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# **Kansas City Symphony**

## **Independent Auditor's Report and Financial Statements**

June 30, 2023 and 2022

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**Kansas City Symphony**  
**June 30, 2023 and 2022**

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## Independent Auditor's Report

Board of Directors  
Kansas City Symphony  
Kansas City, Missouri

### **Qualified Opinion**

We have audited the financial statements of Kansas City Symphony (the Symphony), which comprise the statements of financial position as of June 30, 2023 and 2022, 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, except for the effects of the matter described in the "Basis for Qualified Opinion" section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Symphony, as of June 30, 2023 and 2022, 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 Qualified Opinion**

As explained in *Note 1*, the Symphony has excluded from the accompanying financial statements its beneficial interest in the net assets held by a third-party foundation. In our opinion, this practice is not in accordance with accounting principles generally accepted in the United States of America. The fair value of its beneficial interests in the net assets and the related income of the third-party foundation are set forth in *Note 1*.

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 the Symphony, 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 qualified audit opinion.

### **Emphasis of Matter**

As discussed in *Note 10* to the financial statements, in 2023 the Symphony adopted the Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842). Our opinion is not modified with respect to this matter.

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

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Symphony's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Symphony's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of operating revenues without donor restrictions listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Board of Directors  
Kansas City Symphony  
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The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effect on the supplementary information of excluding the beneficial interest of the net assets held by a third-party foundation described in the "Basis for Qualified Opinion" paragraph, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**FORVIS, LLP**

Kansas City, Missouri  
December 21, 2023

**Kansas City Symphony**  
**Statement of Financial Position**  
**June 30, 2023**

**Assets**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Current Assets</b>			
Cash and cash equivalents	\$ 1,322,227	\$ 2,360,513	\$ 3,682,740
Cash and cash equivalents - board designated	10,672,155	-	10,672,155
Accounts receivable	479,110	-	479,110
Contributions receivable, net of allowance of \$45,000	568,916	960,106	1,529,022
Prepaid and other assets	737,097	-	737,097
Amounts due from (to) other funds	(778,412)	778,412	-
Total current assets	<u>13,001,093</u>	<u>4,099,031</u>	<u>17,100,124</u>
<b>Contributions Receivable</b>	<u>-</u>	<u>488,528</u>	<u>488,528</u>
<b>Board Designated Operating Reserve</b>			
Investments	<u>4,252,161</u>	<u>-</u>	<u>4,252,161</u>
<b>Investments Held at Community Foundation</b>			
Endowment	6,780,008	44,960,682	51,740,690
Board designated - operating reserve	1,076	-	1,076
Other	4,550,144	-	4,550,144
	<u>11,331,228</u>	<u>44,960,682</u>	<u>56,291,910</u>
<b>Operating Lease Right-of-Use Assets</b>	<u>3,520,736</u>	<u>-</u>	<u>3,520,736</u>
<b>Property and Equipment, at Cost</b>			
Office and computer equipment	957,560	-	957,560
Theatrical equipment, instruments and music	1,034,607	-	1,034,607
Leasehold improvements	1,968,860	-	1,968,860
	<u>3,961,027</u>	<u>-</u>	<u>3,961,027</u>
Less accumulated depreciation	(1,387,027)	-	(1,387,027)
	<u>2,574,000</u>	<u>-</u>	<u>2,574,000</u>
Total assets	<u>\$ 34,679,218</u>	<u>\$ 49,548,241</u>	<u>\$ 84,227,459</u>

## Liabilities and Net Assets

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Current Liabilities</b>			
Accounts payable	\$ 863,234	\$ -	\$ 863,234
Accrued expenses	1,058,771	-	1,058,771
Deferred revenue	3,539,933	-	3,539,933
Current portion of operating leases	259,692	-	259,692
	<hr/>	<hr/>	<hr/>
Total current liabilities	5,721,630	-	5,721,630
<b>Operating Leases, Less Current Portion</b>	<hr/>	<hr/>	<hr/>
	3,318,516	-	3,318,516
	<hr/>	<hr/>	<hr/>
Total liabilities	9,040,146	-	9,040,146
<b>Net Assets</b>			
Without donor restrictions	25,639,072	-	25,639,072
With donor restrictions	-	49,548,241	49,548,241
	<hr/>	<hr/>	<hr/>
Total net assets	25,639,072	49,548,241	75,187,313
	<hr/>	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 34,679,218</u>	<u>\$ 49,548,241</u>	<u>\$ 84,227,459</u>

**Kansas City Symphony**  
**Statement of Financial Position**  
**June 30, 2022**

**Assets**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Current Assets</b>			
Cash and cash equivalents	\$ 2,206,839	\$ 1,395,885	\$ 3,602,724
Cash and cash equivalents - board designated	8,869,540	-	8,869,540
Accounts receivable - board designated	2,755,458	-	2,755,458
Accounts receivable	477,914	-	477,914
Contributions receivable, net of allowance of \$45,000	611,750	2,048,680	2,660,430
Prepaid and other assets	448,316	-	448,316
Amounts due from (to) other funds	(727,002)	727,002	-
Total current assets	<u>14,642,815</u>	<u>4,171,567</u>	<u>18,814,382</u>
<b>Contributions Receivable</b>	<u>-</u>	<u>1,289,743</u>	<u>1,289,743</u>
<b>Board Designated Operating Reserve</b>			
Cash and cash equivalents	<u>2,655,205</u>	<u>-</u>	<u>2,655,205</u>
<b>Investments Held at Community Foundation</b>			
Endowment	6,366,135	42,358,402	48,724,537
Board designated - operating reserve	1,400,030	-	1,400,030
Other	2,792,318	-	2,792,318
	<u>10,558,483</u>	<u>42,358,402</u>	<u>52,916,885</u>
<b>Property and Equipment, at Cost</b>			
Office and computer equipment	888,588	-	888,588
Theatrical equipment, instruments and music	945,408	-	945,408
Leasehold improvements	1,946,149	-	1,946,149
Construction in process	4,971	-	4,971
	<u>3,785,116</u>	<u>-</u>	<u>3,785,116</u>
Less accumulated depreciation	<u>(1,136,690)</u>	<u>-</u>	<u>(1,136,690)</u>
	<u>2,648,426</u>	<u>-</u>	<u>2,648,426</u>
Total assets	<u>\$ 30,504,929</u>	<u>\$ 47,819,712</u>	<u>\$ 78,324,641</u>



## Liabilities and Net Assets

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Current Liabilities</b>			
Accounts payable	\$ 945,793	\$ -	\$ 945,793
Accrued expenses	869,700	-	869,700
Deferred revenue	3,469,869	-	3,469,869
Total current liabilities	5,285,362	-	5,285,362
<b>Note Payable</b>	2,000,000	-	2,000,000
Total liabilities	7,285,362	-	7,285,362
<b>Net Assets</b>			
Without donor restrictions	23,219,567	-	23,219,567
With donor restrictions	-	47,819,712	47,819,712
Total net assets	23,219,567	47,819,712	71,039,279
Total liabilities and net assets	<u>\$ 30,504,929</u>	<u>\$ 47,819,712</u>	<u>\$ 78,324,641</u>

