

CONTEMPORARY ART MUSEUM ST. LOUIS

**FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION
AND
INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024**

Contemporary Art Museum St. Louis

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Independent Auditors' Report

To the Board of Directors of
Contemporary Art Museum St. Louis

Opinion

We have audited the accompanying financial statements of Contemporary Art Museum St. Louis (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Contemporary Art Museum St. Louis as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Contemporary Art Museum St. Louis' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Contemporary Art Museum St. Louis' 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 Contemporary Art Museum St. Louis' 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.

Disclaimer of Opinion on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Without Donor Restriction – Statements of Activities, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Schmersahl Treloar & Co

St. Louis, Missouri
September 11, 2025

FINANCIAL STATEMENTS

Contemporary Art Museum St. Louis
STATEMENTS OF FINANCIAL POSITION

ASSETS

	June 30,	
	<u>2025</u>	<u>2024</u>
CASH AND CASH EQUIVALENTS	\$ 756,029	\$ 708,430
INVESTMENTS	<u>15,837,866</u>	<u>14,372,599</u>
PLEDGES RECEIVABLE		
Operating	613,176	664,379
Endowment fund	-	5,578
Permanently restricted endowment	<u>8,207,736</u>	<u>8,140,052</u>
Total Pledges Receivable, Net	<u>8,820,912</u>	<u>8,810,009</u>
EMPLOYEE RETENTION CREDIT GRANT RECEIVABLE	<u>71,841</u>	<u>71,841</u>
PROPERTY AND EQUIPMENT, NET	<u>5,111,723</u>	<u>5,440,487</u>
OTHER ASSETS	<u>55,984</u>	<u>149,153</u>
Total Assets	<u>\$ 30,654,355</u>	<u>\$ 29,552,519</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable and accrued expenses	\$ 208,739	\$ 151,972
Deferred revenue	<u>171,125</u>	<u>11,149</u>
Total Liabilities	<u>379,864</u>	<u>163,121</u>
NET ASSETS		
Without donor restrictions		
Net investment in property and equipment	5,111,723	5,440,487
Board designated endowment	6,169,724	5,647,651
Available for general use	<u>495,746</u>	<u>433,142</u>
Total Net Assets Without Donor Restrictions	<u>11,777,193</u>	<u>11,521,280</u>
With donor restrictions		
Perpetual in nature	16,322,489	16,254,805
Purpose restrictions	2,097,309	1,537,735
Time-restricted for future periods	<u>77,500</u>	<u>75,578</u>
Total Net Assets With Donor Restrictions	<u>18,497,298</u>	<u>17,868,118</u>
Total Net Assets	<u>30,274,491</u>	<u>29,389,398</u>
Total Liabilities and Net Assets	<u>\$ 30,654,355</u>	<u>\$ 29,552,519</u>

See accompanying notes to financial statements

Contemporary Art Museum St. Louis
STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2025			Year Ended June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES						
Individual contributions	\$ 1,134,430	\$ 134,605	\$ 1,269,035	\$ 1,029,681	\$ 77,380	\$ 1,107,061
Corporate/foundation/special contributions	231,031	497,500	728,531	417,500	330,000	747,500
Government grants	374,898	-	374,898	319,817	-	319,817
Investment gain, net of fees	573,896	1,060,203	1,634,099	585,190	1,081,065	1,666,255
Rental and other income	119,759	-	119,759	86,803	-	86,803
Special events, net of cost of direct benefits to donors of \$148,558 and \$156,414, respectively	328,043	-	328,043	533,005	-	533,005
Net assets released from restrictions:						
Draw for unrestricted operations	602,207	(602,207)	-	570,000	(570,000)	-
Create: The CAMpaign	5,578	(5,578)	-	121,779	(121,779)	-
Exhibits, program, and time	455,343	(455,343)	-	552,523	(552,523)	-
Total Revenues	3,825,185	629,180	4,454,365	4,216,298	244,143	4,460,441
EXPENSES						
Program services	2,688,901	-	2,688,901	2,614,566	-	2,614,566
Supporting services	227,923	-	227,923	255,520	-	255,520
Fundraising	652,448	-	652,448	641,938	-	641,938
Total Expenses	3,569,272	-	3,569,272	3,512,024	-	3,512,024
CHANGE IN NET ASSETS	255,913	629,180	885,093	704,274	244,143	948,417
NET ASSETS, Beginning of year	11,521,280	17,868,118	29,389,398	10,817,006	17,623,975	28,440,981
NET ASSETS, End of year	\$ 11,777,193	\$ 18,497,298	\$ 30,274,491	\$ 11,521,280	\$ 17,868,118	\$ 29,389,398

