Net assets with donor restrictions include all resources which are subject to donor-imposed restrictions that will be met either by actions of the Garden or the passage of time. These net assets include donor-restricted endowments, unconditional pledges, split interest agreements, and interest in perpetual trusts held by others. Generally, the donor-imposed restrictions of these assets permit the Garden to use all, or part of the income earned on related investments only for certain general or specific purposes.

Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions in the consolidated statement of activities. Contributions, including unconditional promises to give, are recognized as revenue in the period received at their net present value.

Significant Accounting Policies

Cash Equivalents— The Garden considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, except for such assets held as part of the long-term investment strategy of the endowment funds. A substantial portion of the Garden's cash is maintained at two financial institutions. From time to time, the Garden could be exposed to credit risk related to cash deposited with financial institutions in excess of federally insured limits. However, management does not believe that the Garden is exposed to any significant credit risk related to its cash and cash equivalents.

Accounts Receivable—Accounts receivable consist of receivables for accrued income on long-term investments, and other sundry receivables related to earned income activities. Accounts receivables are carried at cost less allowance for doubtful accounts.

Grants and Contracts—The Garden receives a substantial amount of its operating support from federal, state, and local governments. The Garden records as revenue the reimbursement of indirect costs for applicable government-sponsored programs at negotiated rates each year. Indirect cost recovery revenue is recognized when reimbursements are billed to the sponsoring agency. The Garden's indirect cost recovery rate was 53.29% for the year ended June 30, 2024.

Pledges Receivable—The Garden recognizes promises to give contributions in the year in which such promises are made or become unconditional. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Those expected to be collected in future years are recorded at the present value of future cash flows. Pledges are discounted to approximate present value using the applicable U.S. Treasury note rate in effect on June 30 of the year in which the pledges are received. Pledges are recorded net of an allowance for uncollectible amounts.

Inventories—Inventories consist of goods held for sale by the Garden's retail shop and scientific publications managed by the New York Botanical Garden Press. The Garden records its inventories using an average cost method of inventory valuation.

Investments—Investments consist of cash equivalents whose maturity exceeds 90 days at the date of acquisition, common stocks, fixed-income securities, fixed-income and equity mutual funds, certain real estate holdings and limited partnership interests in alternative investments, and private equity and hedge funds. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain amounts temporarily due from and held by fund managers are reported within investments at fair value together with the related holding.

Alternative investments and hedge funds invest and trade in various securities that are unlisted or thinly traded. The fair value of these holdings is determined by management based on the net asset values (NAVs) provided by the external investment managers of the alternative investment or hedge fund. Real estate held for investment purposes is recorded at fair value and assessed annually for impairment (Note 2). Gains or losses on investments are recognized as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restrictions or by law. Investments with significant unobservable inputs for assets or liabilities, such as shares in privately held companies, are considered to be Level 3 investments.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes could occur and materially affect the amounts reported in the consolidated financial statements.

Fixed Assets—Fixed assets are recorded at cost. Expenditures in excess of $5,000 and having at least a two-year expected useful life are capitalized. Expenditures that do not meet these criteria are expensed as incurred. Assets are depreciated on a straight-line basis using the half-year convention. Equipment, furniture, and fixtures are depreciated over lives ranging from 5 to 10 years. Land and building improvements are depreciated over 20 years. Buildings are depreciated over 45 years.

Impairment of Long-Lived Assets—Long-lived assets, which consist primarily of property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. When such events occur, the Garden compares the carrying amounts of the assets to the undiscounted expected future cash flows. If this comparison indicates that there may be an impairment, the amount of the impairment is calculated as the difference between the carrying value and the fair value. During the year ended June 30, 2024, no impairments were recorded.

Collections—The Garden's collections include living plants, herbarium specimens, art objects, books, prints, and ephemera. The Garden has not capitalized the collections. The Garden's collections are maintained for public exhibition, education, and research in furtherance of public service rather than for financial gain. Collections are among the most valuable assets of the Garden and are protected, kept unencumbered, cared for, and preserved.

Gift Annuities—The Garden manages a segregated gift annuity fund and records gifts at the fair value of the assets received and liabilities for the payments to be made to the beneficiaries during the donor's life. The liabilities are based on the present value of the payments expected to be made, as determined using Internal Revenue Service mortality tables and commensurate discount rates. The investments related to the gift annuities are classified in the Special Programs Fund as long-term investments, and the liability for beneficiary payments is included in accrued expenses and other liabilities. The value of assets in the fund was $5,720,325 at June 30, 2024. The liability for the present value of deferred gifts was $1,263,512 at June 30, 2024.

Conditional Asset Retirement Obligation—The Garden has recorded estimates for its conditional asset retirement obligations associated with constructed facilities and equipment. Equivalent amounts have been capitalized and included in fixed assets.

Derivative Instruments—The Garden records derivative instruments (e.g., interest rate swap agreements) at fair value in accordance with FASB ASC 815, *Disclosures about Derivative Instruments and Hedging Activities*. The change in fair value during the reporting period is recognized below the operating measure in the consolidated statement of activities.

Revenue Recognition—The Garden reports gifts of cash and other assets as restricted support if received with donor stipulations that limit the use of those assets. When expenditures are incurred that fulfill a donor restriction, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Revenues from earned income sources are recognized when delivery of goods or services has been rendered.

Revenues from exchange transactions are recognized as performance obligations are satisfied, which in some cases are as related costs are incurred. Revenues from nonexchange transactions (contributions) may be subject to conditions, in the form of both a barrier to entitlement and a refund of amounts paid (or a release from obligation to make future payments). Revenues from conditional nonexchange transactions are recognized when the barrier is satisfied. Funds received in advance (for an exchange transaction, prior to the performance obligation being satisfied; or for a contribution nonexchange transaction, prior to the condition being achieved) are recorded as deferred revenue in the consolidated statement of financial position.