**Kansas City Symphony**  
**Statement of Activities**  
**Year Ended June 30, 2023**

	Without Donor Restrictions			With Donor Restrictions	
	Operating	Designated Other	Total	Restrictions	Total
<b>Revenues, Gains and Other Support</b>					
Operating revenues provided by					
Concerts and fees	\$ 7,537,309	\$ -	\$ 7,537,309	\$ -	\$ 7,537,309
Contributions and grants	4,772,185	-	4,772,185	1,572,569	6,344,754
Contributions from foundations	2,104,713	-	2,104,713	-	2,104,713
Auxiliary organizations	-	2,739,222	2,739,222	-	2,739,222
Investment return	524,480	1,347,710	1,872,190	-	1,872,190
Other revenue	20,661	-	20,661	-	20,661
Net assets released from designations and restrictions	5,095,061	(505,943)	4,589,118	(4,589,118)	-
	20,054,409	3,580,989	23,635,398	(3,016,549)	20,618,849
<b>Expenses</b>					
Artistic personnel and concert production	15,136,597	-	15,136,597	-	15,136,597
Education	143,327	-	143,327	-	143,327
Advertising, marketing and promotion	2,420,161	-	2,420,161	-	2,420,161
Development	1,540,315	-	1,540,315	-	1,540,315
Auxiliary organizations	-	1,431,420	1,431,420	-	1,431,420
General administration	2,379,096	7,912	2,387,008	-	2,387,008
	21,619,496	1,439,332	23,058,828	-	23,058,828
<b>Operating Gains (Losses)</b>	(1,565,087)	2,141,657	576,570	(3,016,549)	(2,439,979)
<b>Net Asset Transfer</b>	(1,528,721)	1,528,721	-	-	-
<b>COVID-19 Relief Funding</b>	2,000,000	-	2,000,000	-	2,000,000
<b>Depreciation - Symphony House</b>	(157,065)	-	(157,065)	-	(157,065)
<b>Investment Return - Endowment</b>	-	-	-	4,745,078	4,745,078
<b>Change in Net Assets</b>	(1,250,873)	3,670,378	2,419,505	1,728,529	4,148,034
<b>Net Assets, Beginning of Year</b>	5,724,861	17,494,706	23,219,567	47,819,712	71,039,279
<b>Net Assets, End of Year</b>	\$ 4,473,988	\$ 21,165,084	\$ 25,639,072	\$ 49,548,241	\$ 75,187,313

**Kansas City Symphony**  
**Statement of Activities**  
**Year Ended June 30, 2022**

	Without Donor Restrictions			With Donor	
	Operating	Designated Other	Total	Restrictions	Total
<b>Revenues, Gains and Other Support</b>					
Operating revenues provided by					
Concerts and fees	\$ 6,646,298	\$ -	\$ 6,646,298	\$ -	\$ 6,646,298
Contributions and grants	5,040,417	-	5,040,417	3,428,621	8,469,038
Contributions from foundations	1,976,795	-	1,976,795	-	1,976,795
Auxiliary organizations	-	3,633,966	3,633,966	-	3,633,966
Investment return (loss)	13,647	(1,390,446)	(1,376,799)	-	(1,376,799)
Other revenue	14,931	-	14,931	-	14,931
Net assets released from designations and restrictions	4,063,219	2,883,707	6,946,926	(6,946,926)	-
	17,755,307	5,127,227	22,882,534	(3,518,305)	19,364,229
<b>Expenses</b>					
Artistic personnel and concert production	13,520,662	-	13,520,662	-	13,520,662
Education	132,956	-	132,956	-	132,956
Advertising, marketing and promotion	1,626,446	-	1,626,446	-	1,626,446
Development	1,165,859	-	1,165,859	-	1,165,859
Auxiliary organizations	-	2,115,167	2,115,167	-	2,115,167
General administration	1,872,241	12,852	1,885,093	-	1,885,093
	18,318,164	2,128,019	20,446,183	-	20,446,183
<b>Operating Gains (Losses)</b>	(562,857)	2,999,208	2,436,351	(3,518,305)	(1,081,954)
<b>Net Asset Transfer</b>	1,143,860	(1,143,860)	-	-	-
<b>COVID-19 Relief Funding</b>	5,163,191	-	5,163,191	-	5,163,191
<b>Depreciation - Symphony House</b>	(83,162)	-	(83,162)	-	(83,162)
<b>Investment Return - Endowment</b>	-	-	-	(6,452,107)	(6,452,107)
<b>Change in Net Assets</b>	5,661,032	1,855,348	7,516,380	(9,970,412)	(2,454,032)
<b>Net Assets, Beginning of Year</b>	63,829	15,639,358	15,703,187	57,790,124	73,493,311
<b>Net Assets, End of Year</b>	\$ 5,724,861	\$ 17,494,706	\$ 23,219,567	\$ 47,819,712	\$ 71,039,279

**Kansas City Symphony**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2023**

	Programming		Supporting				Total Expenses
	Artistic Personnel and Concert Production	Education	Advertising, Marketing and Promotion	Development	Auxiliary Organizations	General Administration	
Artistic personnel, salaries and benefits	\$ 10,210,204	\$ -	\$ 30	\$ 12,414	\$ -	\$ -	\$ 10,222,648
Staff, salaries and benefits	857,844	123,002	329,540	805,384	-	1,006,336	3,122,106
Guest artists, conductors and composers	1,275,733	-	-	-	-	-	1,275,733
Stagehands, salaries and benefits	236,429	-	-	-	-	-	236,429
Concert production expenses	1,519,578	-	-	-	-	-	1,519,578
Professional fees	260,651	-	395,413	274,080	-	663,595	1,593,739
Office rent, utilities and maintenance	121,479	8,998	133,177	24,296	-	143,974	431,924
Office supplies and other expenses	88,640	1,642	53,546	274,761	-	128,377	546,966
Printing, art and photography	8,453	1,275	269,686	28,459	-	258	308,131
Advertising and promotion	6,800	-	862,111	1,298	-	-	870,209
Postage	12,305	301	173,734	12,281	-	2,589	201,210
Telephone	21,036	638	1,422	4,674	-	5,054	32,824
Travel and per diem	301,064	339	77,541	9,152	-	103,894	491,990
Insurance	113,249	1,258	6,292	7,550	-	7,550	135,899
Sales tax and users' fees on tickets sold	-	-	18,239	-	-	-	18,239
Depreciation	62,156	3,608	15,933	28,050	-	15,437	125,184
Interest, bank fees and credit card fees	-	-	-	-	13,399	228,832	242,231
Other expenses	40,976	2,266	83,497	57,916	-	81,112	265,767
Contribution to Nelson-Atkins Museum of Art	-	-	-	-	170,000	-	170,000
Auxiliary expenses	-	-	-	-	1,248,021	-	1,248,021
<b>Total expenses included in the operating section on the statement of activities</b>	<b>15,136,597</b>	<b>143,327</b>	<b>2,420,161</b>	<b>1,540,315</b>	<b>1,431,420</b>	<b>2,387,008</b>	<b>23,058,828</b>
Depreciation - Symphony House	44,175	3,272	48,428	8,835	-	52,355	157,065
<b>Total expenses</b>	<b>\$ 15,180,772</b>	<b>\$ 146,599</b>	<b>\$ 2,468,589</b>	<b>\$ 1,549,150</b>	<b>\$ 1,431,420</b>	<b>\$ 2,439,363</b>	<b>\$ 23,215,893</b>

