

PROPRIETORS OF THE CEMETERY OF

MOUNT AUBURN

FINANCIAL STATEMENTS

For the Years Ended March 31, 2018 and 2017

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of the
Proprietors of the Cemetery of Mount Auburn
Cambridge, Massachusetts

We have audited the accompanying financial statements of the Proprietors of the Cemetery of Mount Auburn (a nonprofit organization), which comprise the *statements of financial position* as of March 31, 2018 and 2017, and the related *statements of activities and changes in net assets, changes in net assets of the endowment and cash flows* for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Proprietors of the Cemetery of Mount Auburn as of March 31, 2018 and 2017, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of unrestricted operations support, revenue and expenses along with the schedules of operating expenses on pages 23 and 24 are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Morgan + Morgan, P.C.

Hingham, Massachusetts
August 30, 2018

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

STATEMENTS OF FINANCIAL POSITION

As of March 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS :		
Cash and cash equivalents	\$ 4 045 642	\$ 1 729 786
Accounts receivable - interment space	2 250 048	1 397 900
Accounts receivable - employees	6 855	4 231
Prepaid expenses	260 082	233 505
Due from Friends of Mount Auburn Cemetery	2 860	28 096
Pledges receivable - Friends of Mount Auburn Cemetery	- -	2 860
Supplies inventory	<u>21 059</u>	<u>21 739</u>
TOTAL CURRENT ASSETS	6 586 546	3 418 117
LONG-TERM INVESTMENTS, AT FAIR VALUE	186 996 062	174 155 607
INTERMENT SPACE INVENTORY	2 405 728	2 330 059
NET PROPERTY AND EQUIPMENT	33 710 410	25 603 538
OTHER ASSETS:		
Prepaid pension	<u>42 384</u>	<u>32 702</u>
TOTAL ASSETS	<u>\$ 229 741 130</u>	<u>\$ 205 540 023</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES :		
Accounts payable	\$ 1 691 194	\$ 549 083
Accrued expenses	638 158	444 270
Deferred revenue	24 028	16 259
Pension liability	<u>485 403</u>	<u>493 850</u>
TOTAL CURRENT LIABILITIES	2 838 783	1 503 462
LONG TERM LIABILITIES :		
Deferred revenue	22 778	15 731
External financing obligation	11 973 765	4 800 000
Pension liability	<u>4 430 982</u>	<u>4 756 983</u>
TOTAL LONG TERM LIABILITIES	16 427 525	9 572 714
TOTAL LIABILITIES	19 266 308	11 076 176
NET ASSETS :		
Unrestricted		
For current operations	23 478 760	20 308 240
Funds functioning as endowment	<u>25 551 076</u>	<u>27 784 782</u>
Total unrestricted	49 029 836	48 093 022
Permanently restricted	<u>161 444 986</u>	<u>146 370 825</u>
TOTAL NET ASSETS	210 474 822	194 463 847
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 229 741 130</u>	<u>\$ 205 540 023</u>

See accompanying notes.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended March 31, 2018

	UNRESTRICTED			Permanently	
	Operations	Endowment	TOTAL	Restricted	TOTAL
SUPPORT AND REVENUE :					
Interment space sales - net of development costs and appropriation for cost of sales	\$ 2 916 704	\$ - -	\$ 2 916 704	\$ - -	\$ 2 916 704
Perpetual care contracts	50 326	- -	50 326	- -	50 326
Service fees	2 385 346	- -	2 385 346	- -	2 385 346
Contributions and grants	1 784 507	- -	1 784 507	- -	1 784 507
Investment return designated for current operations, net of investment fees	8 444 743	- -	8 444 743	- -	8 444 743
Miscellaneous income	289 294	- -	289 294	- -	289 294
TOTAL SUPPORT AND REVENUE	15 870 920	- -	15 870 920	- -	15 870 920
EXPENSES :					
Administration	1 650 579	- -	1 650 579	- -	1 650 579
Cemetery & Visitor Services	787 290	- -	787 290	- -	787 290
Cemetery Operations	954 997	- -	954 997	- -	954 997
Horticulture	1 743 613	- -	1 743 613	- -	1 743 613
Preservation & Facilities	798 555	- -	798 555	- -	798 555
Corporate Overhead	5 354 236	- -	5 354 236	- -	5 354 236
TOTAL EXPENSES	11 289 270	- -	11 289 270	- -	11 289 270
EXCESS OF SUPPORT AND REVENUE OVER EXPENSES	4 581 650	- -	4 581 650	- -	4 581 650
NONOPERATING ACTIVITIES :					
Change in pension liability	344 130	- -	344 130	- -	344 130
Endowment net change during the year	(1 755 260)	(2 233 706)	(3 988 966)	15 074 161	11 085 195
TOTAL NONOPERATING ACTIVITIES	(1 411 130)	(2 233 706)	(3 644 836)	15 074 161	11 429 325
INCREASE (DECREASE) IN NET ASSETS	3 170 520	(2 233 706)	936 814	15 074 161	16 010 975
NET ASSETS, BEGINNING	20 308 240	27 784 782	48 093 022	146 370 825	194 463 847
NET ASSETS, ENDING	\$ 23 478 760	\$ 25 551 076	\$ 49 029 836	\$ 161 444 986	\$ 210 474 822

See accompanying notes.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended March 31, 2017