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

In-Kind Contributions—The Garden receives in-kind contributions of advertising, food, and supplies relating to its fund-raising events. In-kind contributions are recorded at fair value as gift revenue and as miscellaneous expenses.

Donated Services—Volunteers donated approximately 41,970 hours during the year ended June 30, 2024, providing various levels of service in almost all areas, including research, horticulture, education, the library, other support, and special events. The value of the contributed time has not been recorded in the Garden's consolidated statement of activities because the contributed time does not meet the recognition criteria under FASB ASC 958-605, *Accounting for Contributions Received and Contributions Made*.

Expenses and Other Deductions

The Garden's basis for allocating functional expenses is determined by the organization's chart of accounts structure, which includes a segment for organizational division. Functional expenses are allocated principally by the divisional segment code.

Program Services—Program services are those activities of the Garden committed to the research and study of plants and the related activities in disseminating the information to the public. Program services include science (research), horticulture, education, library services, scientific publications, operations, security, audience development, and auxiliary enterprises.

Management and General—Management and general expenses include finance and administration, institutional services (printing and graphics, business services, information technology, human resources, and capital projects), government relations, and executive management.

Fund-Raising—Fund-raising expenses include development expenses.

Supplemental Fund Information

General Operations—General operations include all program and support and auxiliary enterprises activities that are funded by revenue without donor restrictions.

Special Programs—Special programs include program and support services that are funded primarily with donor-restricted funds and designated funds without donor restrictions.

Nonoperating—Nonoperating includes all activities related to the land, building, and equipment fund; changes in the fair value of derivatives; and activity related to endowment and similar funds without donor restrictions.

Tax Status—The Garden is a Section 501(c)(3) charitable organization exempt from federal income taxes under Section 501(a) of the US Internal Revenue Code (IRC). It has been classified as a publicly supported charitable organization under Section 509 (a)(1) and qualifies for the maximum charitable contribution deduction by donors. In addition, the State and the City of New York (the "City") have classified the Garden as nonprofit in character, and as such, the Garden is exempt from payment of income taxes to the State and the City. FASB ASC 740-10-05-6, *Accounting for Uncertainty in Income Taxes*, prescribes the minimum recognition threshold a tax position must meet in connection with accounting for uncertainties in income tax positions taken or expected to be taken by an entity before being measured and recognized in the financial statements. The Garden has reported no potential liabilities for uncertain tax positions at June 30, 2024. On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the "Act") was signed into legislation. The Act includes numerous changes in tax law related to tax-exempt organizations, including, but not limited to, a 21% excise tax assessed against executive compensation of covered individuals, unrelated business income taxes on qualified transportation fringe benefits, and a reduction in the federal income tax rate for corporations from 35% to 21%, which took effect for taxable years beginning on or after January 1, 2018. The Garden recorded a deferred tax asset (DTA) because it was determined that the DTA will be fully utilized prior to the expiration of its net operating losses. These provisions were considered, and none were identified that would affect the tax-exempt status of the Garden as of June 30, 2024.

New Accounting Standards— In June 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-13, *Credit Losses (Topic 326)* (ASU No. 2016-13 or ASC 326). ASU No. 2016-13 requires organizations to measure all expected credit losses for financial instruments held at its reporting date. Organizations are required to use the current expected credit loss methodology to measure financial assets such as loan receivables and held-to-maturity debt, that are measured at amortized cost. It also applies to off balance sheet credit exposure. The Garden determined the adoption of ASU No. 2016-13 has no material effect on its financial statements.

Transfer from Special Programs—The Garden transferred $5,560,853 from its Special Programs to its General Operations during the fiscal year ended June 30, 2024.

3. INVESTMENTS

The carrying value of investments as of June 30, 2024, is as follows:

	2024			
	General Operations	Special Programs	Endowment and Similar Funds	Total
Cash and cash equivalents	$ 170,291	$ 102,635	$ 47,166,657	$ 47,439,583
Futures				
Fixed-income securities	1,721	2,117,588	2,684,503	4,803,812
Equity mutual funds	208	3,500,102	45,589,072	49,089,382
Alternative investment and hedge funds:				
Equity		9,000,000	4,635,788	13,635,788
Absolute return and equity hedge			242,321,898	242,321,898
Private			25,501,016	25,501,016
Real estate			39,350,000	39,350,000
Total	$ 172,220	$ 14,720,325	$ 407,248,934	$ 422,141,479

State law allows the Garden's board of trustees (the "Board of Trustees") to appropriate as much of the net appreciation as is prudent considering the Garden's long-term and short-term needs, present and anticipated financial requirements, expected total return on its investments, price-level trends, and general economic conditions.

The Garden has adopted investment and spending policies for endowment assets to provide long-term capital appreciation to supply funds for the specified purposes for which the original endowed gifts were given. The time horizon for the endowment is perpetuity. The investment assets of the Garden are fully outsourced on a discretionary basis to an external professional investment management firm. The investment committee of the Board of Trustees has responsibility for setting the Garden's investment policy statement.

The long-term objective of the Garden is to stabilize annual spending levels to preserve the real value of the endowment portfolio over time. The expected return on endowment assets is the sum of the annual spending rate, the long-term inflation rate, and any growth factor, which the investment committee may deem appropriate.

The Board of Trustees approved $18,932,974 drawdowns to support operations for 2024. The effective rate for the year ended June 30, 2024 was 4.99%.