**Kansas City Symphony**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2022**

	Programming		Supporting				Total Expenses
	Artistic Personnel and Concert Production	Education	Advertising, Marketing and Promotion	Development	Auxiliary Organizations	General Administration	
Artistic personnel, salaries and benefits	\$ 9,232,950	\$ -	\$ 119	\$ 10,393	\$ -	\$ 1,330	\$ 9,244,792
Staff, salaries and benefits	784,797	117,000	140,307	622,859	-	864,964	2,529,927
Guest artists, conductors and composers	1,085,673	-	-	-	-	-	1,085,673
Stagehands, salaries and benefits	181,653	-	-	-	-	-	181,653
Concert production expenses	1,270,348	-	-	-	-	-	1,270,348
Professional fees	271,612	950	57,553	166,304	-	338,509	834,928
Office rent, utilities and maintenance	90,690	6,718	99,423	18,138	-	107,485	322,454
Office supplies and other expenses	92,311	1,249	11,982	226,067	-	143,230	474,839
Printing, art and photography	7,344	-	191,303	27,860	-	-	226,507
Advertising and promotion	4,137	-	850,619	706	-	-	855,462
Postage	12,761	155	185,619	11,212	-	3,351	213,098
Telephone	22,687	751	2,503	5,349	-	6,462	37,752
Travel and per diem	258,585	496	109	7,387	-	68,614	335,191
Insurance	113,690	1,263	7,579	8,843	-	7,579	138,954
Depreciation	67,948	2,674	16,152	18,720	-	20,731	126,225
Interest, bank fees and credit card fees	-	-	-	-	9,388	247,192	256,580
Other expenses	23,476	1,700	63,178	42,021	-	75,646	206,021
Contribution to Nelson-Atkins Museum of Art	-	-	-	-	350,000	-	350,000
Auxiliary expenses	-	-	-	-	1,755,779	-	1,755,779
<b>Total expenses included in the operating section on the statement of activities</b>	<b>13,520,662</b>	<b>132,956</b>	<b>1,626,446</b>	<b>1,165,859</b>	<b>2,115,167</b>	<b>1,885,093</b>	<b>20,446,183</b>
Depreciation - Symphony House	16,133	2,880	21,552	18,068	-	24,529	83,162
<b>Total expenses</b>	<b>\$ 13,536,795</b>	<b>\$ 135,836</b>	<b>\$ 1,647,998</b>	<b>\$ 1,183,927</b>	<b>\$ 2,115,167</b>	<b>\$ 1,909,622</b>	<b>\$ 20,529,345</b>

**Kansas City Symphony**  
**Statements of Cash Flows**  
**Years Ended June 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Operating Activities</b>		
Change in net assets	\$ 4,148,034	\$ (2,454,032)
Items not requiring (providing) cash		
Depreciation	282,249	209,387
Net realized and unrealized (gains)/losses on investments held at Community Foundation and other investments	(4,927,290)	8,962,799
Contributions received restricted for long-term investment	(267,076)	(364,366)
Non-cash operating lease expense	324,327	-
Forgiveness of note payable	(2,000,000)	-
Changes in		
Accounts receivable	2,754,262	(1,794,820)
Contributions receivable	869,643	(1,848,970)
Prepaid expenses and other assets	(288,781)	305,148
Operating lease liability	(266,855)	-
Accounts payable and accrued expenses	106,512	312,557
Deferred revenue	70,064	(85,339)
	<u>805,089</u>	<u>3,242,364</u>
<b>Investing Activities</b>		
Purchase of investments	(6,626,772)	(3,905,593)
Proceeds from sale of investments	3,926,876	3,812,995
Purchase of property and equipment	(207,823)	(1,229,851)
	<u>(2,907,719)</u>	<u>(1,322,449)</u>
<b>Financing Activities</b>		
Proceeds from contributions restricted for long-term investment	1,330,056	1,398,412
	<u>1,330,056</u>	<u>1,398,412</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	(772,574)	3,318,327
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>15,127,469</u>	<u>11,809,142</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 14,354,895</u>	<u>\$ 15,127,469</u>
<b>Reconciliation to Statements of Financial Position</b>		
Cash and cash equivalents	\$ 3,682,740	\$ 3,602,724
Cash and cash equivalents - board designated	10,672,155	8,869,540
Cash and cash equivalents - board designated operating reserve	-	2,655,205
	<u>\$ 14,354,895</u>	<u>\$ 15,127,469</u>
<b>Additional Cash Flows Information</b>		
ROU assets obtained in exchange for new operating lease liabilities	\$ 36,225	\$ -

# **Kansas City Symphony**

## **Notes to Financial Statements**

### **June 30, 2023 and 2022**

#### **Note 1: Nature of Operations and Summary of Significant Accounting Policies**

##### ***Nature of Operations***

The Kansas City Symphony (the Symphony) was incorporated in May 1983 as a Missouri not-for-profit corporation. The Kansas City Symphony's vision is to transform hearts, minds and communities through the power of symphonic music.

The Kansas City Symphony is led by Music Director Michael Stern and is recognized as one of the top 25 orchestras in the U.S. In addition to its 80 full-time musicians, music director and associate conductor, there are 30 full-time and four part-time production, marketing, fund development and administrative staff, under the direction of President and CEO Danny Beckley. For the 2022/23 season, the Symphony's 21-member board of directors was led by Chair Patrick McCown. The vast majority of performances take place at the Symphony's home in Helzberg Hall, in the Kauffman Center for the Performing Arts, one of the best concert halls in America.

During the 2023 fiscal year, the Kansas City Symphony offered 120 performances of 42 different programs across the full range of classical, pops, film, and other repertoire. In addition, the Symphony served as the pit orchestra in 54 performances of eight different programs for the Kansas City Ballet and the Lyric Opera of Kansas City. Symphony audiences hailed from 1,245 communities in all 50 states plus the District of Columbia and 10 foreign countries. In total, the Kansas City Symphony reached more than 200,000 people during the 2022/23 season.

Classical audiences numbered 47,603, Pops totaled 15,073 and Family drew 4,439. Holiday programs attracted 11,032 to nine performances of Christmas Festival and Handel's Messiah. Film + Live Orchestra and special programs were especially popular with 27,090 attending 22 performances of 10 programs, including the Indigo Girls, and films from the "Harry Potter" and "Black Panther" series. The Happy Hour series of informal chamber music programs had enthusiastic crowds totaling 4,621 at the four free concerts.

Free outdoor Mobile Music Box neighborhood concerts introduced new audiences to the artistry of Symphony musicians, with 55 concerts reaching 11,239 people in 28 ZIP codes across Greater Kansas City. A Memorial Day weekend civic tradition, Bank of America Celebration at the Station delighted the crowd of 38,000 gathered between Kansas City's Union Station and Liberty Memorial. Broadcast live on Kansas City PBS and later rebroadcast on public television stations throughout Missouri, Kansas, Iowa and Nebraska, Celebration featured the Resilient, a band primarily comprised of combat-wounded military veterans. In addition, the Symphony served as the featured orchestra for Symphony in the Flint Hills, an annual outdoor concert on the Kansas plains.

In-person youth concerts resumed and 26,237 students and teachers from 210 schools in 36 districts across 71 communities participated in Young People's Concerts, Link Up, and KinderKonzerts. Numerous other Symphony education programs also helped meet the community need for high quality music education experiences, reaching more than 38,000 young people overall.

# **Kansas City Symphony**

## **Notes to Financial Statements**

### **June 30, 2023 and 2022**

#### ***Beneficial Interest in Kansas City Symphony Foundation***

The Symphony receives income earned from the investments of the Kansas City Symphony Foundation (KCSF). During the years ended June 30, 2023 and 2022, contributions recognized from KCSF were \$851,735 and \$758,623, respectively, and are included within the contributions from foundations revenue line item in the statements of activities.

