



**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT**

**December 31, 2024 and 2023**

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## **Independent Auditors' Report**

### **Board of Directors**

**Minnetrista Cultural Foundation, Inc.**

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Minnetrista Cultural Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, statements of functional expenses - programs, statements of functional expenses - supporting services, statements of functional expenses - sales, cost of sales and expenses, and statements of cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Minnetrista Cultural Foundation, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 Minnetrista Cultural Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

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

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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 Minnetrista Cultural Foundation, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are 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 Minnetrista Cultural Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Minnetrista Cultural Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

*Estep Burkey Simmons, LLC*

Muncie, Indiana

March 20, 2025

## Minnetrasta Cultural Foundation, Inc.

## STATEMENTS OF FINANCIAL POSITION

December 31,

## ASSETS

	<u>2024</u>	<u>2023</u>
<b>CURRENT ASSETS</b>		
Cash - checking	\$ 28,649	\$ 94,382
Cash - savings	405,425	420,457
Cash and cash equivalents - endowment	223,461	373,819
Accounts receivable	5,387	25,825
Grants receivable	2,500	-
Employee Retention Credit Receivable, net	329,279	329,279
Inventories	126,504	126,603
Prepaid expenses	84,986	88,711
Right of use asset, current portion	31,578	31,578
Total current assets	<u>1,237,769</u>	<u>1,490,654</u>
<b>RIGHT OF USE ASSET</b> , net of current portion	30,961	59,825
<b>PROPERTY, BUILDING AND EQUIPMENT</b> , net of depreciation	4,338,158	4,628,095
<b>HISTORICAL PROPERTY AND EQUIPMENT</b>	3,102,358	3,102,358
<b>INVESTMENTS</b>	<u>6,639,918</u>	<u>6,080,277</u>
<b>TOTAL ASSETS</b>	<u>\$ 15,349,164</u>	<u>\$ 15,361,209</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 77,091	\$ 35,670
Accrued sales tax and payroll withholdings	10,408	18,003
Accrued employees' compensation	69,320	53,358
Contract liabilities	10,651	10,745
Line of credit	25,000	-
Right of use liability, current portion	31,578	31,578
Total current liabilities	<u>224,048</u>	<u>149,354</u>
<b>RIGHT OF USE LIABILITY</b> , net of current portion	<u>30,961</u>	<u>59,825</u>
Total liabilities	255,009	209,179
<b>NET ASSETS</b>		
Without donor restrictions	10,787,371	10,946,554
With donor restrictions	4,306,784	4,205,476
	<u>15,094,155</u>	<u>15,152,030</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 15,349,164</u>	<u>\$ 15,361,209</u>

The accompanying notes are an integral part of these statements.

**Minnetrista Cultural Foundation, Inc.**

**STATEMENTS OF ACTIVITIES**

**For the Years Ended December 31,**

	<b>2024</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Operating support and revenue			
Admissions	\$ 114,994		\$ 114,994
Programs	153,203		153,203
Membership dues	42,187		42,187
Gifts and grants	4,018,004	\$ 100,390	4,118,394
In-kind contributions	250		250
Retail operations	281,458		281,458
Hospitality	240,650		240,650
Investment return, net	595,414	116,702	712,116
Other revenue	15,830		15,830
	<hr/>	<hr/>	<hr/>
Total operating support and revenue	5,461,990	217,092	5,679,082
Operating expenses			
Programs			
Collections	396,444		396,444
Programs and Signature Events	1,086,776		1,086,776
Exhibits	636,639		636,639
Horticulture	460,031		460,031
Supporting services			
Administration	605,510		605,510
Marketing	147,704		147,704
Development	272,578		272,578
Facilities and Grounds	1,049,257		1,049,257
Cost of sales and expenses			
Retail Operations	304,595		304,595
Hospitality	305,342		305,342
Depreciation expense	664,681		664,681
	<hr/>	<hr/>	<hr/>
	5,929,557		5,929,557
	<hr/>	<hr/>	<hr/>
Change in net assets before capital additions	(467,567)	217,092	(250,475)

The accompanying notes are an integral part of these statements.