	Operations	UNRESTRICTED Endowment	TOTAL	Permanently Restricted	TOTAL
SUPPORT AND REVENUE :					
Interment space sales - net of development costs and appropriation for cost of sales	\$ 2 312 703	\$ - -	\$ 2 312 703	\$ - -	\$ 2 312 703
Perpetual care contracts	36 255	- -	36 255	- -	36 255
Service fees	2 633 757	- -	2 633 757	- -	2 633 757
Contributions and grants	1 618 350	- -	1 618 350	- -	1 618 350
Investment return designated for current operations, net of investment fees	7 493 908	- -	7 493 908	- -	7 493 908
Miscellaneous income	272 762	- -	272 762	- -	272 762
TOTAL SUPPORT AND REVENUE	14 367 735	- -	14 367 735	- -	14 367 735
EXPENSES :					
Administration	1 619 083	- -	1 619 083	- -	1 619 083
Cemetery & Visitor Services	820 316	- -	820 316	- -	820 316
Cemetery Operations	940 853	- -	940 853	- -	940 853
Horticulture	1 659 773	- -	1 659 773	- -	1 659 773
Preservation & Facilities	778 054	- -	778 054	- -	778 054
Corporate Overhead	4 146 166	- -	4 146 166	- -	4 146 166
TOTAL EXPENSES	9 964 245	- -	9 964 245	- -	9 964 245
EXCESS OF SUPPORT AND REVENUE OVER EXPENSES	4 403 490	- -	4 403 490	- -	4 403 490
NONOPERATING ACTIVITIES :					
Change in pension liability	1 815 601	- -	1 815 601	- -	1 815 601
Endowment net change during the year	(2 708 788)	(1 394 229)	(4 103 017)	13 511 683	9 408 666
TOTAL NONOPERATING ACTIVITIES	(893 187)	(1 394 229)	(2 287 416)	13 511 683	11 224 267
INCREASE (DECREASE) IN NET ASSETS	3 510 303	(1 394 229)	2 116 074	13 511 683	15 627 757
NET ASSETS, BEGINNING	16 797 937	29 179 011	45 976 948	132 859 142	178 836 090
NET ASSETS, ENDING	<u>\$ 20 308 240</u>	<u>\$ 27 784 782</u>	<u>\$ 48 093 022</u>	<u>\$ 146 370 825</u>	<u>\$ 194 463 847</u>

See accompanying notes.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN
STATEMENT OF CHANGES IN NET ASSETS OF THE ENDOWMENT
For the Year Ended March 31, 2018

Description	UNRESTRICTED			Permanently Restricted	TOTAL
	Operations	Endowment	TOTAL		
INVESTMENT RETURN :					
Investment income	\$ 211	\$ 777 642	\$ 777 853	\$ 2 126 551	\$ 2 904 404
Realized gain (loss)	- -	3 029 778	3 029 778	7 704 378	10 734 156
Unrealized gain (loss)	- -	1 439 235	1 439 235	4 729 418	6 168 653
GROSS INVESTMENT RETURN	211	5 246 655	5 246 866	14 560 347	19 807 213
Less: Investment fees	- -	(73 544)	(73 544)	(203 731)	(277 275)
NET INVESTMENT RETURN	211	5 173 111	5 173 322	14 356 616	19 529 938
TRANSFERS BETWEEN NET ASSETS :					
Interment space sales	(1 704 934)	975 754	(729 180)	729 180	- -
Perpetual care contracts	(50 326)	- -	(50 326)	50 326	- -
Net investment return	84 308	(22 347)	61 961	(61 961)	- -
Net realized and unrealized gain used for Operations	8 360 224	(8 360 224)	- -	- -	- -
TOTAL TRANSFERS BETWEEN NET ASSETS	6 689 272	(7 406 817)	(717 545)	717 545	- -
INVESTMENT RETURN DESIGNATED FOR CURRENT OPERATIONS	(8 444 743)	- -	(8 444 743)	- -	(8 444 743)
ENDOWMENT NET CHANGE DURING THE YEAR	(1 755 260)	(2 233 706)	(3 988 966)	15 074 161	11 085 195
TRANSFERS BETWEEN GENERAL OPERATING ACCOUNT:					
Interment space sales	1 704 934	- -	1 704 934	- -	1 704 934
Perpetual care contracts	50 326	- -	50 326	- -	50 326
TOTAL TRANSFERS BETWEEN GENERAL OPERATING ACCOUNT	1 755 260	- -	1 755 260	- -	1 755 260
NET CHANGE DURING THE YEAR	- -	(2 233 706)	(2 233 706)	15 074 161	12 840 455
NET ASSETS, BEGINNING	- -	27 784 782	27 784 782	146 370 825	174 155 607
NET ASSETS, ENDING	\$ - -	\$ 25 551 076	\$ 25 551 076	\$ 161 444 986	\$ 186 996 062

See accompanying notes

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN
STATEMENT OF CHANGES IN NET ASSETS OF THE ENDOWMENT
For the Year Ended March 31, 2017