Prior to amendments noted below, the Articles of Incorporation of the KCSF stated that upon the KCSF's liquidation or dissolution, the KCSF's board of directors has the power to direct the KCSF's remaining funds to religious, charitable, scientific, literacy or educational trust as specified in a plan of distribution adopted pursuant to the laws of the State of Missouri. The Articles of Incorporation did not require the KCSF to distribute its assets to the Symphony. However, the Articles of Incorporation of the KCSF limited its activities to supporting the Kansas City Symphony as long as the Symphony continues to satisfy the Symphony's mission.

Accounting Standards Codification (ASC) 958-810, *Not-for-Profit Entities and Consolidation*, requires not-for-profit organizations to recognize their beneficial interest in the net assets held by such foundations as assets and to recognize subsequent changes therein as changes in their net assets. The KCSF has requested the Symphony not apply these provisions, resulting in omission of its beneficial interests in the net assets of the KCSF from its assets and omission of changes in its beneficial interests from its change in net assets. The fair value of these funds was \$40,492,658 as of June 30, 2022.

In December 2022, KCSF became a Type I Supporting Organization described in IRS code section 509(a)(3). KCSF is now controlled by the Supported Organization and the Articles of Incorporation were amended and restated to state the KCSF's purpose is to aid, benefit and promote symphonic music in the Kansas City community and to advance the purpose of a symphony orchestra as an important cultural civic and educational institution in the Kansas City Community. As a result of the change, the Symphony no longer is eligible under ASC 958-810, *Not-for-Profit Entities and Consolidation*, to recognize a beneficial interest in the net assets held by KCSF.

#### ***Use of Estimates***

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

#### ***Cash and Cash Equivalents***

The Symphony considers all liquid investments with original maturities of three months or less to be cash equivalents. Uninvested cash and cash equivalents included in investment accounts, including endowment accounts are not considered to be cash and cash equivalents. Deposit accounts restricted internally by the Board are considered to be cash and cash equivalents. At



# **Kansas City Symphony**

## **Notes to Financial Statements**

### **June 30, 2023 and 2022**

June 30, 2023 and 2022, cash equivalents consisted primarily of deposit accounts, money market accounts with brokers and repurchase agreements.

At June 30, 2023, the Symphony's cash accounts exceeded federally insured limits by approximately \$14,009,000, of which approximately \$1,272,000 is held in money market mutual funds.

#### ***Investments and Investment Return***

The Symphony measures securities, other than investments that qualify for the equity method of accounting at fair value. The Symphony is invested in various pooled investment funds managed by the Greater Kansas City Community Foundation (GKCCF). The pooled investments are valued at net asset value which approximates fair value.

Investment return and endowment appreciation includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments, less external and direct internal investment expenses. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method.

Investment returns and gains that are initially restricted by donor stipulation and for which the restriction will be satisfied in the same year are included in net assets with donor restrictions and then released from restriction. Other investment returns, gains and losses are reflected in the statements of activities as net assets without donor restrictions and net assets with donor restrictions based upon the existence and nature of any donor or legally imposed restriction.

The Symphony maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts.

#### ***Accounts Receivable***

Accounts receivable are stated at the amount of consideration from customers, grantors and others of which the Symphony has an unconditional right to receive. The Symphony provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Accounts receivable are ordinarily due 30 days after the issuance of the invoice. Accounts past due more than 120 days are considered delinquent. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer or grantor.

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

Contributions receivable consist of written commitments to give from donors. Delinquent contributions are written off based on historical collections and specific circumstances of the donor.

# Kansas City Symphony

## Notes to Financial Statements

### June 30, 2023 and 2022

#### **Prepaid Assets**

Prepaid assets include production and marketing costs applicable to upcoming subscription series that are recognized as expense on a matching basis in the period of the applicable production.

#### **Property and Equipment**

Property and equipment acquisitions over \$2,500 are stated at cost less accumulated depreciation. Depreciation is charged to expense using the straight-line method over the estimated useful life of each asset. Leasehold improvements are depreciated over the shorter of the lease term or the estimated useful life of the asset. Certain sheet music, scores and software content are accounted for as inexhaustible assets and, therefore, are not depreciated.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Office and computer equipment	3-10 years
Theatrical equipment instruments and music	2-20 years
Leasehold improvements	5-20 years

#### **Long-lived Asset Impairment**

The Symphony evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended June 30, 2023 and 2022.

#### **COVID-19 Relief Funding**

On March 27, 2020, President Trump signed into law the *Coronavirus Aid, Relief, and Economic Security Act* (CARES) which was subsequently amended by the *Families First Coronavirus Response Act*, *Consolidated Appropriations Act* and the *American Rescue Plan Act*.

In March 2021, the Symphony received a loan through the Small Business Administration (SBA) Paycheck Protection Program (PPP) established by the CARES Act and amended by the *Consolidated Appropriations Act*. The Symphony elected to account for the funding as loans in accordance with ASC Topic 470, *Debt*. Interest was accrued in accordance with the loan agreement. Any forgiveness of the loans is recognized as a gain in the financial statements in the period the debt is legally released. The Symphony received notification from the SBA that the forgiveness application for the PPP loan had been approved in August 2022. Forgiveness of the PPP loan in the amount of \$2,000,000 is included within the COVID-19 Relief Funding revenue line item in the statement of activities for the year ended June 30, 2023. PPP loans are subject to audit and acceptance by the U.S. Department of Treasury, Small Business Administration; as a result of such audit, adjustments could be required to any gain recognized.

# Kansas City Symphony

## Notes to Financial Statements

### June 30, 2023 and 2022

The CARES Act also provides a refundable employee retention tax credit (ERC) against employment taxes paid by eligible employers. An employer is eligible for the payroll tax credit if, during any calendar quarter of 2020, it either has (i) operations fully or partially suspended due to a governmental order related to COVID-19 or (ii) a decline in gross receipts of more than 50 percent compared to the same quarter of the prior year. The Symphony recognized revenue of approximately \$1,432,000 during the year ended June 30, 2022. As of June 30, 2022, the Symphony had an ERC credit receivable of \$2,658,000 recorded within accounts receivable on the statements of financial position. Payments representing the full balance with interest, totaling \$2,763,752 were received by the Symphony during the year ended June 30, 2023.

The Symphony was awarded \$3,731,265 under the SBA's Shuttered Venue Operators Grant program established by the *American Rescue Plan Act* during the year ended June 30, 2022. Support funded by government grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts are recognized as revenue when the Symphony has incurred expenditures in compliance with the grant provisions. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required. The Symphony believes that all conditional requirements were met during 2022 and has recognized the full award within the COVID-19 relief funding revenue line item in the statement of activities for the year ended June 30, 2022.

#### **Deferred Revenue**

Income from ticket sales is recorded as deferred revenue and is recognized as revenue when earned. The Symphony has recorded \$2,975,803 and \$2,679,514 in deferred ticket sale revenue as of June 30, 2023 and 2022, respectively.

Contributions associated with special events are considered conditional and recorded as deferred revenue until the occurrence of the event, in which the contribution becomes unconditional and is recognized within the statements of activities. Conditional contributions received and recorded to deferred revenue as of June 30, 2023 and 2022, was \$564,130 and \$790,355, respectively.

#### **Net Assets**

Net assets, revenues, gains and losses are classified based on the existence or absence of donor restrictions. Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. The governing body has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment. Net assets with donor restrictions for a matter of purpose or time are those whose use by the Symphony has been limited by donors to a specific time period or purpose. Net assets with donor restrictions in perpetuity have been restricted by donors to be maintained by the Symphony in perpetuity.