The investment return (loss) and its classification in the consolidated statement of activities for the year ended June 30, 2024 is summarized as follows:

	2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Dividends and interest income	$ 1,605,088	$ 3,350,840	$ 4,955,928
Less investment fees	(68,937)	(1,519,709)	(1,588,646)
Net realized and unrealized gains	5,187,097	28,888,118	34,075,215
Total gain on investments—net of investment fees	6,723,248	30,719,249	37,442,497
Endowment return used in operations	(2,633,708)	(16,299,266)	(18,932,974)
Net investment gain (loss)	$ 4,089,540	$ 14,419,983	$ 18,509,523

4. DONOR-RESTRICTED AND BOARD-DESIGNATED ENDOWMENT AND SIMILAR FUNDS

Changes in donor-restricted and board-designated endowment and similar funds for the year ended June 30, 2024, are as follows:

	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Balance—beginning of the year	$ 47,632,483	$ 356,378,112	$ 404,010,595
Contributions		349,669	349,669
Investment income (net of fees)	1,536,123	1,831,159	3,367,282
Net investment return	3,397,920	28,888,118	32,286,038
Amounts appropriated for expenditure and other changes	(4,683,352)	(16,564,723)	(21,248,075)
Balance—end of year	$ 47,883,174	$ 370,882,335	$ 418,765,509

5. FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurement*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements and investments measured at NAV). The levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1—Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Garden has the ability to access at the measurement date. Market price data is generally obtained from exchange or dealer markets. Instruments categorized in Level 1 primarily consist of a broadly traded range of equity and debt securities.

Level 2—Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means
- Inputs that are obtained from various sources, including market participants, dealers, and brokers

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The methods described above may produce a fair value that may not be indicative of net realizable value or reflective of future values. In addition, while the Garden believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

NAV—Interests in alternative investment funds, such as fixed income, equities, hedged strategies, private capital, and real assets, are generally reported at the NAV reported by the fund managers. Unless it is probable that all or a portion of the investment will be sold for an amount other than NAV, management has concluded, as a practical expedient, that the NAV approximates fair value.

Following is a description of the valuation methodologies used for items measured at fair value:

Fixed-Income Securities and Mutual Funds—Valued at the closing price reported on the active market on which the individual securities are traded.

Equity Securities and Mutual Funds—Valued at the closing price reported on the active market on which the individual securities are traded.

Alternative Investment and Hedge Funds—Valued at NAV of shares held by the fund as reported by the fund managers. Equity investments in privately held corporations are valued using estimates.

Cash Equivalents—The fair value approximates the carrying amount because of the short maturity of these instruments.

Futures Contracts—Fund managers may invest in short-term futures contracts. The Garden employs futures contracts for the purpose of hedging its risks and rebalancing its market exposure. Futures are reflected at fair value.

Real Estate—The Garden holds direct real estate investments that are valued using the sales comparison and income approach, a generally accepted appraisal methodology. Evaluations are carried out by independent appraisers and the investments are categorized as Level 3 within the fair value hierarchy.

Interest Rate Swaps—Valued at discounted future cash flows under proprietary financial models developed by the counterparty.

	Classification as of June 30, 2024				
	Level 1	**Level 2**	**Level 3**	**Investments Measured at NAV**	**Total**
Cash and cash equivalents	$47,439,583	$	$	$	$ 47,439,583
Futures					
Fixed-income securities	4,803,812				4,803,812
Equity mutual funds	49,089,382				49,089,382
Alternative investment and hedge funds:					
Cash and cash equivalents					
Equity [(a)]			9,000,000	4,635,788	13,635,788
Absolute return and equity hedge [(b)]				242,321,898	242,321,898
Private [(c)]				25,501,016	25,501,016
Real estate			39,350,000		39,350,000
Interest rate swap valuation liability		(1,315,093)			(1,315,093)

[(a)] The purpose of the allocation to equities is to provide long-term capital appreciation. Equity managers are selected with the objective of building a portfolio that is diversified by geographic region, economic sector, industry, and market capitalization. The objective in selecting equity managers is to generate average annual compounded returns higher than the relevant broad market indices (i.e., the S&P 500, the Russell 1000, MSCI EAFE, and MSCI World), net of fees, over full market cycles (5–10 years). Funds are locked up for periods ranging from one year to 30 months. As of June 30, 2024 the percentage of fair value of the investments owned and classified as Level 1 by equity investment funds was 65.69%.

(b) The alternative asset allocation may include both “absolute return strategies” and long/short “equity hedge” strategies. Absolute return strategies typically involve event-driven, stressed, and distressed credit, and spread-based arbitrage investments. Absolute return strategies tend to be both flexible and opportunistic. They incorporate differentiated drivers of return compared to traditional investment strategies, and as a result, they are expected to produce returns, which exhibit relatively low correlation to broad market indices over longer time horizons. Equity hedge managers typically make both long and short investments and produce returns that can be expected to correlate more closely with the performance of the equity markets than would the performance of the absolute return strategies, though with lower volatility than traditional “long only” equity managers. Investments in alternative assets are generally subject to an initial lockup of 12–24 months or longer, and thereafter, investors can typically withdraw quarterly or annually with advance notice. Over time, alternative assets should generate returns comparable to long-term equity markets but with lower volatility than equity markets. Funds are locked up for periods ranging from one year to 25 months.

(c) Private equity investments encompass diverse strategies, including buyout, growth, venture capital, and control-oriented distressed. These illiquid investments generally have four- to six-year investment periods and approximately 10-year fund lives. Given their illiquidity, private investments are expected to generate higher returns than public market strategies. The performance of funds raised and managed by the same team following similar strategies can vary significantly from one period to the next. Thus, investment in this asset class requires diversification across not only manager, strategies, and geographies but also “vintage years.” Funds are locked up for extended periods.