Description	UNRESTRICTED			Permanently Restricted	TOTAL
	Operations	Endowment	TOTAL		
INVESTMENT RETURN :					
Investment income	\$ 229	\$ 539 334	\$ 539 563	\$ 1 495 945	\$ 2 035 508
Realized gain (loss)	- -	533 422	533 422	1 479 544	2 012 966
Unrealized gain (loss)	- -	3 480 510	3 480 510	9 653 839	13 134 349
GROSS INVESTMENT RETURN	229	4 553 266	4 553 495	12 629 328	17 182 823
Less: Investment fees	- -	(74 264)	(74 264)	(205 985)	(280 249)
NET INVESTMENT RETURN	229	4 479 002	4 479 231	12 423 343	16 902 574
TRANSFERS BETWEEN NET ASSETS :					
Interment space sales	(2 672 533)	1 555 270	(1 117 263)	1 117 263	- -
Perpetual care contracts	(36 255)	- -	(36 255)	36 255	- -
Net investment return	88 676	(23 498)	65 178	(65 178)	- -
Net realized and unrealized gain used for Operations	7 405 003	(7 405 003)	- -	- -	- -
TOTAL TRANSFERS BETWEEN NET ASSETS	4 784 891	(5 873 231)	(1 088 340)	1 088 340	- -
INVESTMENT RETURN DESIGNATED FOR CURRENT OPERATIONS	(7 493 908)	- -	(7 493 908)	- -	(7 493 908)
ENDOWMENT NET CHANGE DURING THE YEAR	(2 708 788)	(1 394 229)	(4 103 017)	13 511 683	9 408 666
TRANSFERS BETWEEN GENERAL OPERATING ACCOUNT :					
Interment space sales	2 672 533	- -	2 672 533	- -	2 672 533
Perpetual care contracts	36 255	- -	36 255	- -	36 255
TOTAL TRANSFERS BETWEEN GENERAL OPERATING ACCOUNT	2 708 788	- -	2 708 788	- -	2 708 788
NET CHANGE DURING THE YEAR	- -	(1 394 229)	(1 394 229)	13 511 683	12 117 454
NET ASSETS, BEGINNING	- -	29 179 011	29 179 011	132 859 142	162 038 153
NET ASSETS, ENDING	\$ - -	\$ 27 784 782	\$ 27 784 782	\$ 146 370 825	\$ 174 155 607

See accompanying notes

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

STATEMENTS OF CASH FLOWS

For the Years Ended March 31,

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 16 010 975	\$ 15 627 757
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities :		
Depreciation and amortization	988 591	787 617
Change in pension liability	(334 448)	(1 801 829)
Gain on sale of property and equipment	(16 650)	(11 432)
Net realized and unrealized (gain) loss on investments	(16 902 809)	(15 147 315)
Changes in operating assets and liabilities :		
(Increase) decrease in assets :		
Accounts receivable - interment space	(852 148)	35 503
Accounts receivable - employees	(2 624)	3 925
Prepaid expenses	(26 577)	(122 719)
Due from Friends of Mount Auburn Cemetery	25 236	8 627
Pledges receivable - Friends of Mount Auburn Cemetery	2 860	20 029
Supplies inventory	680	(988)
Interment space inventory	(75 669)	122 097
Prepaid pension	(9 682)	(13 772)
Increase (decrease) in liabilities :		
Accounts payable	1 142 111	371 308
Accrued expenses	193 888	41 327
Deferred revenue	<u>14 816</u>	<u>(12 081)</u>
NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES	<u>158 550</u>	<u>(91 946)</u>
CASH FLOWS FROM INVESTING ACTIVITIES :		
Purchase of property and equipment	(9 115 463)	(3 223 322)
Proceeds from sale of property and equipment	36 650	11 432
Purchase of investments	(38 655 042)	(7 233 434)
Proceeds from sale of investments	<u>42 717 396</u>	<u>10 263 295</u>
NET CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES	<u>(5 016 459)</u>	<u>(182 029)</u>
CASH FLOWS FROM FINANCING ACTIVITIES :		
Proceeds from bank loan	<u>7 173 765</u>	<u>- -</u>
NET CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES	<u>7 173 765</u>	<u>- -</u>
NET INCREASE (DECREASE) IN CASH	2 315 856	(273 975)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>1 729 786</u>	<u>2 003 761</u>
CASH AND CASH EQUIVALENTS, ENDING	<u><u>\$ 4 045 642</u></u>	<u><u>\$ 1 729 786</u></u>
Cash paid for interest expense	\$ 219 291	\$ 108 820

See accompanying notes.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organizational Purpose

The Proprietors of the Cemetery of Mount Auburn (the Cemetery) is organized under Chapter 96 of the Acts of 1835 of the Massachusetts legislature as a non-profit corporation governed by the Trustees elected by the Proprietors. The Cemetery was the nation's first garden cemetery and is engaged in the development, sale and maintenance of graves, crypts, niches, and accessories and provides cemetery services, such as interments and cremations. Listed on the National Register of Historic Places and designated as a National Historic Landmark, the Cemetery is actively preserving and rehabilitating its historic buildings, monuments and collections.

Basis of Accounting

The Cemetery prepares its financial statements on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The statements have been prepared to focus on the Cemetery as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

Unrestricted: For Current Operations - This is the Operating Fund used for the general purposes of the Cemetery.

Unrestricted: Funds Functioning As Endowment - This is the Permanent Fund which is a quasi-endowment fund, the income of which is utilized for the care, preservation, improvement and enlargement of the Cemetery, including the payment of salaries. While quasi-endowment funds have been established by the Trustees for the same purpose as endowment funds, any portion of quasi-endowment funds may be expended.

Permanently Restricted - This endowment Trust Fund is restricted for the perpetual care of individual lots and graves in the Cemetery. The principal of the Trust Fund shall not be used for any of the general purposes of the Cemetery.