See accompanying notes to financial statements

Contemporary Art Museum St. Louis
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2025

	Program Services	Supporting Services	Fund- raising	Other Costs	Total
OPERATING EXPENSES					
Salaries and payroll taxes	\$ 1,299,813	\$ 135,944	\$ 388,658	\$ -	\$ 1,824,415
Contract services	296,439	35,048	100,137	-	431,624
Facilities	252,098	2,627	7,878	-	262,603
Medical insurance	108,236	12,797	36,562	-	157,595
Special events - fundraising	-	-	-	148,558	148,558
Supplies	61,712	7,297	20,847	-	89,856
Insurance	74,610	777	2,332	-	77,719
Postage and shipping	53,308	6,302	18,007	-	77,617
Printing	39,440	4,663	13,323	-	57,426
Travel	32,993	3,902	11,146	-	48,041
Information technology	31,370	3,709	10,597	-	45,676
Rental and other	-	-	-	43,508	43,508
Food, beverage, and hospitality	24,824	2,935	8,386	-	36,145
Bank charges/payroll service	23,126	2,734	7,811	-	33,671
Miscellaneous	21,118	2,496	7,133	-	30,747
Equipment and equipment rentals	16,785	1,984	5,670	-	24,439
Telephone	11,482	120	359	-	11,961
Exhibition fees and awards	5,614	664	1,897	-	8,175
Advertising	3,939	466	1,330	-	5,735
Bad debt expense	-	-	-	-	-
Total Operating Expenses	2,356,907	224,465	642,073	192,066	3,415,511
NON-OPERATING EXPENSES					
Depreciation	331,994	3,458	10,375	-	345,827
	2,688,901	227,923	652,448	192,066	3,761,338
Less expenses included with revenues on the Statement of Activities					
Other Costs	-	-	-	(192,066)	(192,066)
TOTAL EXPENSES	<u>\$ 2,688,901</u>	<u>\$ 227,923</u>	<u>\$ 652,448</u>	<u>\$ -</u>	<u>\$ 3,569,272</u>

Contemporary Art Museum St. Louis
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2024

	Program Services	Supporting Services	Fund- raising	Other Costs	Total
OPERATING EXPENSES					
Salaries and payroll taxes	\$ 1,277,865	\$ 126,822	\$ 362,682	\$ -	\$ 1,767,369
Contract services	314,955	37,238	106,392	-	458,585
Facilities	164,189	1,711	5,131	-	171,031
Medical insurance	91,667	10,838	30,964	-	133,469
Special events - fundraising	-	-	-	156,414	156,414
Supplies	43,146	5,101	14,575	-	62,822
Insurance	46,437	484	1,451	-	48,372
Postage and shipping	69,885	8,263	23,607	-	101,755
Printing	33,434	3,953	11,294	-	48,681
Travel	37,613	4,446	12,707	-	54,766
Information technology	40,538	4,793	13,694	-	59,025
Rental and other	-	-	-	45,635	45,635
Food, beverage, and hospitality	23,590	2,789	7,969	-	34,348
Bank charges/payroll service	29,006	3,429	9,799	-	42,234
Miscellaneous	30,405	3,595	10,272	-	44,272
Equipment and equipment rentals	16,045	1,897	5,420	-	23,362
Telephone	19,350	202	605	-	20,157
Exhibition fees and awards	33,858	4,003	11,437	-	49,298
Advertising	10,548	1,247	3,563	-	15,358
Bad debt expense	-	31,250	-	-	31,250
Total Operating Expenses	2,282,531	252,061	631,562	202,049	3,368,203
NON-OPERATING EXPENSES					
Depreciation	332,035	3,459	10,376	-	345,870
	2,614,566	255,520	641,938	202,049	3,714,073
Less expenses included with revenues on the Statement of Activities					
Other Costs	-	-	-	(202,049)	(202,049)
TOTAL EXPENSES	\$ 2,614,566	\$ 255,520	\$ 641,938	\$ -	\$ 3,512,024