In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statement of financial position.

Except for interest rate swaps and futures contracts, the Garden does not directly invest in derivative instruments; however, its external investment managers do invest directly in such instruments, as their investment strategy may dictate.

The changes in the fair value of the Garden’s Level 3 assets for the year ended June 30, 2024 is summarized as follows:

	Level 3 2024
Balance—beginning of year	$ 60,500,000
Purchases and contributions	
Redemptions	
Change in fair value	(12,150,000)
Balance—end of year	$ 48,350,000

In accordance with ASU No. 2009-12, *Fair Value Measurements and Disclosures*, disclosures regarding the category, fair value, unfunded commitments, frequency, for assets measured at NAV whose fair value is estimated using NAV per share as of June 30, 2024 is summarized as follows:

	2024			
Category/Objective	**Fair Value Determined Using NAV**	**Unfunded Commitments**	**Redemption Frequency**	**Redemption Notice Period**
Alternative investments—equity [a]	$ 4,635,788	$	Monthly, semi-annually	30–90 days
Alternative investments—absolute return and equity hedge [b]	242,321,898	2,031,660	Daily, monthly, bimonthly, quarterly, semiannually, annually	Daily–90 days
Alternative investments—private [c]	25,501,016	4,027,250	N/A	N/A
Total	$ 272,458,702	$ 6,058,910		

6. PLEDGES RECEIVABLE

Pledges receivable consisted of the following as of June 30, 2024:

	2024
Gross contributions:	
Within one year	$ 7,554,477
One to five years	24,519,382
Total gross contributions	32,073,859
Allowance for uncollectible amounts	(1,783,645)
Discount to present value (applied discount rates range from 0.1% to 5.4%)	(2,728,466)
Net pledges receivable	$ 27,561,748

7. LONG-TERM DEBT

Land, Building, and Equipment Fund—The Garden is constructing, expanding, and renovating a number of facilities. A portion of the costs of these projects has been financed by the sale of revenue bonds issued in fiscal year 2010 by The Trust for Cultural Resources of the City of New York (the "Trust").

Series 2009A Bond—On August 14, 2009, the Garden entered into a loan agreement with the Trust (the "Series 2009A bonds"). The Trust loaned to the Garden the proceeds of a $68.1 million Series 2009A bonds refunding revenue bond issued for the purpose of refunding an outstanding bridge loan with JPMorgan Chase (the "Bank") and to cover the costs of issuance. The borrowings under the bridge loan were repaid.

The loan agreement obligates the Garden to make payments equal to the debt service requirements of the Series 2009A bonds. The Series 2009A bonds bear variable rates of interest, determined weekly by the designated remarketing agent, Morgan Stanley & Co., pursuant to a remarketing agreement. The bonds are supported by an irrevocable transferable letter of credit (the "Letter") issued by the Bank to a major financial institution (the "bond trustee"). The Letter permits the bond trustee to draw upon the funds of the Bank for payment of interest and principal in the event the remarketing agent is unable to remarket the bonds. The interest rate was 0.50% at June 30, 2024. The Series 2009A bonds loan agreement requires monthly interest payments, which commenced on September 1, 2009, and annual principal payments that commenced July 1, 2015, with the final payment due July 1, 2032. Issuance costs and discount on the bonds are being amortized over the term of the bond issue.

The Series 2009A bondholders have the option to put the bonds back to the Trust on seven days notice. The bonds are subject to remarketing efforts by the remarketing agent. To the extent that such remarketing efforts were unsuccessful, the nonmarketable bonds would be purchased from the proceeds of the letter of credit agreement with the Bank, which expires on May 30, 2025.

If the letter of credit agreement is not extended or replaced, the bonds must be tendered. If tendered, the bonds would be purchased from the proceeds of the expiring letter of credit agreement. Bonds purchased from the proceeds of the letter of credit agreement would be converted to a term loan and become payable over three years. The Series 2009A bonds have been reported in accordance with the scheduled maturities contained in the bond agreements in the table of annual principal payments below.

If all the Series 2009A bonds were put back to the Trust on June 30, 2024, and not remarketed, the required repayments of the outstanding bond principal, after giving effect to the terms of the related letter of credit agreement, would be as follows:

Years Ending June 30	**Total**
2025	$ 11,793,333
2026	11,793,333
2027	11,793,334
Less unamortized discount and debt issuance costs	(385,400)
Total	$ 34,994,600

The aggregate principal payments due on long-term debt are as follows:

Years Ending June 30	Series 2009A Bond
2025	4,075,000
2026	4,260,000
2027	3,945,000
2028	4,160,000
2029	4,375,000
Thereafter	14,565,000
Total	$ 35,380,000

Interest Rate Swap Agreements—In February of 2005, the Garden entered into two interest rate swap agreements and a swaption agreement with a counterparty. The interest rate swap agreements are based on original notional amounts of $40,000,000 and $27,900,000, wherein the Garden agrees to pay the counterparty a fixed rate of interest equal to 3.63% and 3.61%, respectively. The counterparty currently pays a floating rate based on 70% of the Secured Overnight Financing Rate (SOFR) plus a spread. The notional amounts of the interest rate swap agreements decrease based on the Series 2009A bond amortization schedule and expire in 2032 and 2026 respectively. The swaption agreement had an original notional amount of $15,000,000 and was exercised on May 26, 2006. The underlying interest rate swap agreement requires the Garden to pay a fixed rate of 3.61% on the original $15,000,000 notional amount that decreases through 2035 based on an amortization schedule. The counterparty pays a floating rate based on 70% of SOFR plus a spread.

