

**PROPRIETORS OF THE CEMETERY OF**  
**MOUNT AUBURN AND AFFILIATE**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended March 31, 2021 and 2020**

## **PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

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## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of the Proprietors of the Cemetery of Mount Auburn and Affiliate (nonprofit organizations), which comprise the *consolidated statements of financial position* as of March 31, 2021 and 2020, and the related *consolidated statements of activities and changes in net assets, functional expenses and cash flows* for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Proprietors of the Cemetery of Mount Auburn and Affiliate as of March 31, 2021 and 2020, 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 consolidated financial statements as a whole. The consolidating schedules of detail statements of financial position, consolidating statements of activities and changes in net assets, consolidating statements of functional expenses and consolidating statements of cash flows on pages 25-32 are presented for the purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

*Morgan + Morgan, P.C.*  
Hingham, Massachusetts  
November 22, 2021

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**As of March 31,**

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and cash equivalents	\$ 27 337 193	\$ 4 827 678
Accounts receivable - employees	2 887	6 880
Accounts receivable - interment space	2 153 901	2 142 504
Accounts receivable - other	585 000	-
Prepaid expenses	302 136	571 634
Supplies inventory	16 840	17 769
Pledges receivable - net	2 558	26 304
Long-term investments - at market value	223 755 122	168 408 929
Prepaid pension	168 685	76 533
Property and equipment - net	37 157 103	43 293 085
Interment space inventory	3 814 624	3 846 209
TOTAL ASSETS	<u>\$ 295 296 049</u>	<u>\$ 223 217 525</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 1 321 458	\$ 709 275
Accrued expenses	586 155	527 128
Deferred revenue	41 131	59 705
External financing obligation	-	19 768 329
Pension liability	2 986 359	7 022 760
TOTAL LIABILITIES	<u>4 935 103</u>	<u>28 087 197</u>
NET ASSETS :		
Without donor restrictions:		
Undesignated	33 502 369	25 553 962
Board designated	223 463 545	138 029 557
Restricted by contract or law	32 096 859	30 605 615
Total without donor restrictions	<u>289 062 773</u>	<u>194 189 134</u>
With donor restrictions:		
For time or purpose:		
Specific Purposes	658 555	790 693
The David P. Barnett Fund for Horticulture & Urban Ecology	510 589	-
Preservation Fund	129 029	150 501
Total for time or purpose	<u>1 298 173</u>	<u>941 194</u>
Total with donor restrictions	<u>1 298 173</u>	<u>941 194</u>
TOTAL NET ASSETS	<u>290 360 946</u>	<u>195 130 328</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 295 296 049</u>	<u>\$ 223 217 525</u>

See accompanying notes.

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**  
**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

**For the Year Ended March 31, 2021**

	WITHOUT DONOR RESTRICTIONS			WITH DONOR RESTRICTIONS	
	Undesignated	Board Designated	Restricted by Contract or Law	For Time or Purpose	TOTAL
REVENUE :					
Gross sales	\$ 5 252 012	\$ - -	\$ - -	\$ - -	\$ 5 252 012
Returns	( 146 360)	- -	- -	- -	( 146 360)
Interment space development cost	( 337 864)	- -	- -	- -	( 337 864)
Appropriation for costs of sales	(1 102 332)	- -	- -	- -	(1 102 332)
Net sales	3 665 456	- -	- -	- -	3 665 456
Earned revenue	3 194 720	- -	- -	- -	3 194 720
Investment return designated for current operations, net of investment fees	11 510 555	- -	- -	- -	11 510 555
TOTAL REVENUE	18 370 731	- -	- -	- -	18 370 731
SUPPORT :					
Contributions and grants					
Other	180 312	- -	- -	946 718	1 127 030
Membership and annual fund gifts	- -	- -	- -	444 609	444 609
TOTAL SUPPORT	180 312	- -	- -	1 391 327	1 571 639
NET ASSETS RELEASED FROM RESTRICTIONS	1 035 397	- -	- -	(1 035 397)	- -
TOTAL REVENUE AND SUPPORT	19 586 440	- -	- -	355 930	19 942 370
EXPENSES :					
Program expenses	6 728 982	- -	- -	- -	6 728 982
Management and general	5 033 395	- -	- -	- -	5 033 395
Fundraising and development	348 169	- -	- -	- -	348 169
TOTAL EXPENSES	12 110 546	- -	- -	- -	12 110 546
EXCESS OF REVENUE AND SUPPORT OVER EXPENSES	7 475 894	- -	- -	355 930	7 831 824
NONOPERATING ACTIVITIES :					
Change in pension liability	4 128 549	- -	- -	- -	4 128 549
Funds transferred for completed sales	(3 671 348)	2 180 104	1 491 244	- -	- -
Gain on sale of Grove Street	- -	31 586 743			31 586 743
Investment return in excess of amount designated for current operations	15 312	51 667 141	- -	1 049	51 683 502
TOTAL NONOPERATING ACTIVITIES	472 513	85 433 988	1 491 244	1 049	87 398 794
INCREASE (DECREASE) IN NET ASSETS	7 948 407	85 433 988	1 491 244	356 979	95 230 618
NET ASSETS, BEGINNING	25 553 962	138 029 557	30 605 615	941 194	195 130 328
NET ASSETS, ENDING	\$ 33 502 369	\$ 223 463 545	\$ 32 096 859	\$ 1 298 173	\$ 290 360 946

See accompanying notes.