Use of Estimates

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

Designation of Unrestricted Net Assets

It is the policy of the Trustees to review the Cemetery's plans for future property improvements and acquisitions from time to time and to designate appropriate sums of unrestricted net assets to assure adequate financing of such improvements.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Cemetery considers all short-term debt securities purchased with a maturity of one year or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Accounts are charged to bad debt expense as they are deemed uncollectible based upon a periodic review of aging and collections. The Cemetery considers accounts receivable to be fully collectible. Credit losses, when realized, have been within the range of the Cemetery's expectations and, historically, have not been significant.

Supplies Inventory

Inventories, which consist largely of materials and supplies consumed in the day to day operations of the Cemetery, are stated at lower of cost or market by the first-in, first-out method.

Interment Space

Costs of lots, graves, crypts, niches, benches and their development and improvement are capitalized when they are incurred and reported as projects in progress. Once the developed lots, graves, crypts, niches or benches have been completed, the costs are transferred to the appropriate category and reported as interment space inventory. Upon sale of the rights of interment, the costs are charged on a pro-rata basis to the cost of goods sold.

Reclassification

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

Property and Equipment

All acquisitions of property and equipment in excess of \$10,000 and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost, or if donated, at the fair market value at the date of the donation. Depreciation is computed using the straight-line method over their estimated useful lives. Maintenance, repairs and landscaping expenses are charged to operations when incurred.

Estimated useful lives are as follows:

Building and improvements	5 - 40 years
Master plans	30 years
Vehicles and equipment	3 - 10 years
Furniture and fixtures	5 - 7 years

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Investments

The Cemetery carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. The Cemetery also invests in real estate limited partnerships and a venture capital fund for which a quoted market value is not readily available. The fair values of these investments are based upon the most recent estimates provided by the respective investment managers. Because alternative investments are not readily marketable, the estimated value is subject to uncertainty, and therefore, may differ from the value that would have been used had a ready market for the investment existed and the differences could be material. The Cemetery reviewed and evaluated the values provided by the investment managers and agrees with the valuation methods and assumptions used in determining the fair value of the alternative investments. The Cemetery believes that the carrying value of its alternative investments is a reasonable estimate of fair value as of March 31, 2018.

Endowment

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

The Board of Trustees of the Cemetery has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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, the Cemetery classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent 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 permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Cemetery in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Cemetery 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 the Cemetery, and (7) the Cemetery's investment policies.

The Cemetery's spending policy as approved by the Board of Trustees, is based on a calculation of the average of long-term investments for a 60-month average for 2018 and 2017.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a qualifying expenditure occurs or a time restriction expires, temporarily restricted assets are recognized in unrestricted net assets as "net assets released from restriction" in the Statement of Activities and Changes in Net Assets. However, if a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as an unrestricted contribution.

Pledges Receivable

Pledges receivable represents the amount from Friends of Mount Auburn from donors who pledge future cash contributions to the Friends.

Revenues

Sales of interment space are recorded at the inception of the contract. The funds are transferred when payments are received in full and the rights of interment have been transferred. The funds generated by these sales, less development cost, are transferred as follows:

	<u>2018</u>	<u>2017</u>
To the Operating Fund for cost of sales	22%	22%
To the Trust Fund	30%	30%
To the Permanent Fund	Remainder	Remainder

Deferred Revenue

Revenue from annual care contracts is deferred and recognized over the period to which the service is provided.

Income Taxes

The Cemetery is exempt from income taxes as a non-profit organization operating under Section 501(c)(13) of the Internal Revenue Code. It has been determined not to be a private foundation under Section 509 (a)(1). The Cemetery is required to assess uncertain tax positions and has determined that there were no such positions that are material to the financial statements. Any changes in tax positions will be recorded when the ultimate outcome becomes known. The Cemetery's tax returns are subject to examination by the Internal Revenue service for the years ended March 31, 2017, 2016, and 2015.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Environmental Remediation Costs

Future costs under environmental remediation obligations are not discounted to present value.

Advertising

Advertising costs are expensed as they are incurred.

NOTE B - INVESTMENTS

The Financial Accounting Standards Board (FASB) issued FASB ASC 820 *Fair Value Measurements and Disclosure*, which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in an active market for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities.

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.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

The Cemetery's assets at March 31, 2018 that are reported at fair value are summarized in the following table by their fair value hierarchy classification:

	Level 1	Level 2	Level 3	Fair Value
Long-Term Investments (Market)				
U.S. Common Stock	\$ 21 700 671	\$ - -	\$ - -	\$ 21 700 671
Global Common Stock	76 003 386	- -	- -	76 003 386
Non-U.S. Common Stock	20 818 118	- -	- -	20 818 118
Real Estate	3 694 066	- -	- -	3 694 066
Fixed Income	22 723 220	- -	- -	22 723 220
Treasury Inflation-Protected Securities	7 789 223	- -	- -	7 789 223
Total Long-Term Investments	152 728 684	- -	- -	152 728 684
Long-Term Investments (Est Fair)				
Private Equity	- -	- -	10 198 199	10 198 199
Opportunistic	- -	- -	840 180	840 180
Real Estate	- -	- -	15 272 089	15 272 089
Bank Loan	- -	- -	7 852 035	7 852 035
Total Long-Term Investments	- -	- -	34 162 503	34 162 503
Other Investments				
Cash Equivalents	104 875	- -	- -	104 875
Total Other Investments	104 875	- -	- -	104 875
TOTALS	\$ 152 833 559	\$ - -	\$ 34 162 503	\$ 186 996 062