The Garden’s net benefit or obligation under these agreements is accounted for in the Garden’s consolidated statement of financial position as an asset or liability. The estimated fair value of the swap agreements is ($1,315,093) at June 30, 2024. Gains or losses on valuation are reported in the consolidated statement of activities as nonoperating gains or losses.

8. LEASES

The Garden’s lessee arrangement consists of agreements to lease certain office equipment, copiers, postage meter, etc. The initial terms of the leases range from one year to six years. Some leases have options to renew at then prevailing market rates. As any extension or renewal is at the sole discretion of the Garden and at this date, is not certain, the renewal options are not included in the calculation of the right-of-use asset or lease liability. All office and equipment leases are classified as operating leases.

The components of lease expense were as follows:

Fiscal Year	2024
Lease cost:	
Operating lease cost	$ 119,310
Financing lease cost - Interest on lease liabilities	-
Total Lease cost	$ 119,310

Supplemental cash flow information related to leases was as follows:

Fiscal Year		**2024**
Operating cash flow payments for operating leases	$	117,991

Supplemental statement of financial position information related to leases was as follows:

Fiscal Year	**2024**
Weighted-average remaining lease term—operating leases	3.49 years
Weighted-average discount rate—operating leases	0.94%

The maturity of lease liabilities as of June 30, 2024 were as follows:

(In $)		
2025	$	118,516
2026		103,401
2027		73,578
2028		17,698
2029		3,032
Total lease payments		316,225
Less imputed interest		(15,302)
Total	$	300,923

9. PENSION PLAN AND POSTRETIREMENT BENEFITS

Pension benefits are provided to eligible employees through the Cultural Institutions Retirement System (CIRS), a multiemployer retirement system.

Participation in a multiemployer defined benefit pension plan includes the following risks:

- Assets contributed to the plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer ceases to contribute to a multiemployer plan, the unfunded obligation of the plan may be borne by the remaining participating employers.

- If the Garden were to withdraw from the plan, the Garden may be required to pay the plan an amount based on the underfunded status of the plan and on the history of the Garden's participation in the plan prior to withdrawal. This is referred to as a withdrawal liability.

The CIRS plan has a certified zone status as currently defined by the Pension Protection Act of 2006. The zone status is based on information provided to the Garden and other participating employers by CIRS and is certified by the plan's actuary. The following are descriptions of the zone status types based on criteria established under the IRC:

- ***"Red" Zone***—Plan has been determined to be in "critical status" and is generally less than 65% funded. A rehabilitation plan, as required under the IRC, must be adopted by plans in the "red" zone. Plan participants may be responsible for the payment of surcharges, in addition to the contribution rate specified in the applicable collective bargaining agreement, for a plan in "critical status," in accordance with the requirements of the IRC.

- ***"Yellow" Zone***—Plan has been determined to be in "endangered status" and is generally less than 80% funded. A funding improvement plan, as required under the IRC, must be adopted.

- ***"Green" Zone***—Plan has been determined to be neither in "critical status" nor in "endangered status," and is generally at least 80% funded.

- The CIRS plan was in the "green" zone for the two most-recent benefit plan years that have been certified.

Information about the CIRS retirement plan and its financial condition at June 30, 2024 is summarized as follows:

Legal Plan name	The Cultural Institutions Pension Plan
Plan taxpayer ID number	11–2001170
Plan number	001
Expiration date of collective bargaining agreement	June 30, 2025

	Year Ended June 30, 2024
Pension Protection Act Zone Status (certified by plan actuary)	Green
Contributions made to the plan by the Garden	$ 4,197,253
Contributions made by the Garden were in excess of 5% of total contributions to the plan?	Yes

Negotiations for a new CIRS collective bargaining agreement are still in process.

In 2024, pension expense was $4,593,685 including $872,526 paid by the City. The Garden makes annual contributions to the CIRS plan equal to amounts accrued for expense, including amortization of past services cost over 30 years. On July 1, 2023, the date of the last actuarial valuation, the market value of CIRS plan assets was $1.44 billion. Accumulated benefit liabilities of the plan were $2.30 billion.

Under the terms of its collective bargaining agreement, the Garden also contributes to a multiemployer postretirement health care plan covering retired union employees. Postretirement benefit costs equal to the amount of the required contributions are recorded as expense. The Garden contributed $880,804 to the plan in the year ended June 30, 2024.

10. FIXED ASSETS

Title to substantially all of the land, buildings, and improvements operated by the Garden is held by the City; however, use of the properties is dedicated exclusively to the Garden in accordance with the original 1891 Act of Incorporation of The New York Botanical Garden. All such assets are recorded on the books of the Garden.

The Garden is responsible for the facility's management and operation, and for maintaining certain insurance coverage. The City may provide gas, electricity, and water; funding for improvement and new construction; funding for the salaries and medical benefits of certain employees, including those employed in the maintenance and care of the property; and pension expense of certain employees.

In addition, the City, from time to time, has made improvements to the existing facility on behalf of the Garden. Title to such improvements remains with the City. The Garden has adopted the policy of capitalizing such expenditures and recorded such amounts as temporarily restricted contributions in accordance with the City's instructions. The Garden amortizes these costs over a 20-year period.

In 2024, the City allocated $3,821,216 for appropriations relating to capital projects. From 1990 to 2024, the City has contributed approximately $163,203,000 toward the Garden's capital expenses. The Garden also receives funding for capital projects from private and other sources which have contributed approximately $183,642,000.