See accompanying notes to financial statements

Contemporary Art Museum St. Louis
STATEMENTS OF CASH FLOWS

	Years Ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 885,093	\$ 948,417
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation	345,827	345,870
Contributions restricted for non-operating additions and endowment	(64,797)	(44,373)
Net realized and unrealized gains on investments	(1,072,327)	(1,363,360)
Bad debt expense	-	31,250
Donated securities	(42,747)	(167,084)
Proceeds from sale of donated securities	42,747	167,084
(Increase) decrease in assets:		
Operating pledges receivable	48,316	(194,863)
Other assets	93,169	(63,786)
Increase in liabilities:		
Accounts payable and accrued expenses	56,767	36,014
Deferred revenue	159,976	6,199
Net Change in Cash from Operating Activities	<u>452,024</u>	<u>(298,632)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(1,445,147)	(647,137)
Proceeds from sale of investments	1,052,207	870,000
Purchases of property and equipment	(17,063)	(63,109)
Net Change in Cash from Investing Activities	<u>(410,003)</u>	<u>159,754</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from contributions restricted for non-operating additions and endowment	<u>5,578</u>	<u>90,529</u>
Net Change in Cash from Financing Activities	<u>5,578</u>	<u>90,529</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	47,599	(48,349)
CASH AND CASH EQUIVALENTS, Beginning of year	<u>708,430</u>	<u>756,779</u>
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 756,029</u>	<u>\$ 708,430</u>

See accompanying notes to financial statements

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Contemporary Art Museum St. Louis (CAM), a non-collecting institution, is internationally recognized for exhibitions of the most provocative, insightful, and relevant contemporary art being made today. In FY25, CAM presented exhibitions of prescient and seminal work by emerging and established artists, working with varied media including painting, sculpture, ceramics, textiles, assemblage, installation, and video. CAM presented the ceramic works of Shinichi Sawada (an exhibition co-organized by the Mint Museum in partnership with The Mint Museum in Charlotte, NC), the work of local artists Saj Issa, Basil Kincaid, and Ronald Young in the eleventh edition of Great Rivers Biennial, a new mural by Ad Minoliti, a new video work by renowned artist Charles Atlas, the group exhibition Like Water which featured artists Jamal Cyrus, Simone Fattal, Dionne Lee, Candice Lin, Beatriz Santiago Muñoz, and Vivian Suter. Alongside its exhibitions, CAM produces scholarly exhibition catalogs: an illustrated, full color book including texts and interpretive essays. CAM co-published a catalog along with The Mint Museum for the Shinichi Sawada exhibition. The Museum continued its partnership with Bengelina Hospitality Group to run AO&Co at CAM, a cafe space giving CAM visitors and neighbors alike the opportunity to enjoy coffee breaks, lunch meetings, and see some art too. In FY25, CAM served 27,424 visitors in person and 251,338 visitors online.

In conjunction with its exhibitions, CAM delivers art education to people of all ages by presenting a diverse line-up of public programs that include artist and curator lectures; art-inspired dinners; film screenings; and unique workshops for families with young children. CAM's public programs were held onsite throughout FY25 and included artist talks, panel discussions, music and dance performances, and hands-on art instruction for elementary students, teens, and seniors. In FY25, CAM hosted 200 programs and tours, of which 99% were free.

Finally, CAM remains dedicated to fostering creativity and increasing access to the arts for the young people of St. Louis through free arts education initiatives. These include pre-professional training in New Art in the Neighborhood (CAM's longest running education program at 30+ years); an opportunity to organize an exhibition from start to finish in Teen Museum Studies; advanced studio art training with an emphasis on collaboration for middle schoolers in the LEAP Middle School Initiative; and in-school and off-site community engagement activities under the ArtReach program. CAM is proud of the meaningful ways its programs make a difference to St. Louis youth, and each season presents the work of young artists in the Education Galleries. In FY25, works were shown by students participating in New Art in the Neighborhood, LEAP Middle School Initiative, and the ArtReach Partnership. Teen Museum Studies presented an exhibition by the local artist glyneisha who created an installation of artworks, furniture, and sentimental items from her family home within the Museum. In FY25, the Museum served 3,066 youth from the greater St. Louis area.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Method of Accounting

The financial statements of CAM are presented using the accrual method of accounting.