The following table presents the Cemetery's assets measured at fair value on a recurring basis using significant unobservable inputs for fiscal year ended March 31, 2018 (Level 3):

Level 3 Activity	Private Equity	Opportunistic	Real Estate	Bank Loan	Total
Beginning Balance	\$ 9 477 496	\$ - -	\$ 14 270 285	\$ 7 520 083	\$ 31 267 864
Purchases & Sales					
Purchases	1 578 344	764 259	174 462	153 319	2 670 384
Sales (Gross Proceeds)	(1 231 721)	(8 488)	(196 483)	- -	(1 436 692)
Total Purchases & Sales	346 623	755 771	(22 021)	153 319	1 233 692
Realized & Unrealized Gains					
Realized	- -	- -	51 969	- -	51 969
Unrealized	374 080	84 409	971 856	178 633	1 608 978
Total Long-Term Investments	374 080	84 409	1 023 825	178 633	1 660 947
TOTALS	\$ 10 198 199	\$ 840 180	\$ 15 272 089	\$ 7 852 035	\$ 34 162 503

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

The Cemetery's assets at March 31, 2017 that are reported at fair value are summarized in the following table by their fair value hierarchy classification:

	Level 1	Level 2	Level 3	Fair Value
Long-Term Investments (Market)				
U.S. Common Stock	\$ 20 177 265	\$ - -	\$ - -	\$ 20 177 265
Global Common Stock	70 897 268	- -	- -	70 897 268
Non-U.S. Common Stock	17 753 128	- -	- -	17 753 128
Real Estate	3 834 675	- -	- -	3 834 675
Fixed Income	22 533 830	- -	- -	22 533 830
Treasury Inflation-Protected Securities	7 717 926	- -	- -	7 717 926
Total Long-Term Investments	142 914 092	- -	- -	142 914 092
Long-Term Investments (Est Fair)				
Private Equity	- -	- -	9 477 496	9 477 496
Real Estate	- -	- -	14 270 285	14 270 285
Bank Loan	- -	- -	7 520 083	7 520 083
Total Long-Term Investments	- -	- -	31 267 864	31 267 864
Other Investments				
Cash Equivalents	(26 349)	- -	- -	(26 349)
Total Other Investments	(26 349)	- -	- -	(26 349)
TOTALS	\$ 142 887 743	\$ - -	\$ 31 267 864	\$ 174 155 607

The following table presents the Cemetery's assets measured at fair value on a recurring basis using significant unobservable inputs for fiscal year ended March 31, 2017 (Level 3):

Level 3 Activity	Private Equity	Real Estate	Bank Loan	Total
Beginning Balance	\$ 8 913 955	\$ 15 998 832	\$ 6 839 950	\$ 31 752 737
Purchases & Sales				
Purchases	1 053 300	128 891	148 170	1 330 361
Sales (Gross Proceeds)	(1 026 253)	(2 487 898)	- -	(3 514 151)
Total Purchases & Sales	27 047	(2 359 007)	148 170	(2 183 790)
Realized & Unrealized Gains				
Realized	90 535	20 416	- -	110 951
Unrealized	445 959	610 044	531 963	1 587 966
Total Long-Term Investments	536 494	630 460	531 963	1 698 917
TOTALS	\$ 9 477 496	\$ 14 270 285	\$ 7 520 083	\$ 31 267 864

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE B – INVESTMENTS (Continued)

The Cemetery has committed to invest in limited partnerships that diversify in the types of alternative investments generally over a period of one to five years pursuant to provisions of the individual partnership agreements. The aggregate amount of unfunded commitments associated with these investments was \$5,237,053 at March 31, 2018 and \$5,066,044 at March 31, 2017.

The following schedule summarizes the investment return and its classification in the Statement of Activities and Changes in Net Assets for the years ended March 31:

	<u>2018</u>	<u>2017</u>
Investment Return		
Investment Return on Marketable Securities:		
Investment income	\$ 2 495 702	\$ 1 806 108
Realized gains (losses)	10 682 187	1 902 015
Unrealized gains (losses)	4 559 675	11 546 383
Gross Investment Return	<u>17 737 564</u>	<u>15 254 506</u>
Less: Investment fees	<u>(256 895)</u>	<u>(269 797)</u>
Net Investment Return on Marketable Securities	17 480 669	14 984 709
Investment Return on Alternative Investments:		
Investment income	408 702	229 400
Realized gains (losses)	51 969	110 951
Unrealized gains (losses)	1 608 978	1 587 966
Gross Investment Return	<u>2 069 649</u>	<u>1 928 317</u>
Less: Investment fees	<u>(20 380)</u>	<u>(10 452)</u>
Net Investment Return on Alternative Investments	<u>2 049 269</u>	<u>1 917 865</u>
Total Investment Return	19 529 938	16 902 574
Less: Investment return designated for current operations	<u>(8 444 743)</u>	<u>(7 493 908)</u>
Investment return in excess of amounts designated for current operations	<u>\$ 11 085 195</u>	<u>\$ 9 408 666</u>

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE B – INVESTMENTS (Continued)

The Cemetery's endowment distribution policy is designed to preserve the value of the endowment and to generate a predictable stream of available income. Investment return designated for current operations is determined annually by the Trustees during the budgeting process and is computed as follows:

	<u>2018</u>	<u>2017</u>
Investment return designated for current operations	<u>\$ 8 444 743</u>	<u>\$ 7 493 908</u>

NOTE C - PROPERTY AND EQUIPMENT

The Cemetery's master plans are long range studies of its grounds, including mapping, maintenance requirements and landscape design; development of additional interment space; the condition of the existing buildings, horticultural collections, selected monuments; and the future location and size of possible additional facilities.