Fixed assets as of June 30, 2024 are summarized as follows:

	2024
Land	$ 9,053,130
Land improvements	81,632,320
Buildings	164,857,935
Building improvements	113,694,734
Equipment, furniture, and fixtures	28,403,548
Construction in progress	7,919,404
Conditional asset retirement costs	4,200,000
	409,761,071
Less accumulated depreciation	(230,969,274)
Total	$ 178,791,797

Outstanding commitments for construction in progress were $3,077,000 at June 30, 2024.

Depreciation expense for the year ended June 30, 2024, was $12,274,686 (Program Services, $10,433,483; Management and General, $1,104,722; and Fundraising, $736,481).

The changes in the carrying value of the Garden's conditional asset retirement obligation for the year ended June 30, 2024 is summarized as follows:

Balance—beginning of year	$ 3,169,611
Amortization of discount	103,500
Balance—end of year	$ 3,273,111

11. DONOR-RESTRICTED NET ASSETS

Donor-restricted net assets that are temporarily restricted as of June 30, 2024 are available for the following purposes or periods:

	2024
Investment earnings accumulated for program and other operating activities	$ 97,837,613
Buildings and equipment	17,751,107
Pledges due in future years for program activities	8,256,360
	$ 123,845,080

During the year ended June 30, 2024, net assets were released from donor restrictions by incurring expenses or expenditures satisfying the restricted purposes specified by donors. Restricted sources of revenue include government support, private gifts, grants and bequests, and endowment income. Purpose and time restrictions, met by program category, for the year ended June 30, 2024, is as follows:

	2024
Purpose restrictions accomplished:	
Science	$ 7,836,002
Horticulture	11,327,416
Education and outreach	5,599,431
Total restrictions released	$ 24,762,849

For the year ended June 30, 2024, net assets with donor restrictions that are permanently restricted include investments that are held in perpetuity, the total return from which is expendable to support:

	2024
Program activities	$ 269,595,023
Building operations	6,257,052
Any activity of the organization	7,468,236
	$ 283,320,311

Net assets with donor restrictions that are permanently restricted include contributions and pledges, which require, by donor restriction, that the corpus be invested in perpetuity and that only investment return be made available for operations or other purposes in accordance with donor restrictions.

12. APPROPRIATIONS—CITY OF NEW YORK

Appropriations from the City of New York for the year ended June 30, 2024 is summarized as follows:

	2024
General operating support	$ 5,668,344
Energy appropriation	2,015,179
Pension contribution	872,526
Restricted program support	868,402
Capital support	3,821,216
Total	$ 13,245,667

13. TUITION FEES REVENUE

School of Professional Horticulture—Tuition fees revenue includes tuition and fees earned by the Garden's School of Professional Horticulture (the "School"). Student financial assistance received on behalf of students enrolled in the program (e.g., loans and grants funded by government and private sources) is reported as tuition fees in the consolidated statement of activities. Tuition and fees earned by the School for the year ended June 30, 2024 was $144,375. There were no refunds in 2024.

The School incurred operating expenses of $398,932 for the year ended June 30, 2024.

School of Horticulture and Landscape Design—Tuition fees revenue earned by the Garden's School of Horticulture and Landscape Design were $200,215 (net of refunds of $35,870) for 2024.

14. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Garden structures its financial assets to be available and liquid as its general expenditures, liabilities, and other obligations become due. In the normal course of operations, the Garden expects to withdraw approximately $19,000,000 from its endowments annually.

The Garden's financial assets available to meet general expenditures within one year of June 30 are as follows:

	2024
Cash and cash equivalents	$ 26,402,012
Pledges receivable (due within one year)	7,554,477
Other receivables (due within one year)	1,436,179
Recoverable government-funded program expenditures (due within one year)	10,073,366
Other current assets	1,631,816
Investments designated for current use	19,381,000
Total financial assets available to management for general expenditures within one year	$ 66,478,850

Additionally, at June 30, 2024, the Garden has endowment and similar funds of $418,765,509 which include $47,883,174 of board-designated funds. Although the Garden does not intend to spend its board-designated funds, amounts from these funds could be made available if necessary. However, both board-designated and donor-restricted funds contain investments with lock-up provisions which could reduce the total investments that could be made available.

15. RISKS AND UNCERTAINTIES

During the year ended June 30, 2024, conditions in global debt and equity markets continued to remain volatile. The financial performance of the Garden's investment portfolios is affected commensurately with changes in market conditions.

The Garden receives grants and awards from the federal government. Entitlements to the resources are generally conditional upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of resources for eligible purposes. Substantially, all federal grants and awards are subject to financial and compliance audits. Any disallowances become liabilities of the Garden.

16. INFORMATION USED IN THE DETERMINING DEPARTMENT OF EDUCATION'S FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

Section 498(c) of the Higher Education Act of 1965, as amended, requires for-profit and nonprofit institutions to annually submit audited financial statements to the Department of Education (ED) to demonstrate they are maintaining the standards of financial responsibility necessary to participate in the Title IV programs. One of many standards which ED utilizes to gauge the financial responsibility of an institution is a composite of three ratios derived from an institution's audited financial statements.

The financial information below provides the correspondence between certain values presented in the Garden's consolidated financial statements and the values as they are included in the determination of the ratios used by ED to gauge the Garden's financial responsibility:

	2024
Long-Term Debt	
Pre-implementation long-term debt	$ 38,896,425
Repayment and amortization of pre-implementation long-term debt	(3,901,825)
Long-term debt	$ 34,994,600
Land, Buildings, and Equipment—Net	
Pre-implementation land, buildings, and equipment—net post-implementation land, buildings, and equipment—net	$ 153,970,570
Construction in progress	6,707,692
Post-implementation land, buildings, and equipment—net purchased without long-term debt	18,113,535
	24,821,227
Land, buildings, and equipment—net	$ 178,791,797
Nonoperating and Net Investment Gain (Loss)	
Change in net assets—nonoperating	$ (1,676,565)
Other investment gains	30,719,249
Nonoperating and net investment gains	$ 29,042,684

17. RELATED PARTY TRANSACTIONS

The Garden receives contributions and pledges from the Garden's employees as well as from Trustees. The following list of related party transactions is provided to comply with the Financial Responsibility, Administrative Capability, Certification Procedures & Ability to Benefit regulation promulgated by the U.S. Department of Education.