Cash and Cash Equivalents

CAM considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. CAM maintains cash deposits in bank accounts which at times may exceed the insured limits of up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC insured). At June 30, 2025, its uninsured deposits totaled \$488,203. CAM has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash balances.

Revenue Recognition

CAM recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Contributions and Pledges

Contributions and pledges are recognized when a donor makes a promise to give to CAM that is, in substance, unconditional. Amounts received that are restricted by the donor for use in future periods or for specific purposes are reported as support with donor restrictions that increases net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. Contributions are recognized at the time a signed pledge is received and are discounted at 5% per year for 2025 and 2024, if payable beyond one year. Restricted amounts which are received and expended in the same fiscal year are reported as increases in net assets without donor restrictions.

Government Grants

A portion of CAM's revenue is derived from cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when CAM has incurred expenditures in compliance with specific contracts or grant provisions.

Special Events Revenue

The portion of ticket sales and sponsorship revenue that relates to the commensurate value the attendee receives in return is recognized when the related events are held, and performance obligations are met.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Revenue Recognition (Continued)

Rental and Other Income

CAM records sales from its gift shop and space rentals when the transaction price is agreed upon and performance obligations with its customers are satisfied. A performance obligation is a promise to transfer a distinct good to the customer.

Net Assets without Donor Restrictions

Net assets available for use in general operations and not subject to donor or certain grantor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

Net Assets with Donor Restrictions

Net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such assets be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Financial Instruments

The following methods and assumptions were used by CAM in estimating its fair value disclosure for financial instruments:

The carrying amounts of cash and cash equivalents, pledges receivable due in less than one-year, employee retention credit grant receivable, other assets, accounts payable and accrued expenses, and deferred revenue approximate fair values due to the short-term maturities of those instruments. Investments are carried at fair market value based on quoted market prices.

Pledges Receivable

Pledges receivable are carried net of discount and allowance for uncollectible pledges. The allowance for uncollectible pledges is maintained at a level considered adequate to provide for potential account losses based on management's evaluation of the anticipated impact on the balance of current economic conditions, changes in the character and size of the balance, past and expected future loss experience and other pertinent factors. At June 30, 2025 and 2024, there was no allowance for uncollectible pledges.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Contributions of Nonfinancial Assets

Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Unpaid volunteers and professional service organizations have made significant contributions of their time in the areas of membership development, exhibitions, and administrative services. The value of this contributed time is not reflected in these financial statements because it does not meet the criteria for recognition.

Property and Equipment

Purchased furniture and equipment, buildings, and building improvements are stated at cost and donated land, furniture, and equipment are stated at estimated market value at date of receipt. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, which are five years for furniture, fixtures, and equipment and thirty-nine years for the building and building improvements. Expenditures for repairs and maintenance are charged to operations while renewals and betterments are capitalized.

Deferred Revenue

Deferred revenue consists of grants received in advance of expenditures incurred and rental income deposits received prior to the event. Deferred revenue was \$171,125, \$11,149, and \$4,950 at June 30, 2025, 2024, and 2023, respectively.

Income Taxes

CAM qualifies as a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code. Therefore, it is exempt from federal and state income taxes. CAM files an information return, IRS Form 990. Fiscal years 2022 and later remain subject to examination, generally three years after the returns were filed. CAM management is not aware of any pending examinations related to tax filings.

CAM follows the provisions of ASC 740-10-25 requiring disclosure of uncertain tax positions. There has been no interest or penalties recognized in the Statements of Activities or in the Statements of Financial Position related to uncertain tax positions. In addition, no tax positions exist for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within the next 12 months. CAM evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures and discussions with outside experts.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Functional Expense Allocation

The Statements of Functional Expenses report certain categories of expenses that are attributable to one or more program or supporting functions of CAM. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include facilities, insurance, telephone, and depreciation, which are allocated on an estimated square footage basis; salaries and payroll taxes, contract services, and medical insurance are allocated on personnel time and effort; and certain other expenses have been allocated among program, supporting services, and fundraising on the basis of time and effort.