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Contributions**

Contributions are provided to the Symphony either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts-with or without donor restrictions. The value recorded for each contribution is recognized as follows:

<b>Nature of the Gift</b>	<b>Value Recognized</b>
<i>Conditional gifts, with or without restriction</i>	
Gifts that depend on the Symphony overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, <i>i.e.</i> , the donor-imposed barrier is met
<i>Unconditional gifts, with or without restriction</i>	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Conditional contributions and investment income having donor stipulations which are satisfied in the period the gift is received and the investment income is earned are recorded as revenue with donor restrictions and then released from restriction.

# **Kansas City Symphony**

## **Notes to Financial Statements**

### **June 30, 2023 and 2022**

#### ***Income Taxes***

The Symphony is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, the Symphony is subject to federal income tax on any unrelated business taxable income.

#### ***Auxiliary Organizations***

The Symphony has four unincorporated volunteer auxiliary organizations, which have the primary purpose of raising funds for the Symphony through special event activities. These auxiliaries are: The Symphony League, the Jewel Ball, the Kansas City Symphony Alliance and the Symphony Guild. The Jewel Ball, raises funds for both the Symphony and the Nelson-Atkins Museum of Art. The portion of the special event revenue that relates to the commensurate value the donor received in return is recognized when the related events are held and performance obligations are met. The transaction price is determined based on the value of direct benefits provided to the donors, which was approximately \$1,235,000 and \$1,755,000 for the years ended June 30, 2023 and 2022, respectively. All special event revenue is recognized at the point in time the event is held and the benefits are provided to the donor, which is when the performance obligations are met. The portion of special event revenue considered to be a contribution is recognized in accordance with the Symphony's contribution revenue policies. All four organizations fall under the tax-exempt status of the Symphony and are operating within its legal auspices and, therefore, have been incorporated on a gross basis within the accompanying financial statements.

#### ***Amounts Due From (To) Other Funds***

Certain assets are required to be transferred from one fund to another fund to satisfy donor-imposed and board-imposed restriction on net assets.

#### ***Functional Allocation of Expenses***

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among the program, management and general and fundraising categories based on time expended, usage and other methods.

#### ***Operating Gains and Losses***

The statements of activities includes operating gains and losses. Changes in net assets that are excluded from operating gains and losses are investment return on endowments, depreciation on leasehold improvements and equipment at the Symphony House and COVID-19 relief funding.

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Reclassifications**

Certain reclassifications have been made to the 2022 financial statements to conform to the 2023 financial statement presentation. These reclassifications had no effect on the change in net assets.

**Revisions**

Certain immaterial revisions have been made to the 2022 financial statements to the presentation of contributions from foundations and investment return and cash and cash equivalents and cash and cash equivalents – board designated. The revisions also impacted the related presentation in the net assets without donor restrictions and liquidity footnotes as well as the supplementary information. These revisions did not have a significant impact on the financial statement line items impacted.

**Note 2: Contributions Receivable**

Contributions receivable consist of the following unconditional promises to give:

	<b>2023</b>	<b>2022</b>
Due in less than one year	\$ 1,574,022	\$ 2,705,430
Due in one to five years	182,780	959,000
Due in five to ten years	200,000	200,000
Due beyond ten years	280,000	320,000
	2,236,802	4,184,430
Less allowance for uncollectible contributions	45,000	45,000
Less unamortized discount	174,252	189,257
	<b>\$ 2,017,550</b>	<b>\$ 3,950,173</b>

During Fall 2012, the Symphony began a fundraising campaign to secure additional endowment funds. The campaign is referred to as the “Masterpiece” campaign. Masterpiece funds are being raised to support the future of the Symphony through deepening artistic excellence, strengthening commitment to education and community and building presence as a civic asset. Contributions receivable restricted for the Masterpiece campaign represented 25 percent of the total contributions receivable as of June 30, 2022. During the year ended June 30, 2023, the remaining Masterpiece pledges were collected.

A discount rate of 3.25 percent was used for 2023 and 2022.

As of June 30, 2023 and 2022, two of the Symphony’s donors represented 64 percent and three of the Symphony’s donors represented 79 percent of the total contributions receivable, respectively.

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Note 3: Investments and Disclosures About Fair Value of Assets**

The Symphony has investments held at the Greater Kansas City Community Foundation and holds a beneficial interest in those assets. Certain investments are considered board designated and net assets with donor restrictions within the financial statements.

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The following table presents the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2023 and 2022:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>June 30, 2023</b>				
Pooled investment funds held at Community Foundation	\$ 56,291,910	\$ -	\$ 56,291,910	\$ -
Money market mutual funds included in cash and cash equivalents	1,272,561	1,272,561	-	-
Investments - board designated operating reserve				
Mutual funds	697,066	697,066	-	-
U.S. Treasuries	2,761,665	-	2,761,665	-
Corporate bonds	793,430	-	793,430	-
	<u>\$ 61,816,632</u>	<u>\$ 1,969,627</u>	<u>\$ 59,847,005</u>	<u>\$ -</u>

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>June 30, 2022</b>				
Pooled investment funds held at Community Foundation	\$ 52,916,885	\$ -	\$ 52,916,885	\$ -
Money market mutual funds included in cash and cash equivalents	1,761,652	1,761,652	-	-
Money market mutual funds included in cash and cash equivalents - board designated operating reserve	<u>2,655,205</u>	<u>2,655,205</u>	<u>-</u>	<u>-</u>
	<u>\$ 57,333,742</u>	<u>\$ 4,416,857</u>	<u>\$ 52,916,885</u>	<u>\$ -</u>

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. There have been no significant changes in the valuation techniques during the year ended June 30, 2023.

**Note 4: Net Assets**

***Net Assets Without Donor Restrictions***

Net assets without donor restrictions at June 30 have been designated for the following purposes:

	2023	2022
Undesignated operations	\$ 726,847	\$ 1,991,179
Designated operations	3,747,141	3,733,682
Designated auxiliary	164,006	355,889
Designated Masterpiece	6,780,008	6,366,135
Designated other	<u>14,221,070</u>	<u>10,772,682</u>
Total net assets without donor restrictions	<u>\$ 25,639,072</u>	<u>\$ 23,219,567</u>



**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

***Net Assets With Donor Restrictions***

Net assets with donor restrictions for a matter of purpose or time are available for the following purposes:

	<b>2023</b>	<b>2022</b>
Subject to expenditure for specified purpose		
Employee professional development	\$ 40,000	\$ 350,000
Audience development	2,950,254	2,695,656
Other	100,000	85,000
Contributions receivable restricted for endowment in which the investment income earned is to be available for general use	-	1,062,980
Subject to the passage of time		
Restricted for future fiscal years	827,023	663,583
Contributions receivable that are not restricted by donor but are unavailable for expenditure until due	670,282	604,091
Endowments		
Restricted by donors for investment income		
Available for general use	44,879,715	42,282,548
Educational programs	80,967	75,854
Total net assets with donor restrictions	\$ 49,548,241	\$ 47,819,712

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Net Assets Released from Restrictions**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	<b>2023</b>	<b>2022</b>
Expiration of time restrictions	\$ 712,157	\$ 394,154
Satisfaction or purpose restrictions		
Capital expenditures	-	1,299,876
Employee professional development	40,000	-
Audience development	322,002	-
Other	55,000	-
Restricted-purpose spending-rate distributions and appropriations		
General use	3,459,959	2,095,066
Expiration of term endowment	-	3,157,830
Total net assets released	\$ 4,589,118	\$ 6,946,926

**Note 5: Endowment**

The Symphony’s endowment consists of various funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the governing body to function as endowments (board-designated endowment funds). As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Donor Designated Funds at Community Foundation**