The sum of contributions from employees and related parties were approximately $35,576 and $28,086,438 respectively and are presented as of and for the year ended June 30, 2024. See details as follows:

Related Party	Amount	Related Party	Amount	Related Party	Amount
Related Party 1	$ 7,500,000	Related Party 23	$ 175,000	Related Party 46	$ 25,000
Related Party 2	5,000,000	Related Party 24	165,000	Related Party 47	25,000
Related Party 3	5,000,000	Related Party 25	132,500	Related Party 48	25,000
Related Party 4	1,127,250	Related Party 26	125,000	Related Party 49	25,000
Related Party 5	1,000,000	Related Party 27	111,750	Related Party 50	25,000
Related Party 6	800,000	Related Party 28	100,000	Related Party 51	25,000
Related Party 7	695,882	Related Party 29	100,000	Related Party 52	21,500
Related Party 8	621,486	Related Party 30	95,000	Related Party 53	15,000
Related Party 9	550,000	Related Party 31	77,500	Related Party 54	14,503
Related Party 10	540,313	Related Party 32	75,000	Related Party 55	10,000
Related Party 11	500,000	Related Party 33	75,000	Related Party 56	6,000
Related Party 12	335,688	Related Party 34	66,520	Related Party 57	5,000
Related Party 13	290,058	Related Party 35	60,000	Related Party 58	5,000
Related Party 14	278,817	Related Party 36	50,000	Related Party 59	3,500
Related Party 15	260,000	Related Party 37	50,000	Related Party 60	3,000
Related Party 16	250,000	Related Party 38	50,000	Related Party 61	3,000
Related Party 17	250,000	Related Party 39	50,000	Related Party 62	2,500
Related Party 18	250,000	Related Party 40	50,000	Related Party 63	1,500
Related Party 19	225,000	Related Party 41	50,000	Related Party 64	1,500
Related Party 20	200,159	Related Party 42	40,000	Related Party 65	1,350
Related Party 21	200,000	Related Party 43	35,012	Related Party 66	1,000
Related Party 22	175,000	Related Party 44	33,150	Related Party 67	500
		Related Party 45	25,000	Related Party 68	500
				Related Parties	**$ 28,086,438**

Assigned Itentifier

Employee	Amount	Employee	Amount	Employee	Amount
Employee 1	$ 6,000	Employee 10	$ 1,500	Employee 19	$ 280
Employee 2	5,000	Employee 11	1,500	Employee 20	200
Employee 3	5,000	Employee 12	1,500	Employee 21	185
Employee 4	2,500	Employee 13	615	Employee 22	185
Employee 5	2,500	Employee 14	375	Employee 23	95
Employee 6	1,950	Employee 15	311	Employee 24	86
Employee 7	1,857	Employee 16	300	Employee 25	10
Employee 8	1,525	Employee 17	300	Employee 26	1
Employee 9	1,500	Employee 18	300	Employee 27	1
				Employees	**$ 35,576**

The Garden paid one of its Trustees $23,250 for services rendered during the year. The Trustee provided exhibition, art and advisory services to the Garden. The Garden also paid $51,950 to a Company in which one of its trustees has an interest. The amounts paid were for expenses incurred for one of the Garden's programs.

18. CORRECTION OF PREVIOUSLY REPORTED CONSOLIDATED FINANCIAL STATEMENTS

In 2009, the Garden recharacterized certain net assets from With donor restriction to Without donor restriction, as described in detail in Note 11 of the Garden's consolidated financial statements for the year ended June 30, 2009. As disclosed therein, during fiscal year 2009, the Garden obtained written consent from certain donors releasing the Garden from legal restrictions regarding the preservation of original endowment gifts ("corpus") as a result of the extraordinary decline in financial markets that occurred during 2008 and 2009 and, as such, the Garden recharacterized the corpus of these endowments from net assets With donor restrictions to net assets Without donor restrictions (the "reclassified endowments").

During the current fiscal year, the Garden embarked on an endowment digitalization project. In the course of this process, management reviewed the relevant 2009 donor documents and determined that the documents did not support the recharacterizations that had taken place related to the reclassified endowments. That is, the recharacterization was intended to release only the preservation of the corpus rather than release all legal restrictions of the reclassified endowments. Therefore, in order to realign the characterization of the reclassified endowments with their restricted purpose, the accompanying Consolidated Statement of Activities for the year ended June 30, 2024 has been immaterially restated whereby the corpus and unexpended accumulated net earnings held by the reclassified endowments, which amounted to $72,558,540 as of June 30, 2023, was reclassified from net assets With donor restrictions to net assets Without donor restrictions funds as an adjustment to Net Assets – Beginning of the year as of June 30, 2023.

As part of their review of the related endowment documents and financial activity, management determined that all of the financial activity associated within the reclassified endowments that occurred from fiscal year 2009 through June 30, 2023 was appropriately expended as restricted in accordance with the specifications of each endowment, including the propriety of the recognition each endowments' investment returns, draw limitations, and the use of funds imposed by the donors.