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**  
**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**For the Year Ended March 31, 2020**

	WITHOUT DONOR RESTRICTIONS			WITH DONOR RESTRICTIONS		
	Undesignated	Board Designated	Restricted by Contract or Law	TOTAL	For Time or Purpose	TOTAL
REVENUE :						
Gross sales	\$ 4 959 992	\$ - -	\$ - -	\$ 4 959 992	\$ - -	\$ 4 959 992
Returns	( 188 300)	- -	- -	( 188 300)	- -	( 188 300)
Interment space development cost	( 314 110)	- -	- -	( 314 110)	- -	( 314 110)
Appropriation for costs of sales	(1 046 408)	- -	- -	(1 046 408)	- -	(1 046 408)
Net sales	3 411 174	- -	- -	3 411 174	- -	3 411 174
Earned revenue	3 390 361	- -	- -	3 390 361	- -	3 390 361
Investment return designated current operations, net of investment fees	10 286 073	- -	- -	10 286 073	- -	10 286 073
TOTAL REVENUE	17 087 608	- -	- -	17 087 608	- -	17 087 608
SUPPORT :						
Contributions and grants						
Other	71 708	- -	- -	71 708	402 142	473 850
Membership and annual fund gifts	180	- -	- -	180	411 737	411 917
TOTAL SUPPORT	71 888	- -	- -	71 888	813 879	885 767
NET ASSETS RELEASED FROM RESTRICTIONS	872 854	- -	- -	872 854	( 872 854)	- -
TOTAL REVENUE AND SUPPORT	18 032 350	- -	- -	18 032 350	( 58 975)	17 973 375
EXPENSES :						
Program expenses	6 701 274	- -	- -	6 701 274	- -	6 701 274
Management and general	5 070 035	- -	- -	5 070 035	- -	5 070 035
Fundraising and development	336 760	- -	- -	336 760	- -	336 760
TOTAL EXPENSES	12 108 069	- -	- -	12 108 069	- -	12 108 069
EXCESS OF REVENUE AND SUPPORT OVER EXPENSES	5 924 281	- -	- -	5 924 281	( 58 975)	5 865 306
NONOPERATING ACTIVITIES :						
Change in pension liability	(1 929 592)	- -	- -	(1 929 592)	- -	(1 929 592)
Funds transferred for completed sales	(2 969 468)	1 706 117	1 263 351	- -	- -	- -
Investment return in excess of amount designated for current operations	5 374	(21 576 524)	- -	(21 571 150)	3 909	(21 567 241)
TOTAL NONOPERATING ACTIVITIES	(4 893 686)	(19 870 407)	1 263 351	(23 500 742)	3 909	(23 496 833)
INCREASE (DECREASE) IN NET ASSETS	1 030 595	(19 870 407)	1 263 351	(17 576 461)	( 55 066)	(17 631 527)
NET ASSETS, BEGINNING	24 523 367	157 899 964	29 342 264	211 765 595	996 260	212 761 855
NET ASSETS, ENDING	\$ 25 553 962	\$ 138 029 557	\$ 30 605 615	\$ 194 189 134	\$ 941 194	\$ 195 130 328

See accompanying notes.

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended March 31, 2021**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising and Development</u>	<u>Total</u>
Salaries and wages	\$ 3 632 378	\$ 1 291 697	\$ 207 980	\$ 5 132 055
Grants to others	-	7 350	-	7 350
Retirement plan contributions	189 869	434 387	13 854	638 110
Employee benefits	589 557	128 256	21 121	738 934
Payroll taxes	370 996	108 573	21 912	501 481
Fees for services:				
Legal	-	7 351	-	7 351
Accounting	-	40 000	-	40 000
Investment fees	-	310 449	-	310 449
Other	-	46 034	-	46 034
Advertising and promotion	53 637	-	-	53 637
Office expenses	337 391	167 102	18 510	523 003
Information technology	-	292 303	-	292 303
Occupancy	203 576	331 893	-	535 469
Travel	2 870	6 031	188	9 089
Conference, conventions and meetings	14 728	9 014	974	24 716
Interest	-	382 548	-	382 548
Depreciation, depletion and amortization	-	1 480 758	-	1 480 758
Other expenses:				
Non-capitalized major projects	724 093	55 264	-	779 357
Plants	33 592	-	-	33 592
Donor events	-	-	2 331	2 331
Contracted work	531 392	205 910	59 340	796 642
Other	44 903	38 924	1 959	85 786
SUB-TOTAL EXPENSES BY FUNCTION	<u>6 728 982</u>	<u>5 343 844</u>	<u>348 169</u>	<u>12 420 995</u>
Less expenses included in revenues on the Consolidated Statement of Activities:				
Investment fees	<u>-</u>	<u>( 310 449)</u>	<u>-</u>	<u>( 310 449)</u>
TOTAL EXPENSES BY FUNCTION	<u><u>\$ 6 728 982</u></u>	<u><u>\$ 5 033 395</u></u>	<u><u>\$ 348 169</u></u>	<u><u>\$ 12 110 546</u></u>