<b>2023</b>		
<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
\$ 125,122		\$ 125,122
162,263		162,263
42,789		42,789
3,977,646	\$ 110,330	4,087,976
333,835		333,835
198,360		198,360
619,797	141,827	761,624
9,228		9,228
5,469,040	252,157	5,721,197
391,285		391,285
1,143,937		1,143,937
641,541		641,541
460,535		460,535
555,480		555,480
140,138		140,138
246,116		246,116
1,035,795		1,035,795
342,331		342,331
257,751		257,751
694,867		694,867
5,909,776		5,909,776
(440,736)	252,157	(188,579)

**Minnetriska Cultural Foundation, Inc.**

**STATEMENTS OF ACTIVITIES (CONTINUED)**

**For the Years Ended December 31,**

	<b>2024</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Non-Operating Revenue (Expense)			
Refundable payroll tax credit			
Allowance for refundable payroll tax credit			
Capital additions			
Gifts and grants - capital		192,600	192,600
		192,600	192,600
Net assets released from restrictions:			
Satisfaction of purpose restrictions	308,384	(308,384)	
<b>CHANGE IN NET ASSETS</b>	(159,183)	101,308	(57,875)
Net assets at beginning of year, as restated	<u>10,946,554</u>	<u>4,205,476</u>	<u>15,152,030</u>
Net assets at end of year	<u>\$ 10,787,371</u>	<u>\$ 4,306,784</u>	<u>\$ 15,094,155</u>

The accompanying notes are an integral part of these statements.

<b>2023</b>		
<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
658,557 (329,278)		658,557 (329,278)
	200,000	200,000
329,279	200,000	529,279
332,934	(332,934)	
221,477	119,223	340,700
10,725,077	4,086,253	14,811,330
<u>\$ 10,946,554</u>	<u>\$ 4,205,476</u>	<u>\$ 15,152,030</u>

**Minnetrista Cultural Foundation, Inc.**

**STATEMENTS OF FUNCTIONAL EXPENSES - PROGRAMS**

**For the Years Ended December 31,**

	<b>2024</b>			
	<b>Collections</b>	<b>Programs &amp; Signature Events</b>	<b>Exhibits</b>	<b>Horticulture</b>
Payroll	\$ 249,197	\$ 643,401	\$ 277,140	\$ 267,621
Payroll taxes	18,373	47,776	20,548	20,917
Employee benefits	28,091	82,344	31,212	36,525
Supplies	818	381	2,134	19,877
Professional development and travel	534	265	330	1,679
Programs	1,250	60,115		
Dues and subscriptions	928	431	5,735	850
Repairs and maintenance	13,153			41,488
Postage	20	65		16
Insurance	8,457	24,786	13,886	10,127
Marketing	21,432	62,816	35,192	25,665
Telephone				
IT & office equipment maintenance	18,428	54,012	30,260	22,068
Website & internet expense	7,613	22,313	12,501	9,117
Utilities	4,814	12,036	7,221	
Contract services	2,150	5,375	3,225	3,000
Acquisitions	663			
Reference books	274			
Exhibit costs	11,993		196,567	
Uniforms				
Special events		69,154		
Miscellaneous	8,256	1,506	688	1,081
	<u>\$ 396,444</u>	<u>\$ 1,086,776</u>	<u>\$ 636,639</u>	<u>\$ 460,031</u>

The accompanying notes are an integral part of these statements.

## 2023

2023				
Collections	Programs & Signature Events	Exhibits	Horticulture	
\$ 249,857	\$ 656,847	\$ 208,300	\$	266,004
18,683	48,919	14,637		19,975
39,221	115,598	27,936		40,175
1,818	404	155		17,729
1,244	1,729	977		4,841
1,500	76,803			
856	170	2,503		627
1,648				38,524
67	95	991		41
8,470	24,826	13,908		10,143
23,730	69,552	38,965		28,417
196	573	321		234
18,380	53,869	30,179		22,010
8,741	25,620	14,354		10,468
4,587	11,467	6,880		
2,119	5,298	3,179		750
9				
34				
1,450		277,108		
		202		
	51,621			
8,675	546	946		597
\$ 391,285	\$ 1,143,937	\$ 641,541	\$	460,535