A summary of the impact the immaterial restatement on the Garden's previously reported Consolidated Statement of Financial Position as of June 30, 2023 and Consolidated Statement of Activities for the year ended June 30, 2023 is summarized, as follows:

Consolidated Statement of Activities for the Year Ended June 30, 2023

	As Previously Reported	Correction	As Corrected
NET ASSETS:			
Beginning of Year			
Nonoperating	$ 258,480,110	$ (72,558,540)	$ 185,921,570
Total Without Donor Restrictions	$ 288,044,897	$ (72,558,540)	$ 215,486,357
Total With Donor Restrictions	$ 312,163,812	$ 72,558,540	$ 384,722,352

Consolidated Statement of Financial Position As of June 30, 2023

	As Previously Reported	Correction	As Corrected
NET ASSETS:			
Without donor restrictions:			
Nonoperating:			
Funds functioning as endowment	$ 120,191,023	$ (72,558,540)	$ 47,632,483
Total nonoperating	$ 258,480,110	$ (72,558,540)	$ 185,921,570
Total without donor restrictions	$ 288,044,897	$ (72,558,540)	$ 215,486,357
With donor restrictions:			
Unexpended endowment return	$ 79,157,757	$ (6,099,905)	$ 73,057,852
Permanently restricted	$ 204,661,812	$ 78,658,445	$ 283,320,257
Total with donor restrictions	$ 312,163,812	$ 72,558,540	$ 384,722,352

The impact of the immaterial restatement on previously disclosed amounts in the Garden's previously reported Consolidated Financial Statements as of and for the fiscal year ended June 30, 2023 pertaining to investment earnings accumulated for program and other operating activities for donor-restricted net assets that were temporarily and permanently restricted for program services is summarized, as follows:

	As Previously Reported	Correction	As Corrected
Donor- Restricted Net Assets- Temporarily Restricted			
Investment Earnings Accumulated for Program and Other Operating Activities	$ 100,136,991	$ (6,099,905)	$ 94,037,086
Donor- Restricted Net Assets- Permanently Restricted			
Investment Earnings Accumulated for Program Activities	$ 201,752,353	$ 78,658,445	$ 280,410,798

19. SUBSEQUENT EVENTS

The Garden has evaluated subsequent events through March 28, 2025, the date the consolidated financial statements were available to be issued, and determined that there are no subsequent events requiring adjustment or disclosure in the consolidated financial statements.

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SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024

THE NEW YORK BOTANICAL GARDEN

FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024

Financial Statement and Financial Statement Line item or Reference Note Disclosure	Financial Statement Line Item Reference	Amount to be Used in Ratio Calculations
Primary Reserve Ratio		
Expendable Net Assets		
Consolidated Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions	$ 209,030,442
Consolidated Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions	407,165,391
Consolidated Statement of Financial Position - Property plant and equipment, net	Property plant and equipment, net (includes Construction in Progress)	178,791,797
Note 16 - Notes to Consolidated Financial Statements - Information used in the Determining Department of Education’s Financial Responsibility Composite Score—Statement of Financial Position - Property plant and equipment, - pre-implementation	Property plant and equipment, - pre implementation	153,970,570
Note 16 - Notes to Consolidated Financial Statements - Information used in the Determining Department of Education’s Financial Responsibility Composite Score— Statement of Financial Position - Property plant and equipment, - post-implementation without outstanding debt for original purchase	Property plant and equipment, - post implementation without outstanding debt for original purchase	18,113,535
Note 16 - Notes to Consolidated Financial Statements - Construction in progress	Construction in progress	6,707,692
Consolidated Statement of Financial Position - Note payable and Line of Credit for long term purposes (both current and long term) and Line of Credit for Construction in progress	Long term debt for long term purposes.	34,994,600
Consolidated Statement of Financial Position - Note payable and Line of Credit for long term purposes (both current and long term) and Line of Credit for Construction in progress	Long term debt for long term purposes - pre-implementation	38,896,425
Note 2 - Notes to Consolidated Financial Statements - Information used in the Determining Department of Education’s Financial Responsibility Composite Score—Gift Annuities	Annuities with donor restrictions	1,263,512

(Continued)

THE NEW YORK BOTANICAL GARDEN

FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024

Expendable Net Assets (Continued)

Consolidated Statement of Financial Position - Term Endowments	Term Endowments with Donor Restrictions	$ 87,562,024
Consolidated Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in Perpetuity	283,320,311

Total Expenses and Losses

Consolidated Statement of Activities - Total operating expenses (Total from Statement of Activities prior to Adjustments)	Total Expenses without donor restrictions	101,341,521
Consolidated Statement of Activities Nonoperating (Investment return appropriated for spending), Investments net of annual spending gain (loss), Other components of net periodic pension costs. Pension related changes other than net periodic pension, Change in value of Split Interest Agreements and Other gains (losses). - (Total from Statement of Activities Prior to Adjustments.)	Non-Operating and Net Investment Loss	29,042,684
Consolidated Statement of Activities - (Investment return appropriated for spending) and Investments net of annual spending gains (losses)	Net Investment Gain	18,509,523

Equity Ratio

Consolidated Statement of Financial Position - net assets without donor restrictions	Net assets without donor restrictions	$ 209,030,442
Consolidated Statement of Financial Position - Total net assets with donor restrictions	Net assets with donor restrictions	407,165,391

Modified Assets

Consolidated Statement of Financial Position - Total assets	Total assets	$ 668,336,089

Net Income Ratio

Consolidated Statement of Activities - Change in Net Assets Without Donor Restrictions	Change in Net Assets Without Donor Restrictions	$ (6,455,915)
Consolidated Statement of Activities - (Net assets released from restrictions), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains and (losses).	Total Revenue and Gains	128,566,023

(Concluded)