Advertising

CAM expenses advertising costs as they are incurred.

Use of Estimates

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

Leases

CAM determines if an arrangement is or contains a lease at inception. Leases are included in the right-of-use ROU assets and lease liabilities on the statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Variable lease costs are not included in the calculation. Operating lease expense is recognized on a straight-line basis over the lease term. CAM does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as rent expense on a straight-line basis over the lease term.

Reclass

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year's financial statements.

Subsequent Events

CAM has evaluated events and transactions for potential recognition or disclosure through September 11, 2025, the date the financial statements were available to be issued.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

B. INVESTMENTS

The investments at June 30, 2025 are summarized as follows:

	Cost	Fair Value	Unrealized Appreciation
Taxable Fixed Income	\$ 4,611,125	\$ 4,670,987	\$ 59,862
Equity Mutual Funds	7,577,904	11,166,879	3,588,975
Total Investments	<u>\$12,189,029</u>	<u>\$15,837,866</u>	<u>\$3,648,837</u>

The investments at June 30 2024, are summarized as follows:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Taxable Fixed Income	\$ 4,338,636	\$ 4,243,956	(\$ 94,680)
Equity Mutual Funds	7,264,920	10,128,643	2,863,723
Total Investments	<u>\$11,603,556</u>	<u>\$14,372,599</u>	<u>\$2,769,043</u>

Investment return at June 30 is summarized as follows:

	2025	2024
Dividends and interest	\$ 613,262	\$ 348,735
Less: investment management fees	(51,490)	(45,840)
Net realized and unrealized gains	<u>1,072,327</u>	<u>1,363,360</u>
Total investment gain, net of fees	<u>\$1,634,099</u>	<u>\$1,666,255</u>

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

C. **FAIR VALUE MEASUREMENTS**

Accounting standards establish 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). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following tables set forth, by level within the fair value hierarchy, CAM's investment holdings.

Investments at Fair Value as of June 30, 2025				
	Level 1	Level 2	Level 3	Total
Taxable Fixed Income	\$ -	\$4,670,987	\$ -	\$ 4,670,987
Equity Mutual Funds	11,166,879	-	-	11,166,879
Total	\$11,166,879	\$4,670,987	\$ -	\$15,837,866
Investments at Fair Value as of June 30, 2024				
	Level 1	Level 2	Level 3	Total
Taxable Fixed Income	\$ -	\$4,243,956	\$ -	\$ 4,243,956
Equity Mutual Funds	10,128,643	-	-	10,128,643
Total	\$10,128,643	\$4,243,956	\$ -	\$14,372,599

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

D. PLEDGES RECEIVABLE

Pledges receivables are due to CAM as follows at June 30:

	2025	2024
Receivable in less than one year	\$ 1,441,063	\$ 1,669,957
Receivable in one to five years	4,175,000	4,000,000
Receivable in more than five years	5,000,000	5,000,000
	<u>10,616,063</u>	<u>10,669,957</u>
Less discount at June 30, 2025 and 2024	(1,795,151)	(1,859,948)
Total Pledges Receivable, Net	<u>\$ 8,820,912</u>	<u>\$ 8,810,009</u>

E. LAND

In August 2001, CAM received as a gift the land at 3750 Washington Boulevard, the site of its facility. The deed contains the following restrictions:

- a. CAM must operate continuously in accordance with its present purposes.
- b. The donor has a right of first refusal if CAM wishes to sell the property.