**Minnetrista Cultural Foundation, Inc.**

**STATEMENTS OF FUNCTIONAL EXPENSES - SUPPORTING SERVICES**

**For the Years Ended December 31,**

	<b>2024</b>			
	<u>Administration</u>	<u>Marketing</u>	<u>Development</u>	<u>Facilities &amp; Grounds</u>
Payroll	\$ 188,305	\$ 101,555	\$ 189,586	\$ 313,356
Payroll taxes	13,084	7,522	13,880	23,021
Employee benefits	25,233	14,750	30,284	45,651
Personnel expense	7,912	135	45	1,422
Uniforms	3,294			607
Supplies	2,637	1,600	391	41,411
Insurance	85,882			
Professional development and travel	7,649	452	2,645	115
Community outreach	8,549			
Annual campaign expenses			7,967	
Marketing	2,404	16,123	1,420	
Dues and subscriptions	15,871		1,465	195
Telephone				
Repairs and maintenance				258,469
IT & office equipment maintenance	83,179	3,086		
Publications			10,222	
Postage	3,425	2,481	4,675	39
Utilities				252,295
Contract services				112,676
Professional fees	111,303			
Taxes and licenses	12,857			
Membership development			9,998	
Miscellaneous	202			
Bank fees	33,724			
	<u>\$ 605,510</u>	<u>\$ 147,704</u>	<u>\$ 272,578</u>	<u>\$ 1,049,257</u>

The accompanying notes are an integral part of these statements.

2023

<u>Administration</u>	<u>Marketing</u>	<u>Development</u>	<u>Facilities &amp; Grounds</u>
\$ 205,754	\$ 88,109	\$ 159,684	\$ 322,398
14,762	6,599	11,827	23,645
31,265	19,940	31,660	55,480
4,821	86	139	820
4,362			1,826
5,790	913	445	32,279
86,022			
6,392	1,057	3,161	460
3,900			
		11,645	
4,900	17,852	1,407	
5,503		640	197
13,873			
			247,167
82,958	1,833		
		11,560	
3,256	3,749	3,867	105
			240,367
			111,051
44,861			
13,161			
		10,081	
23,900			
<u>\$ 555,480</u>	<u>\$ 140,138</u>	<u>\$ 246,116</u>	<u>\$ 1,035,795</u>

## Minnetrista Cultural Foundation, Inc.

STATEMENTS OF FUNCTIONAL EXPENSES -  
SALES, COST OF SALES AND EXPENSES

For the Years Ended December 31,

	2024		2023	
	Retail		Retail	
	Operations	Hospitality	Operations	Hospitality
Sales	\$ 281,458	\$ 240,650	\$ 333,835	\$ 198,360
Cost of sales and expenses				
Cost of sales	170,193	110,168	185,116	78,960
Payroll	109,911	155,151	122,528	136,918
Payroll taxes	8,688	7,585	9,679	7,622
Employee benefits	10,895	20,174	13,753	25,102
Staff meetings and employee recognition		552		465
Supplies	1,853	4,572	3,740	3,832
Freight	2,106		6,624	
Postage	928	3	477	5
Software licenses		6,303		3,452
Permits and licenses		112	280	680
Professional development and travel		322	134	91
Advertising	21	400		624
Total cost of sales and expenses	<u>304,595</u>	<u>305,342</u>	<u>342,331</u>	<u>257,751</u>
<b>OPERATING LOSS</b>	<u>\$ (23,137)</u>	<u>\$ (64,692)</u>	<u>\$ (8,496)</u>	<u>\$ (59,391)</u>

The accompanying notes are an integral part of these statements.

## Minnetrستا Cultural Foundation, Inc.

## STATEMENTS OF CASH FLOWS

For the Years Ended December 31,

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets before non-operating revenue	\$ (250,475)	\$ (517,857)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expense	664,681	694,867
Realized gains on investments	(311,289)	(87,815)
Unrealized gains on investments	(203,908)	(534,280)
Contributions to funds not subject to appropriation or expenditure	(100,391)	(101,673)
Refundable payroll tax credit		658,557
(Increase) decrease in assets:		
Accounts and pledges receivable	20,438	19,716
Grants receivable	(2,500)	1,824
Employee Retention Credit receivable, net		(329,279)
Inventories	99	(2,277)
Prepaid expenses	3,725	(13,965)
Increase (decrease) in liabilities:		
Accounts payable	41,421	(32,522)
Accrued sales tax and payroll withholdings	(7,595)	(22,531)
Accrued employees' compensation	15,962	4,341
Contract liabilities	(94)	4,886
Net cash used in operating activities	<u>(129,926)</u>	<u>(258,008)</u>
Cash flows from investing activities:		
Purchases of capital additions	(374,744)	(93,003)
Purchases of investments	(1,099,500)	(1,023,140)
Proceeds from the sales of investments	1,055,056	1,189,728
Net cash provided by (used in) investing activities	<u>(419,188)</u>	<u>73,585</u>
Cash flows from financing activities:		
Proceeds from line of credit	65,000	
Payments on line of credit	(40,000)	
Contributions to funds not subject to appropriation or expenditure	100,391	101,673
Gifts and grants for capital additions	192,600	200,000
Net cash provided by financing activities	<u>317,991</u>	<u>301,673</u>
Net increase (decrease) in cash and cash equivalents	(231,123)	117,250
Cash and cash equivalents at beginning of year	<u>888,658</u>	<u>771,408</u>
Cash and cash equivalents at end of year	<u>\$ 657,535</u>	<u>\$ 888,658</u>
<u>Supplemental Disclosures</u>		
In-kind contributions	\$ 250	