Projects in progress include major building repairs, landscaping improvements, land acquisition and master planning. The total estimated cost of these projects is \$23,450,000 as of March 31, 2018 and \$18,486,000 as of March 31, 2017.

The components of the property and equipment for the years ended March 31, 2018 and 2017 were as follows:

	<u>2018</u>	<u>2017</u>
Land, building and improvements	\$ 31 020 246	\$ 30 915 736
Master plans	702 676	702 676
Vehicles and equipment	3 852 953	3 465 341
Furniture and fixtures	210 317	210 317
Project in progress	<u>11 438 939</u>	<u>3 021 543</u>
TOTAL PROPERTY AND EQUIPMENT	47 225 131	38 315 613
Less accumulated depreciation and amortization	<u>(13 514 721)</u>	<u>(12 712 075)</u>
NET PROPERTY AND EQUIPMENT	<u>\$ 33 710 410</u>	<u>\$ 25 603 538</u>

Depreciation and amortization for the years ended March 31, 2018 and 2017 were \$988,591 and \$787,617, respectively.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE D – EXTERNAL FINANCING OBLIGATION

The Cemetery has an interest only note payable to Cambridge Savings Bank for \$4,800,000 due in January 2020, as well as a \$15,000,000 non-revolving line of credit open with Cambridge Savings Bank. An investment account valued at \$29,862,740 and \$15,216,976 as of March 31, 2018 and 2017 respectively, has been pledged as collateral for the notes payable. The terms of the external financing obligations of the Cemetery as of March 31, 2018 are as follows:

3.298% interest only note payable, monthly interest payments of \$12,868, through January 2020, secured by investment account	\$ 4 800 000
Line of Credit of \$15 million, monthly interest payments, at a rate of 3.537%, vary depending on loan balance through October 2027, secured by investment account	7 173 765
Total notes payable	<u>\$ 11 973 765</u>

The future scheduled maturities of long-term debt are as follows:

Year ending March 31, 2020	\$4,800,000
Year ending March 31, 2028	\$7,173,765

NOTE E – PLEDGES RECEIVABLE

Pledges receivable as of March 31, included the following:

	<u>2018</u>	<u>2017</u>
Amounts due in:		
Less than one year	\$ - -	\$ 3 250
One to five years	<u>- -</u>	<u>- -</u>
	- -	3 250
Less		
Unamortized discount	- -	- -
Allowance for uncollectible amounts	<u>- -</u>	<u>390</u>
Net pledges receivable	<u>\$ - -</u>	<u>\$ 2 860</u>

Future pledges receivable have been discounted to present value using a discount rate of 5%. An allowance for uncollectible pledges of 12% is used.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE F - DEFINED BENEFIT PENSION PLAN

The Cemetery sponsors a defined benefit pension plan (the Plan) covering substantially all of its employees. Pension benefits are based on years of service and an employee's highest average compensation during 36 consecutive months. The Cemetery's plan has been funded by an initial reserve and, subsequently, by annual contributions as recommended by enrolled actuaries. The actuarial valuation method used for the plan periods ended March 31, 2018 and 2017, is the Unit Credit Service Pro Rate Method.

The Plan benefits were frozen effective January 31, 2012, which eliminates defined benefit accruals for present employees' future services. A curtailment was recognized due to the plan freeze and measured as of March 31, 2012.

	<u>2018</u>	<u>2017</u>
Pension plan obligations and funded status:		
Projected benefit obligation	\$ 17 076 364	\$ 16 451 838
Fair value of plan assets	<u>12 202 363</u>	<u>11 233 707</u>
Funded status	<u>\$ (4 874 001)</u>	<u>\$ (5 218 131)</u>
Benefit cost	\$ 182 562	\$ 385 396
Employer contribution	493 850	537 613
Benefits paid	753 729	620 729
Accumulated benefit obligation	17 076 364	16 451 838
Pension (liability) asset recognized in the Statement of Financial Position	\$ (4 874 001)	\$ (5 218 131)

Components of net periodic benefit cost are as follows for the year ended March 31:

Service cost	\$ - -	\$ - -
Interest cost	628 131	625 267
Expected return on assets	(784 589)	(720 122)
Net amortization and deferral	339 020	480 251
Net periodic benefit cost	<u>\$ 182 562</u>	<u>\$ 385 396</u>

Other changes in plan assets and benefit obligations recognized and unrestricted net assets of March 31:

Unrecognized net actuarial (gain) loss	<u>\$ 5 372 275</u>	<u>\$ 5 405 117</u>
Total unamortized items	<u>\$ 5 372 275</u>	<u>\$ 5 405 117</u>

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)

	<u>2018</u>	<u>2017</u>
Weighted-average assumptions		
Discount rate - net periodic benefit cost	3.90%	3.68%
Discount rate - funded status	3.83%	3.90%
Expected return on plan assets	7.00%	7.00%
Rate of compensation increase	0.00%	0.00%