F. PROPERTY AND EQUIPMENT

The components of property and equipment consist of the following at June 30:

	2025	2024
Land and land improvements	\$ 397,250	\$ 397,250
Furniture, fixtures, and equipment	312,303	295,240
Building and building improvements	9,954,833	9,954,833
	10,664,386	10,647,323
Less: accumulated depreciation	(5,552,663)	(5,206,836)
Total Property and Equipment, Net	<u>\$ 5,111,723</u>	<u>\$ 5,440,487</u>

G. LINE OF CREDIT - OPERATIONS

CAM has a \$600,000 line of credit arrangement. Amounts outstanding under this arrangement bear interest at the one-month SOFR (Secured Overnight Financing Rate) plus 3% (7.35% at June 30, 2025) and expires December 30, 2025. No borrowings were made throughout the years ended June 30, 2025 and 2024.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

H. EMPLOYEE RETENTION CREDIT GRANT

On December 27, 2020, legislation was enacted that altered the Coronavirus Aid, Relief, and Economic Security (CARES) Act which modified and extended the Employee Retention Credit (ERTC) for six months through June 30, 2021. In August of 2021, the ERTC was extended for a third time through the American Rescue Plan of 2021 (ARP) through September 30, 2021.

To qualify for the ERTC, the employer's operations would have to be fully or partially suspended due to government order or show a decline in gross receipts in a calendar quarter in 2021 where the gross receipts of that calendar quarter are less than 80% of gross receipts in the same quarter of 2019 and for quarters in 2020, gross receipts less than 50 % of gross receipts in the same quarter of 2019.

CAM has filed amended form 941-X for the 3rd and 4th quarters of 2020 and the 1st and 2nd quarters of 2021. The credit was also claimed for 3rd quarter of 2021. The net amount of credit that CAM is claiming is \$433,925, and it is recorded as revenue on the statement of activities for the year ended June 30, 2022. CAM has received \$235,698 and \$126,386 during the years ended June 30, 2023 and 2022, respectively. No amounts were received for the years ended June 30, 2025 and 2024. The ERTC receivable balance outstanding at June 30, 2025 and 2024 is \$71,841. Subsequent to year end, CAM received the ERTC receivable balance in full.

Laws and regulations concerning government programs, including the Employee Retention Credit established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Institute's claim to the ERTC, and it is not possible to determine the impact (if any) this would have upon the Institute.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

I. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purpose or periods:

	2025	2024
Subject to expenditures for specific purpose:		
Unappropriated endowment	\$ 1,470,812	\$ 1,002,780
Exhibitions, education, and outreach	<u>626,497</u>	<u>534,955</u>
	<u>\$ 2,097,309</u>	<u>\$ 1,537,735</u>
Subject to passage of time:		
Future periods	\$ 77,500	\$ 70,000
Create: The CAMpaign	<u>-</u>	<u>5,578</u>
	<u>\$ 77,500</u>	<u>\$ 75,578</u>
Perpetual in nature:		
Original donor-restricted gift amount and amount required to be maintained by donor	<u>\$16,322,489</u>	<u>\$16,254,805</u>
 Total Net Assets with Donor Restrictions	 <u><u>\$18,497,298</u></u>	 <u><u>\$17,868,118</u></u>

Net assets with donor restrictions are reclassified to net assets without donor restrictions when the time restriction expires, or the funds are utilized for the restricted purpose.

Net assets with donor restrictions that are perpetual in nature consist of endowment contributions to be held in perpetuity, the income from which is restricted to CAM's operating expenses.

J. NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors consist of the following as of June 30:

	2025	2024
Purpose Restrictions		
Exhibitions, education, and outreach	\$385,343	\$367,523
Time Restrictions Expired	<u>70,000</u>	<u>185,000</u>
 Exhibits, program, and time Released from Restrictions	 <u><u>\$455,343</u></u>	 <u><u>\$552,523</u></u>
 Create: The CAMpaign Released from Restrictions	 <u><u>\$ 5,578</u></u>	 <u><u>\$121,779</u></u>
 Draw for unrestricted operations Released from Restrictions	 <u><u>\$602,207</u></u>	 <u><u>\$570,000</u></u>

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

K. ENDOWMENT

CAM's endowment consists of both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

During 2006, the Uniform Law Commission (ULC) approved the Uniform Prudent Management of Institutional Funds Act (UPMIFA) that serves as a guideline for states to use in enacting legislation related to the UPMIFA. In response to the ULC's act, the FASB issued Endowments of Not-for-Profit Organizations, effective for years ending after December 15, 2008, which requires substantial additional disclosures relating to endowments. Subsequent to June 30, 2009, the State of Missouri passed legislation enacting a state version of the UPMIFA.