The accompanying notes are an integral part of these statements.

**Minnetrستا Cultural Foundation, Inc.****NOTES TO FINANCIAL STATEMENTS****December 31, 2024 and 2023****NOTE A - SUMMARY OF ACCOUNTING POLICIES**1. Organization

Minnetrستا Cultural Foundation, Inc. (Minnetrستا) is East Central Indiana's premier destination for cultural experiences of all kinds. A diverse menu of museum exhibits, events, programs, and quiet garden spaces attracts over 100,000 visits each year. Minnetrستا hosts many of Muncie and Delaware County's most important community meetings, celebrations, and civic events, as well as signature festivals that attract traveling visitors. As our mission and vision statements note: Minnetrستا is the home of the Ball Jar; a gathering place and catalyst for community engagement. We create shared experiences that connect people, leading to a better quality of life. We envision a thriving community where people who call this region home, take pride in its accomplishments, and aspire to a brighter future.

Financial support for programs and services comes from: contributed revenue in the form of grants and donations from private and public organizations, corporations and individuals and earned revenue from admissions and fees, sales and catering events, and retail operations. Minnetrستا Cultural Foundation, Inc. is an Indiana corporation chartered on May 17, 1984. It is exempt from federal income tax as a public charity described in Section 509(a)(3).

2. Basis of Presentation

Net assets, support, investment return, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. While most gift instruments give Minnetrستا's Board of Trustees the right to vary the terms of the gift, this only allows for a limited right of modification and does not relieve the restrictions imposed by the donor. Accordingly, the net assets of Minnetrستا are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and comprised of Minnetrستا's operating fund and unrestricted income from endowment funds.

Net assets with donor restrictions - Net assets not yet appropriated for expenditure by Minnetrستا's Board of Trustees in accordance with their spending policy or that have donor-imposed restrictions relating to a stipulated purpose or a specified time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished or amounts have been allocated for expenditure by the Board of Trustees, net assets are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

**Minnetrista Cultural Foundation, Inc.****NOTES TO FINANCIAL STATEMENTS****December 31, 2024 and 2023****NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued****3. Cash and Cash Equivalents**

Minnetrista maintains its cash in accounts at local financial institutions which are insured by agencies of the U.S. Government and in money market accounts. For purposes of the Statements of Cash Flows, Minnetrista considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**4. Investments**

Minnetrista records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Statements of Financial Position. Net investment return/(loss) is reported in the Statements of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

**5. Accounts Receivable**

Minnetrista's trade receivables have a contractual maturity of one year or less, and therefore are exempted from disclosure requirements. Trade receivables are considered to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

**6. Inventories**

Inventories are accounted for using a perpetual inventory system and valued using the retail method, at the lower of cost or market value.

**7. Property, Building and Equipment**

Property, building and equipment owned by Minnetrista are recorded at cost for items purchased and at fair value at the date of gift for items donated. Depreciation is computed by using the straight-line method over the estimated useful class lives of the assets, which range from three to forty years.

Expenditures for maintenance, repair and minor renewals are charged to income as incurred. Additions and major renewals are capitalized. The cost and related accumulated depreciation of assets sold or otherwise disposed of are removed from the accounts. Any gain or loss is credited or charged to income.

**Minnetrasta Cultural Foundation, Inc.****NOTES TO FINANCIAL STATEMENTS****December 31, 2024 and 2023****NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued**8. Historical Property and Equipment

Historical property and equipment is recorded at the fair value as of the date of the gift. No depreciation is taken on historical property and equipment.