The table below presents the Cemetery's plan assets at fair value as of March 31. Investments, carried at the quoted market value of the securities as of March 31, 2018 and 2017, grouped by the valuation hierarchy defined in Note B:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>2018 Fair Value</u>	<u>2017 Level 1 Fair Value</u>
Cash & equivalents	\$ 124 405	\$ - -	\$ - -	\$ 124 405	\$ 61 678
Bonds and mutual funds	3 698 591	- -	- -	3 698 591	3 376 477
Domestic equities and mutual funds	4 983 540	- -	- -	4 983 540	4 653 112
International equities and mutual funds	<u>3 395 827</u>	<u>- -</u>	<u>- -</u>	<u>3 395 827</u>	<u>3 142 440</u>
TOTALS	<u>\$ 12 202 363</u>	<u>\$ - -</u>	<u>\$ - -</u>	<u>\$ 12 202 363</u>	<u>\$ 11 233 707</u>

The Plan is invested in cash equivalent securities, other high-grade fixed income securities and equities. The Trustees make decisions regarding asset allocation between cash equivalents, other fixed income securities and equities, providing, however, that the proportion of U.S. common stocks and securities convertible into common stocks held by the Plan shall be within 37% to 47% of the Plan's total market value. Non-U.S. common stocks shall be within 23% to 33% of the Plan's total market value. Fixed income securities shall be within 25% to 35% of the Plan's total market value. When acquired, no one holding of stock in any corporation shall amount to 5% or more of the market value of the Plan.

The Plan's overall rate of return objective, defined as capital appreciation plus income, is to approximate a total return, net of fees, equal to a hypothetical index created by blending the return of the DJ US Total Stock Index (42%), the MSCI All-Country World ex-US Stock Index (28%) and the Barclay's Capital Long-Term Gov/Credit Bond Index (30%).

In the selection of the expected long-term rate of return on plan assets, consideration is given to the plan's historical return and expected future returns. This rate is expected to reflect the average rate of return of funds currently invested and expected to be invested in the future to provide for plan benefits.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE F - DEFINED BENEFIT PENSION PLAN (Continued)

The Cemetery expects to contribute approximately \$603,511 to the Pension Plan in 2019 and contributed \$493,850 in 2018. No plan assets are expected to be returned to the Cemetery during 2018.

Estimated Future Benefit Payments – The following benefit payments are expected to be paid:

<u>Year Beginning</u>	<u>Expected Payments</u>
2019	\$ 844 000
2020	853 000
2021	838 000
2022	828 000
2023	828 000
2024 –2028	<u>4 616 000</u>
Total	<u>\$ 8 807 000</u>

NOTE G - DEFINED CONTRIBUTION PLAN

The Cemetery converted the existing Defined Contribution Program (401k) to a Safe Harbor plan with a 3% core contribution to all eligible employees plus a 4% company match (100% on the first 3% and 50% on the next 2%) effective January 1, 2012. All employees are eligible with at least 1 year of service, 1,000 hours of service and at least 21 years old. In 2018, the Cemetery contributed \$241,551 to the Retirement Plan: \$113,495 for the core contribution and \$128,056 for the company match. In 2017, the Cemetery contributed \$240,899 to the Retirement Plan: \$118,413 for the core contribution and \$122,486 for the company match. Prior to January 1, 2012, the Cemetery adopted a 401(k) retirement plan (the Retirement Plan) effective January 1, 1998, which covered all employees with at least one year of service and the Cemetery's matching contributions were discretionary.

NOTE H – SECTION 457(b) DEFERRED COMPENSATION PLAN

The Cemetery has an executive retirement plan that is designed in accordance with Section 457(b) of the Internal Revenue Code. Participants are designated by the Board of Trustees. The Cemetery generally makes non-elective annual contributions to the plan on behalf of each participant. The participants are responsible for making investment selections within their designated accounts. However, the funds remain assets of the Cemetery until such time as the participant withdraws the funds in accordance with the plan provisions. Assets held for this plan were \$42,384 and \$32,702 at March 31, 2018 and 2017, respectively. A corresponding liability to plan participants is reported in pension liability.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

NOTES TO FINANCIAL STATEMENTS

March 31, 2018 and 2017

NOTE I - CONCENTRATION OF CREDIT RISK

Bank balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Cemetery's cash is held at Cambridge Savings Bank, a Massachusetts chartered savings bank. It is fully insured by the Depositors Insurance Fund (DIF) for funds exceeding \$250,000.

NOTE J - RELATED PARTY TRANSACTIONS

The Friends of Mount Auburn Cemetery (the Friends) and the Cemetery have some common trustees. The Friends is an Internal Revenue Code Section 501(c)(3) tax-exempt trust promoting the appreciation and preservation of Mount Auburn Cemetery. For the years ended March 31, 2018 and 2017, the Cemetery contributed \$549,586 and \$517,580, respectively, for the Friends payroll costs.

During the periods ended March 31, 2018 and 2017, the Friends made grants to the Cemetery of \$1,769,447 and \$1,608,930, respectively, to preserve, improve and interpret its horticultural and historic resources.

As of March 31, 2018 and 2017, amounts due from the Friends were \$2,860 and \$28,096, respectively.

Pledges Receivable of \$-0- and \$2,860 for the years ended March 31, 2018 and 2017 are receivable from the Friends of Mount Auburn. These funds were raised by the Friends for the building of the Greenhouse.

NOTE K – PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets, comprised of perpetual care funds, are \$161,444,986 and \$146,370,825 for the years ended March 31, 2018 and 2017, respectively.