The Board of Directors of CAM has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, CAM classifies as net assets with donor restrictions – perpetual in nature (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restriction – perpetual in nature is classified as net assets with donor restrictions – unappropriated endowment until those amounts are appropriated for expenditure by CAM in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, CAM considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of CAM, and (7) CAM's investment policies.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

K. **ENDOWMENT** (Continued)

Investment Return Objectives, Risk Parameters, and Strategies - CAM has adopted investment and spending policies, approved by the Board of Directors, for endowment assets, net of approved Board Designated loans to operations, which attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities that are intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution in accordance with the spending policy following, while growing the funds if possible.

CAM's performance objective, over a long-term investment horizon, is to equal or exceed a comparable benchmark composed of the Russell 3000 Index, the MSCI World ex USA Index, the MSCI Emerging Markets Index (net div) and the Barclays US Aggregate Bond Index. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy - CAM has a policy of appropriating for distribution each year of 4.5% of its endowment fund's average fair value of the prior 12 quarters through April 30th preceding the fiscal year in which the distribution is planned. CAM has requirements and expectations for periodic withdrawals for special projects in addition to the annual appropriation. Approval of the Finance/Investment Committee and Executive Committee is required for such withdrawals. In establishing this policy, CAM considered the long-term expected return on its investment assets, the nature and duration of the endowment funds, some of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. CAM expects the current spending policy to allow its endowment funds to grow. This is consistent with CAM's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

K. **ENDOWMENT** (Continued)

Endowment net asset composition by type of fund as of June 30, 2025 is as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Donor-restricted perpetual endowment funds	\$ -	\$17,793,301	\$17,793,301
Board designated endowment funds	<u>6,169,724</u>	<u>-</u>	<u>6,169,724</u>
Total Funds	<u>\$6,169,724</u>	<u>\$17,793,301</u>	<u>\$23,963,025</u>

Changes in endowment net assets as of June 30, 2025 are as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Endowment net assets, Beginning of year	\$5,647,651	\$17,263,163	\$22,910,814
Contributions	22,576	77,720	100,296
Investment Income	215,378	397,884	613,262
Net Appreciation	376,601	695,726	1,072,327
Investment Management Fees	(18,083)	(33,407)	(51,490)
Create: The CAMpaign Receipts	5,578	(5,578)	-
Principal on Chiller Loan	68,817	-	68,817
Interest on Chiller Loan	1,206	-	1,206
Amounts Appropriated for Operations	(150,000)	(602,207)	(752,207)
Endowment net assets, end of year	<u>\$6,169,724</u>	<u>\$17,793,301</u>	<u>\$23,963,025</u>

The Board of Directors, in previous years, approved amounts to be borrowed from the Board Designated Endowment to be used for program operations. These borrowings have allowed CAM to expand programs to serve larger audiences and provide exhibitions that are the most provocative, insightful, and relevant contemporary art from around the world.

During the year ended June 30, 2024, the Board Designated Endowment loaned \$300,000 for program operations. The loan was repaid in full during the year ended June 30, 2025. No amounts were loaned during the year ended June 30, 2025.

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

K. **ENDOWMENT** (Continued)

Endowment net asset composition by type of fund as of June 30, 2024 is as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Donor-restricted perpetual endowment funds	\$ -	\$17,263,163	\$17,263,163
Board designated endowment funds	<u>5,647,651</u>	<u>-</u>	<u>5,647,651</u>
Total Funds	<u>\$5,647,651</u>	<u>\$17,263,163</u>	<u>\$22,910,814</u>

Changes in endowment net assets as of June 30, 2024 are as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Endowment net assets, Beginning of year	\$4,649,197	\$ 16,838,119	\$21,487,316
Contributions	250,000	35,758	285,758
Investment income	122,477	226,258	348,735
Net Appreciation	478,811	884,549	1,363,360
Investment management fees	(16,098)	(29,742)	(45,840)
Create: The CAMpaign receipts	90,529	(90,529)	-
Create: The CAMpaign write-offs	-	(31,250)	(31,250)
Principal on Chiller Loan	68,618	-	68,618
Interest on Chiller Loan	4,117	-	4,117
Amounts appropriated for operations	<u>-</u>	<u>(570,000)</u>	<u>(570,000)</u>
Endowment net assets, end of year	<u>\$5,647,651</u>	<u>\$17,263,163</u>	<u>\$22,910,814</u>