9. Collections

The collections, which were acquired through purchases and contributions since the Minnetrista's inception, are not recognized as assets on the Statements of Financial Position. Purchases of collection items are recorded as decreases in net assets without donor restrictions in the year in which the items are acquired, or as decreases in net assets with donor restrictions if the assets used to purchase the items were restricted by donors. Contributed collection items are not reflected on the financial statements. Proceeds from deaccessions or insurance recoveries are reflected as increases in the appropriate net asset classes and are not available for the direct care of the existing collection.

10. Functional Expenses

Expenses are charged to each program based on direct expenditures incurred. Any expenditure not directly chargeable to a program is presented as supporting services.

In addition, Minnetrista operates a retail shop and hospitality department. The direct expenses of operating the shop and department are segregated from program and supporting services.

11. Revenue Recognition

Contributions - Contributions are recognized when the donor makes a promise to give to Minnetrista that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the financial year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Retail operations - Revenues are recognized when control of these products is transferred to its customers, in an amount that reflects the consideration Minnetrista expects to be entitled to in exchange for those products. Sales and other taxes Minnetrista collects concurrent with revenue-producing activities are excluded from revenue.

**Minnetrasta Cultural Foundation, Inc.****NOTES TO FINANCIAL STATEMENTS****December 31, 2024 and 2023****NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued**11. Revenue Recognition - Continued

Hospitality - Revenues are recognized when the services for the contracts are completed, in an amount that reflects the consideration Minnetrista expects to be entitled to in exchange for those products and services. Sales and other taxes Minnetrista collects concurrent with revenue-producing activities are excluded from revenue.

Memberships and Admissions - Revenues are recognized when the membership or admission is purchased and any deferred income is considered immaterial to the financial statements.

12. Contributed Services and Materials

Minnetrasta receives donated services from a variety of unpaid volunteers assisting Minnetrista in its programs. Minnetrista recognized donated professional services of \$250 for marketing services during the year ended December 31, 2024. There were no donated services or materials that met the qualifications for recognition during the year ended December 31, 2023.

13. Compensated Absences

The full-time employees are entitled to paid vacation and sick days, depending on length of service. Vacation days are earned and must be used within a calendar year. The accumulation of sick days occurs on January 1 of each year up to a maximum of 30 days. Accumulated sick days are not paid upon termination. Part-time and full-time employees are entitled to personal days, which accumulate within each quarter of a year and must be used in the quarter earned.

14. Marketing Costs

Marketing costs are expensed as incurred and included in operating expenses. Marketing expenses totaled \$165,473 and \$185,447 for the years ended December 31, 2024 and 2023, respectively. Of this amount, in-kind contributions totaled \$250 and \$-0- for the years ended December 31, 2024 and 2023, respectively.

15. Concentration of Credit Risk

Minnetrasta maintains its cash in bank deposit accounts at high credit quality financial institutions. The balances, at times, may exceed federally insured limits. At December 31, 2024 and 2023, Minnetrista exceeded the insured limit by \$-0- and \$54,670, respectively.

**Minnetrista Cultural Foundation, Inc.****NOTES TO FINANCIAL STATEMENTS****December 31, 2024 and 2023****NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued**16. Concentration of Revenue Risk

Minnetrista received 48% and 47% of its support and revenue from the Ball Brothers Foundation for the years ended December 31, 2024 and 2023, respectively.

Minnetrista received 19% and 19% of its support and revenue from the George and Frances Ball Foundation for the years ended December 31, 2024 and 2023, respectively.

17. Uncertain Tax Positions

Minnetrista recognizes a tax benefit only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit will be recorded. Minnetrista has examined this issue and has determined there are no material contingent tax liabilities.

Minnetrista's federal and state exempt organization tax returns for 2021, 2022, and 2023 are subject to examination by the Internal Revenue Service and the Indiana Department of Revenue. Returns are generally subject to examination for three years after they are filed.

18. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE B - GRANTS RECEIVABLE**

Grants receivable consist of a grant awarded to Minnetrista in the amount of \$2,500 and \$0- as of December 31, 2024 and 2023, respectively.

**NOTE C – EMPLOYEE RETENTION CREDIT RECEIVABLE**

In October 2023, Minnetrista filed amended payroll tax returns to claim for the Employee Retention Credit in the amount of \$658,557. As of December 31, 2024, the credit had not been received by Minnetrista. Due to the uncertainty surrounding the processing and payment of the credit at the end of 2023, Minnetrista elected to record an allowance for the receivable of \$329,278. Minnetrista expects to collect the receivable during the year ending December 31, 2025.