The Symphony has various donor-restricted endowment funds that are under the investment management of the Greater Kansas City Community Foundation (GKCCF). Three of these funds are donor-designated funds that are not recorded in the Symphony’s financial statements because the board of directors of GKCCF holds variance power over these funds. The Symphony’s board of directors has recommended the asset allocation for these funds, consistent with one of the recommended allocation models of the investment committee of the GKCCF. These funds are invested in various pooled funds at the GKCCF with approximately 70 percent in equities and 30 percent in fixed income at June 30, 2023 and 2022. Draws from two of the funds are calculated annually to be 5 percent of the 12 quarter average market value of the fund at March 31<sup>st</sup> and are distributed to the Symphony in annual or quarterly allotments. In May 2023, the Symphony amended their spending policy. The amended spending policy has two components. Seventy percent of the distribution will be based on inflation-components taking the prior year distribution

# Kansas City Symphony

## Notes to Financial Statements

### June 30, 2023 and 2022

and increasing by an inflation factor. Thirty percent of the distribution is based on the average asset value of prior 12 quarters as of March 31<sup>st</sup> of the current fiscal year multiplied by the spending rate of each fund. The minimum and maximum distributions allowed under the amended policy, respectively, are 4 percent and 6 percent of the endowment fund's average fair value over the prior twelve quarter average as of March 31<sup>st</sup> of the current fiscal year. For the other fund, draws are distributed on a reimbursement basis to recover costs expended based on intended purpose of the fund. The fair value of these funds was \$23,535,619 and \$22,455,654 as of June 30, 2023 and 2022, respectively. During the years ended June 30, 2023 and 2022, contributions recognized from these funds were \$1,242,978 and \$1,209,662, respectively, and is included within the contributions from foundations revenue line item in the statements of activities.

#### ***Investments Held at Community Foundation***

Additionally, the Symphony has seven donor-restricted and one board-designated endowment funds at the GKCCF which are considered agency funds by the GKCCF. As the GKCCF does not retain variance power for these funds, they are recorded in the financial statements of the Symphony. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Symphony's board of directors has interpreted the *State of Missouri Prudent Management of Institutional Funds Act* (SPMIFA) as requiring 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, the Symphony classifies as net assets restricted in perpetuity (a) the original value of gifts donated to the perpetually-restricted endowment, (b) the original value of subsequent gifts to the perpetually-restricted endowment and (c) accumulations to the perpetually-restricted 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 donor-restricted endowment funds is classified as net assets restricted for a matter of purpose or time until those amounts are appropriated for expenditure by the Symphony in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Symphony considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Symphony 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 the Symphony
7. Investment policies of the Symphony

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

The composition of the endowment investments included in the net asset types at June 30, 2023 and 2022 was:

	<b>2023</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Board-designated endowment funds	\$ 6,780,008		\$ 6,780,008
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	\$ 35,867,064	35,867,064
Accumulated investment gains	-	9,093,618	9,093,618
Total endowment funds	\$ 6,780,008	\$ 44,960,682	\$ 51,740,690
	<b>2022</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Board-designated endowment funds	\$ 6,366,135		\$ 6,366,135
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	\$ 34,549,903	34,549,903
Accumulated investment gains	-	7,808,499	7,808,499
Total endowment funds	\$ 6,366,135	\$ 42,358,402	\$ 48,724,537

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

Changes in endowment funds for the years ended June 30, 2023 and 2022 were:

	<b>2023</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of year	\$ 6,366,135	\$ 42,358,402	\$ 48,724,537
Investment return, net	734,670	4,745,078	5,479,748
Contributions	-	1,317,161	1,317,161
Appropriation of earnings from term endowment	-	(1,513,378)	(1,513,378)
Appropriation of endowment assets for expenditure	(320,797)	(1,946,581)	(2,267,378)
Endowment net assets, end of year	<u>\$ 6,780,008</u>	<u>\$ 44,960,682</u>	<u>\$ 51,740,690</u>
	<b>2022</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of year	\$ 7,653,308	\$ 52,537,242	\$ 60,190,550
Investment return, net	(978,169)	(6,452,107)	(7,430,276)
Contributions	-	1,398,413	1,398,413
Other	-	127,750	127,750
Appropriation of endowment assets for expenditure	(309,004)	(2,095,066)	(2,404,070)
Expiration of term endowment	-	(3,157,830)	(3,157,830)
Endowment net assets, end of year	<u>\$ 6,366,135</u>	<u>\$ 42,358,402</u>	<u>\$ 48,724,537</u>

***Investment and Spending Policies***

The Symphony has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds the Symphony must hold in perpetuity or for donor-specified periods, as well as those of board-designated endowment funds. Under the Symphony's policies, endowment assets are invested in a manner that is intended to produce results that exceed its spending while assuming a reasonable level of investment risk. The Symphony expects its endowment funds to provide an average rate of return of approximately 8 percent annually over time. Actual returns in any given year may vary from this amount.

# **Kansas City Symphony**

## **Notes to Financial Statements**

### **June 30, 2023 and 2022**

To satisfy its long-term rate of return objectives, the Symphony relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). The Symphony targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. Each of these funds is invested in various pooled funds at the GKCCF with approximately 70 percent in equities and 30 percent in fixed income at June 30, 2023 and 2022.

The Symphony has a spending policy which allows it to draw up to 4.5 percent or 5 percent of its endowment fund's average fair value over the prior 12 quarters as of March 31<sup>st</sup> of the current fiscal year. Draws are distributable to the Symphony in quarterly allotments. In May 2023, the Symphony amended their spending policy. The amended spending policy has two components. Seventy percent of the distribution will be based on inflation-components taking the prior year distribution and increasing by an inflation factor. Thirty percent of the distribution is based on the average asset value of prior 12 quarters as of March 31<sup>st</sup> of the current fiscal year multiplied by the spending rate of each fund. The minimum and maximum distributions allowed under the amended policy, respectively, are 4 percent and 6 percent of the endowment fund's average fair value over the prior 12 quarter average as of March 31<sup>st</sup> of the current fiscal year.

In establishing this policy, the Symphony considered the long-term expected return on its endowment. Accordingly, over the long term, the Symphony expects the current spending policy to allow its endowment to grow at an average of 3 percent annually. This is consistent with the Symphony's objective to maintain the purchasing power of endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

#### ***Underwater Endowments***

The governing body of the Symphony has interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Symphony considers a fund to be underwater if the fair value of the fund is less than the sum of

- a) the original value of initial and subsequent gift amounts donated to the fund and
- b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

Deficiencies of this nature are reported in net assets with donor restrictions. There were no underwater endowments at June 30, 2023 and 2022.

# Kansas City Symphony

## Notes to Financial Statements

### June 30, 2023 and 2022

#### **Note 6: Masterpiece Campaign**

In 2012, the Symphony commenced a campaign to increase the Symphony's endowment. The Masterpiece Campaign is designed to solidify the future of the Symphony through deepening artistic excellence, strengthening commitment to education and community, and building a presence as a civic asset. The board has determined the total funds committed towards the campaign at June 30, 2023 and 2022 were approximately \$55,294,000 and \$55,014,000, respectively.

During June 30, 2023 and 2022, the Masterpiece Campaign contributions included within the Symphony's accompanying financial statements were approximately \$280,000 and \$364,000, respectively. These contributions were recorded at fair value, less the related discount. The difference between the total funds committed and those contributions included in the accompanying financial statements relate to verbal commitments and amounts held at the Kansas City Symphony Foundation, all of which are not recorded in the Symphony's accompanying financial statements (see *Note 1*).