NOTE L – SUBSEQUENT EVENTS

In accordance with the guidance for subsequent events, the Cemetery evaluated all subsequent events for recognition or disclosure through August 30, 2018, the date the financial statements were available to be issued.

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

SUPPLEMENTARY INFORMATION

For the Years Ended March 31, 2018 and 2017

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN
SCHEDULES OF UNRESTRICTED OPERATIONS SUPPORT, REVENUE AND EXPENSES
For the Years Ended March 31,

	<u>2018</u>	<u>2017</u>
SUPPORT AND REVENUE		
GROSS INTERMENT SPACE SALES :		
Lots and graves	\$ 3 715 250	\$ 3 148 085
Crypts	168 000	68 000
Niches	80 900	30 500
Special memorials	<u>30 000</u>	<u>36 550</u>
TOTAL GROSS INTERMENT SPACE SALES	3 994 150	3 283 135
LESS:		
Development costs	193 993	253 888
Appropriation for costs of sales	<u>883 453</u>	<u>716 544</u>
INTERMENT SPACE SALES - NET OF DEVELOPMENT COSTS AND APPROPRIATION FOR COSTS OF SALES	2 916 704	2 312 703
PERPETUAL CARE CONTRACTS	50 326	36 255
SERVICE FEES :		
Interments	1 012 836	1 030 549
Cremations	128 887	474 245
Memorials	100 826	117 879
Appropriation for costs of sales	883 453	716 544
Inscriptions and other services	36 080	51 116
Genealogical research	477	1 034
Chapel rentals	77 412	103 060
Historic preservation	6 412	3 208
Grounds annual care	69 641	81 870
Greenhouse sales	<u>69 322</u>	<u>54 252</u>
TOTAL SERVICE FEES	2 385 346	2 633 757
SUPPORT :		
Contributions	15 060	9 420
Grants from Friends of Mount Auburn Cemetery	<u>1 769 447</u>	<u>1 608 930</u>
TOTAL SUPPORT	1 784 507	1 618 350
INVESTMENT RETURN DESIGNATED FOR CURRENT OPERATIONS, NET OF INVESTMENT FEES	8 444 743	7 493 908
OTHER INCOME :		
Gain on sale of property and equipment	16 650	11 432
Miscellaneous income	<u>272 644</u>	<u>261 330</u>
TOTAL OTHER INCOME	289 294	272 762
TOTAL SUPPORT AND REVENUE	15 870 920	14 367 735
EXPENSES :		
Administration	1 650 579	1 619 083
Cemetery & Visitor Services	787 290	820 316
Cemetery Operations	954 997	940 853
Horticulture	1 743 613	1 659 773
Preservation & Facilities	798 555	778 054
Corporate Overhead	<u>5 354 236</u>	<u>4 146 166</u>
TOTAL EXPENSES	11 289 270	9 964 245
EXCESS OF UNRESTRICTED OPERATIONS SUPPORT AND REVENUE OVER EXPENSES	<u>\$ 4 581 650</u>	<u>\$ 4 403 490</u>

PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN

SCHEDULES OF OPERATING EXPENSES

For the Years Ended March 31,

	<u>2018</u>	<u>2017</u>
ADMINISTRATION		
Contribution to Friends of Mount Auburn Cemetery	\$ 373 847	\$ 366 975
Development	86 725	111 801
F & A Administration	209 206	197 030
Finance	115 470	102 312
Human Resources	136 244	136 560
Information Technology	260 753	252 272
Planning & Cemetery Development	121 152	104 544
President's Office	347 182	347 589
TOTAL ADMINISTRATION	1 650 579	1 619 083
CEMETERY & VISITOR SERVICES		
Administration	90 856	80 566
Cemetery Sales	147 099	155 283
Cemetery Services	273 039	234 293
Contribution to Friends of Mount Auburn Cemetery	175 738	150 605
Cremations	38 694	149 880
Visitor Services	61 864	49 689
TOTAL CEMETERY & VISITOR SERVICES	787 290	820 316
CEMETERY OPERATIONS		
Administration	67 290	98 577
General Operations	169 430	218 947
Interments	293 407	238 646
Security	213 157	214 188
Vehicles and Equipment Services	211 713	170 495
TOTAL CEMETERY OPERATIONS	954 997	940 853
HORTICULTURE		
Plant Collections	236 367	220 709
GROUNDS:		
Administration	184 225	161 791
Arboriculture	198 691	191 471
Gardening	389 927	370 066
Grass/Grounds Maintenance	393 422	396 715
Greenhouse	327 436	306 090
Recycling Center	13 545	12 931
TOTAL GROUNDS	1 507 246	1 439 064
TOTAL HORTICULTURE	1 743 613	1 659 773
PRESERVATION & FACILITIES		
Administration	110 002	103 489
Custodial Services	94 003	91 285
Facilities Maintenance	298 533	284 878
Historical Collections	122 341	123 411
Preservation	173 676	174 991
TOTAL PRESERVATION & FACILITIES	798 555	778 054
CORPORATE OVERHEAD		
Depreciation and Amortization	988 591	787 617
Employee Benefits	751 939	765 143
Payroll Taxes	392 122	372 529
Workers Compensation Insurance	70 064	72 492
Major Projects	1 985 713	1 046 545
Retirement Plan Contributions	493 850	537 613
Other Expenses	671 957	564 227
TOTAL CORPORATE OVERHEAD	5 354 236	4 146 166
TOTAL OPERATING EXPENSES	<u>\$ 11 289 270</u>	<u>\$ 9 964 245</u>