## Minnetrista Cultural Foundation, Inc.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

## NOTE D - INVESTMENTS

Investments are stated at fair value as of December 31, 2024 and 2023 and are summarized as follows.

	<u>2024</u>	<u>2023</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Equities - common stock	\$ 3,316,179	\$ 2,973,399
Equities - mutual funds:		
Diversified emerging markets	128,266	
Small blend	284,463	261,010
Mid-cap blend	575,056	520,607
Mid-cap growth	24,878	23,008
Foreign large value	251,049	112,401
Foreign large blend	106,163	119,177
Foreign large growth	225,427	118,371
Consumer defensive		45,523
Technology		194,790
Real estate		18,317
Total equities - mutual funds	<u>1,595,302</u>	<u>1,413,204</u>
Fixed income - mutual funds:		
Corporate bonds	1,000,941	1,203,238
Intermediate-term bonds	223,377	183,831
Ultrashort bonds	40,561	
US treasury bonds	463,558	306,605
Total fixed income - mutual funds	<u>1,728,437</u>	<u>1,693,674</u>
Total investments, at fair value	<u>\$ 6,639,918</u>	<u>\$6,080,277</u>
Total investments, at historical cost	<u>\$5,390,575</u>	<u>\$5,401,485</u>

## NOTE E - RISKS AND UNCERTAINTIES

Minnetrista holds a variety of investments (Note D). Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying financial statements.

**Minnetrista Cultural Foundation, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE F - PROPERTY, BUILDING AND EQUIPMENT**

The amount of fixed assets, net of depreciation, at December 31, 2024 and 2023 consists of the following.

	<b>2024</b>	<b>2023</b>
Land and improvements	\$ 1,737,149	\$ 1,737,149
Buildings and improvements	15,752,621	15,752,621
Construction in progress	299,234	18,475
Furniture and equipment	2,981,221	2,942,050
Vehicles	253,104	198,289
	21,023,329	20,648,584
Less accumulated depreciation	16,685,171	16,020,489
	<b>\$ 4,338,158</b>	<b>\$4,628,095</b>

**NOTE G - FAIR VALUE MEASUREMENTS**

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. A hierarchy of inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of Minnetrista. Unobservable inputs are inputs that reflect Minnetrista's assumptions about the assumptions that market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities that Minnetrista has the ability to access. Valuation adjustments are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.
- Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.
- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

**Minnetrissa Cultural Foundation, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE G - FAIR VALUE MEASUREMENTS** - Continued

The availability of observable inputs can vary and is affected by a wide variety of factors. To the extent that valuation is based on models or inputs that are less observable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The following table sets forth financial assets and liabilities measured at fair value in the Statements of Financial Position and the respective levels to which the fair value measurements are classified within the fair value hierarchy as of December 31, 2024 and 2023:

	<b>2024</b>	
	<b>Fair Value</b>	<b>Level 1</b>
Assets:		
Investments:		
Equities - common stock	\$ 3,316,179	\$ 3,316,179
Equities - mutual funds	\$ 1,595,302	\$ 1,595,302
Fixed income - mutual funds	\$ 1,728,437	\$ 1,728,437
	<b>2023</b>	
	<b>Fair Value</b>	<b>Level 1</b>
Assets:		
Investments:		
Equities - common stock	\$ 2,973,399	\$ 2,973,399
Equities - mutual funds	\$1,413,204	\$1,413,204
Fixed income - mutual funds	\$ 1,693,674	\$ 1,693,674

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

**NOTE H - CONTRACT LIABILITIES**

Contract liabilities consists of billings for hospitality contracts in excess of revenue recognized. Contract liabilities totaled \$10,651 and \$10,745 as of December 31, 2024 and 2023, respectively.