#### **Note 7: Revenue from Contracts with Customers**

##### ***Performance Obligations***

Revenue from contracts with customers are reported at the amount that reflects the consideration to which the Symphony expects to be entitled in exchange for performing concerts or other musical performances.

*Ticket Sales* – Revenues are generated either from single concert tickets or from season tickets and are recognized as performance obligations are satisfied, which is as the concert or performance takes place. Season tickets cover a period of nine months and the number of concerts vary based on the series purchased. Payment for ticket sales are due at the time the customer enters into the contract resulting in an unfulfilled performance liability or deferred revenue. These are excluded from revenues and are recorded as liabilities until the performance obligation is satisfied. As of June 30, 2023 and 2022, the Symphony had recorded a liability for unfulfilled performances of \$2,975,803 and \$2,679,514, respectively. Tickets are generally nonrefundable, however, may be refunded or deferred at the Symphony's discretion. The Symphony determines the refund liability at year-end based on historical experience. At June 30, 2023 and 2022, the Symphony has not recorded a refund liability.

*Performance Fees* – Performance obligations are determined based on the nature of the service provided by the Symphony in accordance with the contract. Performance fees include revenue earned for concerts performed by the Symphony for other organizations and is recognized at the point in time when the performance is completed.

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

***Transaction Price and Recognition***

The Symphony determines the transaction price based on standard charges for goods and services provided, reduced by discounts provided in accordance with the Symphony's policy. The Symphony's payment terms are explicitly stated in the contract with all customers.

From time to time the Symphony will receive overpayments of customer balances resulting in amounts owed back to the customers or third parties. These amounts are excluded from revenues and are recorded as liabilities until they are refunded. As of June 30, 2023 and 2022, the Symphony did not have a liability for refunds to customers recorded.

***Disaggregation of Revenue***

The composition of revenue by service type and timing of revenue recognition for the years ended June 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Concerts and fees		
Ticket sales	\$ 6,449,553	\$ 5,771,579
Performance fees	<u>1,087,756</u>	<u>874,719</u>
Timing of revenue recognition		
At a point in time	<u>\$ 7,537,309</u>	<u>\$ 6,646,298</u>

***Contract Balances***

The following table provides information about the Symphony's receivables and contract liabilities from contracts with customers:

	<u>2023</u>	<u>2022</u>
Accounts receivable, beginning of year	\$ 25,606	\$ 15,779
Accounts receivable, end of year	111,489	25,606
Contract liabilities, beginning of year	2,679,514	2,481,058
Contract liabilities, end of year	2,975,803	2,679,514

**Note 8: Government Grants**

The Missouri Arts Council, a state agency, provided program assistance funds of \$152,888 and \$110,987 for the years ended June 30, 2023 and 2022, respectively.



# Kansas City Symphony

## Notes to Financial Statements

### June 30, 2023 and 2022

#### Note 9: Employee Benefit Plans

##### ***Kansas City Symphony 403(b) Retirement Plan***

The Symphony maintains a 403(b) retirement plan covering employees. The Symphony's contributions to the Plan for administrative employees consist of a discretionary contribution of 3 percent of compensation and a matching contribution of 50 percent of the staff's 403(b) deferral up to a maximum of 4 percent of compensation paid to participants during the year. The Symphony's contributions to the Plan were \$69,870 and \$63,707 for the years ended June 30, 2023 and 2022, respectively.

The Symphony's full-time musicians also participate in the 403(b) retirement plan. The employer contribution to the Plan in 2023 and 2022 was 2 percent of compensation paid to musicians during the year and there was a matching component for musicians which is a maximum Symphony contribution of 1.5 percent if the musician defers 0.75 percent. The Symphony's contribution to the Plan was \$222,778 and \$197,105 for the years ended June 30, 2023 and 2022, respectively.

##### ***Multiemployer Pension Plans***

The Symphony contributes to a multiemployer defined benefit pension plan and a multiemployer defined contribution pension plan under the terms of the collective-bargaining agreement that cover its union-represented employees. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects:

1. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the Symphony chooses to stop participating in some of its multiemployer plans, the Symphony may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Symphony's participation in these plans for the annual periods ended June 30, 2023 and 2022, is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number, if applicable. Unless otherwise noted, the most recent *Pension Protection Act* (PPA) zone status available in 2023 and 2022 is for the plan's year end at December 31, 2022 and March 31, 2022, respectively. The zone status is based on information the Symphony received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are less than 80 percent funded and plans in the green zone are at least 80 percent funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. The last column lists the expiration date(s) of the collective-bargaining agreement(s) to which the plans are subject. The Symphony contributes 5.995 percent of compensation to the American Federation of Musicians Employer Pension Fund for musicians and 10 percent of compensation to

**Kansas City Symphony**  
**Notes to Financial Statements**  
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the International Alliance of Theatrical Stage Employees Local 31 Retirement Trust for theater and stagehand employees.

Pension Fund	EIN/Pension Plan Number	Pension Protection Act Zone Status		FIP/RP Status Pending/ Implemented	Contributions of Organization			Surcharge Imposed	Expiration Date of Collective-Bargaining Agreement
		2023	2022		2023	2022	2021		
American Federation of Musicians Employer Pension Fund	51-6120204	Red	Red	Implemented	\$ 398,539	\$ 336,570	\$ 247,931	Yes	6/30/2028
International Alliance of Theatrical Stage Employees Local 31 Retirement Trust	44-0459340	N/A	N/A	N/A	\$ 38,782	\$ 26,395	\$ 11,257	N/A	7/31/2025

The contributions above did not exceed 5 percent of total contributions to the Funds in any of the years listed above.

**Note 10: Operating Leases**

***Change in Accounting Principle***

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). This ASU requires lessees to recognize a lease liability and a right-of-use (ROU) asset on a discounted basis, for substantially all leases, as well as additional disclosures regarding leasing arrangements. Disclosures are required to enable users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. In July 2018, the FASB issued ASU 2018-11, *Leases* (Topic 842): *Targeted Improvements*, which provides an optional transition method of applying the new lease standard. Topic 842 can be applied using either a modified retrospective approach at the beginning of the earliest period presented or, as permitted by ASU 2018-11, at the beginning of the period in which it is adopted, *i.e.*, the comparatives under ASC 840 option.

The Symphony adopted Topic 842 on July 1, 2022 (the effective date), using the comparatives under ASC 840 transition method, which applies Topic 842 at the beginning of the period in which it is adopted. Prior period amounts have not been adjusted in connection with the adoption of this standard. The Symphony elected the package of practical expedients under the new standard, which permits entities to not reassess lease classification, lease identification or initial direct costs for existing or expired leases prior to the effective date. The Symphony has lease agreements with nonlease components that relate to the lease components. The Symphony has elected the practical expedient to account for nonlease components and the lease components to which they relate as a single lease component for all. The Symphony did not elect the hindsight practical expedient in determining the lease term for existing leases as of July 1, 2022.

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

The most significant impact of adoption was the recognition of operating lease ROU assets and operating lease liabilities of \$3,808,838. The standard did not significantly affect the statements of activities or cash flows.

***Accounting Policies***

The Symphony determines if an arrangement is a lease or contains a lease at inception. Leases result in the recognition of ROU assets and lease liabilities on the statements of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Symphony determines lease classification as operating or finance at the lease commencement date. The Symphony combines lease and nonlease components, such as common area and other maintenance costs, and accounts for them as a single lease component in calculating the ROU assets and lease liabilities for its office and storage space.

At lease commencement, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Symphony has made a policy election to use the risk-free rate for similar durations the initial and subsequent measurement of all lease liabilities. The risk-free rate is determined using a period comparable with the lease term.