Contemporary Art Museum St. Louis
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

L. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

CAM regularly monitors liquidity required to meet its operating needs and other contractual commitments. CAM receives contributions restricted by donors, and considers contributions restricted for programs, which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. CAM maintains financial assets, consisting of cash, various receivables, and investments, on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are adjusted as necessary. As part of its liquidity management, CAM invests cash in excess of daily requirements in various investments. In addition, CAM maintains a board-designated endowment that allows for annual spending of income and appreciation generated from donor-restricted perpetual endowment funds.

CAM's financial assets available within one year of the statement of financial position date for general expenditures are as follows for June 30:

	2025	2024
Cash and cash equivalents	\$ 756,029	\$ 708,430
Pledges and other receivables, net	8,820,912	8,810,009
Investments	<u>15,837,866</u>	<u>14,372,599</u>
 Total financial assets	 <u>25,414,807</u>	 <u>23,891,038</u>
 Less amounts not available to be used within one year:		
Board designated for endowment, net	6,169,724	5,647,651
Donor-restricted perpetual endowment	16,322,489	16,254,805
Donor-restricted for time and purpose	<u>1,770,812</u>	<u>1,158,358</u>
 Total financial assets not available to be used within one year	 <u>24,263,025</u>	 <u>23,060,814</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 1,151,782</u>	 <u>\$ 830,224</u>

As more fully described in Note G, CAM also has a committed line of credit in the amount of \$600,000, which it could draw upon in the event of an unanticipated liquidity need.

In addition, although CAM does not intend to spend from its board-designated endowment, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation, amounts from its board designated-endowment could be made available, if necessary, subject to Board approval.

**SUPPLEMENTAL
INFORMATION**

Contemporary Art Museum St. Louis
WITHOUT DONOR RESTRICTION - STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2025			Year Ended June 30, 2024		
	Operating	Non-Operating	Total Without Donor Restriction	Operating	Non-Operating	Total Without Donor Restriction
REVENUES						
Individual contributions	\$ 1,134,430	\$ -	\$ 1,134,430	\$ 1,029,681	\$ -	\$ 1,029,681
Corporate/foundation/special contributions	208,455	22,576	231,031	167,500	250,000	417,500
Government grants	374,898	-	374,898	319,817	-	319,817
Investment gain, net of fees	-	573,896	573,896	-	585,190	585,190
Rental and other income	119,759	-	119,759	86,803	-	86,803
Special events, net of cost of direct benefits to donors of \$148,558 and \$156,414, respectively	328,043	-	328,043	533,005	-	533,005
Net assets released from restrictions:						
Draw for unrestricted operations	752,207	(150,000)	602,207	570,000	-	570,000
Create: The CAMpaign	-	5,578	5,578	-	121,779	121,779
Exhibits, program, and time	455,343	-	455,343	552,523	-	552,523
Chiller loan repayment	(68,618)	68,618	-	(68,618)	68,618	-
Total Revenues	<u>3,304,517</u>	<u>520,668</u>	<u>3,825,185</u>	<u>3,190,711</u>	<u>1,025,587</u>	<u>4,216,298</u>
EXPENSES						
Program services	2,356,907	331,994	2,688,901	2,282,531	332,035	2,614,566
Supporting services	225,870	2,053	227,923	224,928	30,592	255,520
Fundraising	<u>642,073</u>	<u>10,375</u>	<u>652,448</u>	<u>631,562</u>	<u>10,376</u>	<u>641,938</u>
Total Expenses	<u>3,224,850</u>	<u>344,422</u>	<u>3,569,272</u>	<u>3,139,021</u>	<u>373,003</u>	<u>3,512,024</u>
CHANGE IN NET ASSETS	<u>\$ 79,667</u>	<u>\$ 176,246</u>	<u>\$ 255,913</u>	<u>\$ 51,690</u>	<u>\$ 652,584</u>	<u>\$ 704,274</u>
WITHOUT DONOR RESTRICTION						