**Minnetrista Cultural Foundation, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE I - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for a specific purpose:		
River Project Fund	\$ 5,644	\$ 5,264
Signage Project	8,124	7,577
Solar eclipse fund		10,241
Collection Acquisitions and Maintenance Fund	770,052	685,400
Oakhurst	11,377	10,611
Catalyst project	17,098	15,947
Bob Ross Experience	11,377	10,611
Capital projects	<u>34,469</u>	<u>128,325</u>
	858,141	873,976
Endowments:		
Subject to appropriation and expenditure when a specific event occurs:		
Restricted by donors for:		
Frances Sargent Oakhurst Fund	41,469	31,610
School Access Fund	<u>57,645</u>	<u>50,751</u>
	99,114	82,361
Subject to endowment spending policy and appropriation:		
Endowment Fund	3,219,482	3,119,092
Margaret Ball Petty and Edmund F. Petty School Access Fund	70,994	70,994
Frances Sargent Oakhurst Fund	<u>59,053</u>	<u>59,053</u>
	<u>3,349,529</u>	<u>3,249,139</u>
	<u>\$4,306,784</u>	<u>\$4,205,476</u>

**Minnetrista Cultural Foundation, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE J - NET ASSETS RELEASED FROM DONOR RESTRICTION**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors as follows for the years ended December 31, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Purpose restrictions accomplished:		
Collection Acquisitions and Maintenance Fund		\$ 129,161
School access fund	\$ 6,018	5,567
Frances Sargent Oakhurst Fund		3,350
Signage project		13,405
Nature and art education		9,738
Solar eclipse programming	10,241	
Girlhood exhibit		9,486
CEO transition		10,246
Capital projects	292,125	151,981
Total restrictions released	\$ 308,384	\$ 332,934

**NOTE K - COMMITMENTS AND CONTINGENCIES**

Minnetrista is subject to laws and regulations relating to the protection of the environment. Minnetrista's policy is to accrue environmental and cleanup-related costs of a noncapital nature when it is both probable that a liability has been incurred and when the amount can be reasonably estimated. Although it is not possible to quantify with any degree of certainty the potential financial impact of Minnetrista's continuing compliance efforts, management believes any future remediation or other compliance-related costs will not have a material adverse effect on the financial condition or reported results of operations of Minnetrista.

**NOTE L - ENDOWMENT FUNDS**

The Board of Trustees of Minnetrista has interpreted the Indiana Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At December 31, 2024 and 2023, there were no such donor stipulations. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gift amounts donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

## Minnetrasta Cultural Foundation, Inc.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

## NOTE L - ENDOWMENT FUNDS - Continued

1. Duration and preservation of the fund
2. Purposes of Minnetrista and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of Minnetrista
7. Investment policies of Minnetrista

Endowment net assets composition by type of fund as of December 31, 2024 and 2023 were as follows:

	<b>2024</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Board-designated endowment funds	\$2,690,599		\$2,690,599
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor		\$3,349,529	3,349,529
Accumulated investment gains		99,114	99,114
	<u>\$2,690,599</u>	<u>\$3,448,643</u>	<u>\$ 6,139,242</u>
	<b>2023</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Board-designated endowment funds	\$2,310,246		\$2,310,246
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor		\$ 3,249,139	3,249,139
Accumulated investment gains		82,360	82,360
	<u>\$2,310,246</u>	<u>\$ 3,331,499</u>	<u>\$5,641,745</u>

## Minnetrasta Cultural Foundation, Inc.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

## NOTE L - ENDOWMENT FUNDS - Continued

Changes in endowment net assets for the years ended December 31, 2024 and 2023, were as follows:

	<b>2024</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Revenue and support			
Contributions and grant income		\$ 100,391	\$ 100,391
Investment return, net	\$ 579,335	22,771	602,106
Total revenue and support	579,335	123,162	702,497
Appropriation of endowment assets for expenditure	198,982	6,018	205,000
Change in endowment net assets	380,353	117,144	497,497
Endowment net assets, beginning of year	2,310,246	3,331,499	5,641,745
Endowment net assets, end of year	<u>\$2,690,599</u>	<u>\$3,448,643</u>	<u>\$ 6,139,242</u>
	<b>2023</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Revenue and support			
Contributions and grant income		\$ 101,673	\$ 101,673
Investment return, net	\$ 674,679	26,939	701,618
Total revenue and support	674,679	128,612	803,291
Appropriation of endowment assets for expenditure	200,000	8,917	208,917
Change in endowment net assets	474,679	119,695	594,374
Endowment net assets, beginning of year	1,835,567	3,211,804	5,047,371
Endowment net assets, end of year	<u>\$2,310,246</u>	<u>\$ 3,331,499</u>	<u>\$5,641,745</u>

**Minnetrستا Cultural Foundation, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE M - DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS**

The following table disaggregates Minnetrista's revenue from contracts with customers based on the type of revenue for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Admissions	\$ 114,994	\$ 125,122
Programs	153,203	162,263
Membership dues	42,187	42,789
Retail operations	281,458	333,835
Hospitality	<u>240,650</u>	<u>198,360</u>
	<u>\$ 832,492</u>	<u>\$ 862,369</u>

The revenue from contracts with customers consists of performance obligations satisfied at a point in time.