The lease term may include options to extend or to terminate the lease that the Symphony is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

***Nature of Leases***

The Symphony has entered into the following lease arrangements:

***Operating Leases***

The Symphony has leases for office space, storage space and various small equipment that expire in various years through 2034. The Symphony’s lease for office space contains renewal options and provisions that require the Symphony to pay a portion of operating costs. Lease payments have an escalating fee schedule, which approximate a 3 percent increase each year. Termination of the leases is generally prohibited unless there is a violation under the lease agreement.

***Quantitative Disclosures***

The lease cost and other required information for the year ended June 30, 2023 are:

<b>Lease Cost</b>	
Operating lease cost	\$ 430,584
Variable lease cost	11,354
	<u>441,938</u>
	<u>\$ 441,938</u>

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Other information**

Cash paid for amounts included in the measurement of lease liabilities

Operating cash flows from operating leases	\$ 373,113
Weighted-average remaining lease term	
Operating leases	10.85 years
Weighted-average discount rate	
Operating leases	2.88%

Further minimum lease payments and reconciliation to the statement of financial position at June 30, 2023 are as follows:

	<b>Operating Leases</b>
2024	\$ 358,554
2025	341,909
2026	351,359
2027	362,222
2028	364,440
Thereafter	<u>2,426,592</u>
Total future undiscounted lease payments	4,205,076
Less interest	<u>(626,868)</u>
Lease liabilities	<u><u>\$ 3,578,208</u></u>

***Disclosures Related to Periods Prior to Adoption of ASC 842***

In March 2021, the Symphony entered into a lease agreement with a related party for the administrative offices (Symphony House). The lease term commences when the Symphony completes tenant improvements on the building which occurred in August 2021 and ends June 30, 2034. Additional rent is paid for a portion of operating costs. Rent expense was \$281,885 for the year ended June 30, 2022. Future minimum lease payments at June 30, 2022, were:

2023	\$ 314,232
2024	323,484
2025	333,204
2026	342,684
2027	353,568
Thereafter	<u>2,791,032</u>
	<u><u>\$ 4,458,204</u></u>

# Kansas City Symphony

## Notes to Financial Statements

### June 30, 2023 and 2022

#### **Note 11: Contributed Nonfinancial Assets**

For the years ended June 30, 2023 and 2022, contributed nonfinancial assets recognized within the statements of activities were approximately \$224,000 and \$52,000, respectively. The nonfinancial assets consisted of miscellaneous goods and services that were used in the Symphony's program activities. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. The Symphony approximated the fair value of miscellaneous goods on the basis of what the underlying good would cost if otherwise purchased. The Symphony approximated the fair value on the basis of what the underlying services would cost if otherwise purchased from these vendors, based on the vendors' normal billing rates. Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated.

#### **Note 12: Licensing Agreement**

The Symphony has entered into a Licensing Agreement with the Kauffman Center for the Performing Arts. The initial license term is 20 years with the right to extend that initial term for three subsequent 10-year terms. Under the Licensing Agreement, the Symphony is required to pay to the Kauffman Center a license fee for each day a performance or rehearsal is held in the concert hall or theatre. Licensing expense was \$568,025 and \$484,668 for the years ended June 30, 2023 and 2022, respectively.

Licensing fees are predicated upon maintaining "Resident Arts Organization" (RAO) status. In order to be considered an RAO, the Symphony has agreed to use the facility for at least 90 days per year, including performances and rehearsals. The licensing fee will be subjected to an annual increase by the percentage the Consumer Price Index (CPI) has increased during the preceding season. Also, following the third year of operations in the Kauffman Center, and each five years subsequently, the fee may also be increased by Operating Period Adjustments to capture increases in operating costs in excess of the CPI adjustment, but capped at 5 percent for each operating period. The Symphony has determined that the Licensing Agreement does not meet the definition of a lease under ASU 2016-02, *Leases* (Topic 842) due to inability to control the underlying asset associated with the agreement.

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

**Note 13: Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2023 and 2022, comprise the following:

	<u>2023</u>	<u>2022</u>
Total financial assets	\$ 77,395,626	\$ 75,227,899
Contributions receivable due in more than one year	488,528	1,289,743
Donor restricted endowments		
Accumulated investment gains	9,093,618	7,808,499
Endowments	35,867,064	34,549,903
	<u>44,960,682</u>	<u>42,358,402</u>
Net financial assets after donor-imposed restrictions	<u>31,946,416</u>	<u>31,579,754</u>
Internal designations		
Board-advised funds	19,475,536	15,717,093
Quasi-endowments	6,780,008	6,366,135
	<u>26,255,544</u>	<u>22,083,228</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,690,872</u>	<u>\$ 9,496,526</u>

The Symphony's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure. For the years ended June 30, 2023 and 2022, restricted contributions of \$4,587,559 and \$5,461,310, respectively, were included in financial assets available to meet cash needs for general expenditures within one year.

The board-designated endowment of \$6,780,008 and \$6,366,135 at June 30, 2023 and 2022, respectively, is subject to an annual spending rate of 4.5 percent as described in *Note 5*. Although the Symphony does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the board's annual budget approval and appropriation), these amounts could be made available if necessary.

The Symphony manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Symphony has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 30 days operating expenses. The Symphony has a policy to target a year-end balance of reserves without donor restriction and which

# **Kansas City Symphony**

## **Notes to Financial Statements**

### **June 30, 2023 and 2022**

are undesignated by the board to meet 90 to 120 days of expected expenditures. To achieve these targets, the Symphony forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually. During the years ended June 30, 2023 and 2022, the level of liquidity and reserves was managed within the policy requirements.

#### **Note 14: Significant Estimates and Concentrations**

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

##### ***General Litigation***

The Symphony is subject to claims and lawsuits that arose primarily in the ordinary course of its activities. It is the opinion of management the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of the Symphony. Events could occur that would change this estimate materially in the near term.

##### ***Labor Agreement***

Substantially all of the Symphony's stagehands and musicians are covered by collective-bargaining agreements. The stagehands agreement is set to expire in 2025. The musicians agreement is set to expire in 2028.

##### ***Contributions***

During 2022, one of the Symphony's donors represented 15 percent of the total contribution and grant revenue.

##### ***Investments Held at Community Foundation***

Estimates related to valuation of beneficial interests in assets held by others are described in *Note 3* and *Note 5*.

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

Significant estimates relating to the allowance of contributions receivable are described in *Note 1*.

##### ***Functional Expense Allocation***

Significant estimates relating to the allocation of expense on a functional basis are described in *Note 1*.

**Kansas City Symphony**  
**Notes to Financial Statements**  
**June 30, 2023 and 2022**

***Depreciation***

As discussed in *Note 1*, depreciation is charged to expense using the straight-line method over the estimated life of each asset, which ranges from three to 20 years.

**Note 15: Subsequent Events**

Subsequent events have been evaluated through December 21, 2023, which is the date the financial statements were available to be issued.



## **Supplementary Information**

**Kansas City Symphony**  
**Schedules of Operating Revenues Without Donor Restrictions**  
**June 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Operating Revenues</b>		
Ticket sales	\$ 6,449,553	\$ 5,771,579
Performance fees	1,087,756	874,719
Individual, corporate and foundation donations	4,496,797	4,802,430
Contributions from foundations	2,104,713	1,976,795
Government grants	275,388	237,987
Auxiliary contributions	2,739,222	3,633,966
Investments and other sources	1,892,851	(1,361,868)
Net assets released from designations and restrictions	4,589,118	6,946,926
	<u>\$ 23,635,398</u>	<u>\$ 22,882,534</u>