**NOTE N - RELATED-PARTY TRANSACTIONS**

Ball Brothers Foundation donated \$2,790,000 and \$2,775,000 in operating and capital grants to Minnetrista in 2024 and 2023, respectively, and has made similar commitments for 2025.

The George and Frances Ball Foundation donated \$1,110,000 and \$1,110,000 in operating and capital grants to Minnetrista in 2024 and 2023, respectively, and has made similar operating and capital grant commitments for 2025.

The Edmund F. and Virginia B. Ball Foundation donated \$100,000 and \$100,000 in grants to Minnetrista in 2024 and 2023, respectively.

Board members made donations to Minnetrista totaling \$14,791 and \$12,891 during the years ended December 31, 2024 and 2023, respectively.

Minnetrista offers a ten to fifteen percent (10-15%) discount on all retail shop purchases to its employees, certain classes of members and certain other related parties. The dollar amount of these discounts for the years ended December 31, 2024 and 2023 are \$10,874 and \$16,812, respectively.

**NOTE O - BANK LINE OF CREDIT**

Minnetrista opened a line of credit with a commercial bank which provides borrowings up to \$250,000 during the year ending December 31, 2024. Advances bear a variable interest rate which was 6.36% on December 31, 2024, and are unsecured. Outstanding borrowings under this arrangement at December 31, 2024 and 2023 were \$25,000 and \$-0-, respectively. The line of credit is payable on demand.

**Minnetrستا Cultural Foundation, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE P - OPERATING LEASES**

Minnetrستا has non-cancelable operating leases for office equipment expiring through February 2027. Monthly payments of \$2,631 are required as well as payment for charges over the usage limit.

The amounts charged to expense in 2024 and 2023 for all leases were \$36,208 and \$33,689, respectively.

The following table discloses the undiscounted cash flows due related to operating leases, as of December 31, 2023, along with a reconciliation to the discounted amount recorded on the Statements of Financial Position using a discount rate of 3.5%.

2025	\$ 31,578
2026	31,578
2027	5,263
2028	-0-
2029	-0-
Thereafter	<u>-0-</u>
	68,419
Present value discount	<u>(5,880)</u>
	<u><u>\$ 62,539</u></u>

**NOTE Q - 401(k) PROFIT-SHARING PLAN**

Prior to January 1, 2003, Minnetrista had a money-purchase plan for the benefit of all eligible employees. On January 1, 2003, all assets of the plan were transferred to the 401(k) profit-sharing plan that was established in 1999 for the benefit of all eligible employees. Employees eligible for employee or matching contributions must be at least twenty-one years of age. For non-elective and safe harbor contributions, eligible employees must be at least twenty-one years of age and have completed one year of service. Service eligibility is credited when an employee completes 1,000 hours during the plan year. Employees may elect to make contributions in any amount that does not exceed the limitations set forth in the plan. Safe Harbor contributions from Minnetrista are 3% of each participant's compensation. Participant contributions of up to 3% of their compensation are matched 100% and 4% to 5% are matched 50% by Minnetrista. Minnetrista's contributions to the plan totaled \$114,455 and \$113,787 for the years ended December 31, 2024 and 2023, respectively.

**NOTE R - BEQUESTS**

Bequests from estates are recorded when Minnetrista is notified by the executor or other representative of a deceased person of an amount due to Minnetrista from an estate.

**Minnetrista Cultural Foundation, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**

**NOTE S - LIQUIDITY**

Minnetrista has financial assets available within one year of the Statements of Financial Position date consisting the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 434,074	\$ 514,839
Accounts receivable	5,387	25,825
Grants receivable	<u>2,500</u>	<u>-</u>
	<u>\$ 441,961</u>	<u>\$ 540,664</u>

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the Statements of Financial Position date. As part of its liquidity management, Minnetrista invests cash in excess of daily requirements in various cash equivalents including money market funds and other interest earning opportunities.

**NOTE T - SUBSEQUENT EVENTS**

Minnetrista has evaluated subsequent events through March 20, 2025, which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of December 31, 2024, have been incorporated into these financial statements herein.