See accompanying notes.



**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended March 31, 2020**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising and Development</u>	<u>Total</u>
Salaries and wages	\$ 3 649 909	\$ 1 123 745	\$ 201 091	\$ 4 974 745
Grants to others	-	2 800	-	2 800
Retirement plan contributions	168 516	725 480	11 973	905 969
Employee benefits	584 475	132 814	25 452	742 741
Payroll taxes	414 034	88 549	20 340	522 923
Fees for services:				
Legal	-	13 799	-	13 799
Accounting	-	52 000	-	52 000
Investment fees	-	291 727	-	291 727
Other	-	42 456	-	42 456
Advertising and promotion	46 879	638	100	47 617
Office expenses	322 954	157 231	25 809	505 994
Information technology	-	104 251	-	104 251
Occupancy	196 486	312 262	-	508 748
Travel	14 655	9 741	1 472	25 868
Conference, conventions and meetings	42 567	27 439	2 484	72 490
Interest	-	736 331	-	736 331
Depreciation, depletion and amortization	-	1 425 490	-	1 425 490
Other expenses:				-
Non-capitalized major projects	642 144	2 179	-	644 323
Plants	48 076	-	-	48 076
Donor events	-	-	22 337	22 337
Contracted work	525 390	65 866	23 250	614 506
Other	45 189	46 964	2 452	94 605
SUB-TOTAL EXPENSES BY FUNCTION	<u>6 701 274</u>	<u>5 361 762</u>	<u>336 760</u>	<u>12 399 796</u>
Less expenses included in revenues on the Consolidated Statement of Activities:				
Investment fees	-	( 291 727)	-	( 291 727)
TOTAL EXPENSES BY FUNCTION	<u>\$ 6 701 274</u>	<u>\$ 5 070 035</u>	<u>\$ 336 760</u>	<u>\$ 12 108 069</u>

See accompanying notes.

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**For the Years Ended March 31,**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 95 230 618	\$ (17 631 527)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities :		
Depreciation and amortization	1 480 758	1 425 490
Change in pension liability	(4 128 549)	1 929 592
Gain on sale of property and equipment	( 4 271)	( 20 000)
Gain on sale of Grove Street	(31 586 743)	- -
Net realized and unrealized (gain) loss on investments	(60 124 071)	14 006 647
Changes in operating assets and liabilities :		
(Increase) decrease in assets :		
Accounts receivable - employees	3 993	6 098
Accounts receivable - interment space	( 11 397)	( 33 197)
Accounts receivable - other	( 585 000)	- -
Prepaid expenses	269 498	( 314 567)
Supplies inventory	929	7 728
Pledges receivable - net	23 746	( 5 265)
Interment space inventory	31 585	( 272 972)
Increase (decrease) in liabilities :		
Accounts payable	612 183	(1 153 318)
Accrued expenses	59 027	57 787
Deferred revenue	( 18 574)	2 133
NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES	<u>1 253 732</u>	<u>(1 995 371)</u>
CASH FLOWS FROM INVESTING ACTIVITIES :		
Purchase of property and equipment	(4 490 853)	(4 270 585)
Proceeds from sale of property and equipment	14 050	20 000
Proceeds from sale of Grove Street	40 723 041	- -
Purchase of investments	(34 226 371)	(33 163 125)
Proceeds from sale of investments	<u>39 004 245</u>	<u>37 766 591</u>
NET CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES	41 024 112	352 881
CASH FLOWS FROM FINANCING ACTIVITIES :		
(Payments to)/Proceeds from external financing obligation	<u>(19 768 329)</u>	<u>1 391 276</u>
NET CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES	<u>(19 768 329)</u>	<u>1 391 276</u>
NET INCREASE (DECREASE) IN CASH	22 509 515	( 251 214)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>4 827 678</u>	<u>5 078 892</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 27 337 193</u>	<u>\$ 4 827 678</u>
Cash paid for interest expense	\$ 382 548	\$ 736 331

See accompanying notes.

# PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021 and 2020

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Proprietors of the Cemetery of Mount Auburn

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.

#### Friends of Mount Auburn Cemetery (the Affiliate)

The Friends of Mount Auburn Cemetery (the Friends) was organized in 1990 under the laws of the Commonwealth of Massachusetts as a non-profit charitable trust promoting the appreciation and preservation of the cultural, historic and natural resources of Mount Auburn Cemetery.

#### Principles of Consolidation

The consolidated financial statements of the Proprietors of the Cemetery of Mount Auburn and Affiliate (the Organization) include the accounts of the Cemetery and the Friends because the Cemetery has both control and an economic interest in the Friends. All significant intercompany accounts and transactions have been eliminated in the consolidation.

#### Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

#### Cash and Cash Equivalents

For purposes of the Consolidated Statements of Cash Flows, the Organization 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 Organization considers accounts receivable to be fully collectible. Credit losses, when realized, have been within the range of the Organization'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 Organization, are stated at lower of cost or market by the first-in, first-out method.

#### Pledges Receivable

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

# PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021 and 2020

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Fair Value of Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Consolidated Statement of Financial Position. The Organization 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 Organization 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 Organization believes that the carrying value of its alternative investments are a reasonable estimate of fair value as of March 31, 2021 and 2020, respectively.

#### Endowment

The Organization'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 Organization classifies as perpetually restricted net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the 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 perpetually restricted net assets with donor restrictions are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization 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 Organization, and (7) the Organization's investment policies.

The Organization'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 2021 and 2020.

#### 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.

# PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021 and 2020

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property and Equipment (Continued)

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

#### 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.

#### Deferred Revenue

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

#### Net Assets

The Organization is required to report information regarding its consolidated financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Accordingly, the Organization's net assets and change therein are classified and reported as follows:

#### Net Assets Without Donor Restrictions

- Undesignated - Net assets available for use in general operations and not subject to donor or grantor imposed restrictions. It is the policy of the Trustees to review the Organization's plans for the future property improvements and acquisitions from time to time and to designate appropriate sums of undesignated net assets to assure adequate financing of such improvements. The Trustees have designated, from net assets without donor restrictions undesignated, net assets which comprise a board designated quasi-endowment fund. The board designated funds are described further as follows:
- Board Designated Funds Functioning As Endowment – The Organization holds and invests funds which are 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, and for the general purposes of the Friends. 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. This is known as the Permanent Fund.

These net assets also include the appreciated value of the net assets restricted by contract or law.

# PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021 and 2020

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Restricted By Contract or Law – This endowment Trust Fund 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.

#### Net Assets With Donor Restrictions

Net assets subject to donor or certain grantor restrictions.

- For Time or Purpose - Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events or purpose specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

#### 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>2021</u>	<u>2020</u>
To Undesignated Funds for cost of sales	22%	22%
To Restricted by Contract or Law	30%	30%
To Board Designated Funds Endowment	Remainder	Remainder

#### Contributions

All contributions are considered to be available for undesignated 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 net assets with donor restrictions restricted for time or purpose or net assets with donor restrictions perpetually restricted support that increases those net asset classes. When a qualifying expenditure occurs or a time restriction expires, net assets with donor restrictions are recognized in undesignated net assets as “net assets released from restriction” in the Consolidated 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 undesignated contribution.

#### Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the Consolidated Statements of Activities and Changes in Net Assets. The Consolidated Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefitted. Expenses requiring allocation are done so on a reasonable and consistent basis. The expenses that are allocated include salaries and wages, taxes and benefits, plant material, repairs supplies, office expense, vehicle expense, depreciation, contracted work, utilities and marketing. These expenses are allocated based upon various methods including time and effort spent, specific use and square footage, as applicable.

#### Advertising

Advertising costs are expensed as they are incurred.

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Environmental Remediation Costs**

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

**Income taxes**

The Cemetery and Friends are exempt from income taxes as a non-profit organization's operating under Section's 501(c)(13) and 501(c)(3), of the Internal Revenue Code respectively. In addition Friends qualifies for the charitable contribution deduction under Section 170(b)(1)(A). Both the Cemetery and the Friends have been determined not to be private foundations under Section 509(a)(1). The Organization is required to assess uncertain tax positions and has determined that there were no such positions that are material to the consolidated financial statements. Any changes in tax positions will be recorded when the ultimate outcome becomes known. The Cemetery's and Friends tax returns are subject to examination by the Internal Revenue Service for the years ended March 31, 2020, 2019, and 2018.

**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.

**Reclassification**

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

**Risks and Uncertainties – Pandemic**

In March 2020, the World Health Organization declared the novel coronavirus (COVID-19) a pandemic. Although it is not possible to determine the pandemic's ultimate length, severity, or impact on the economy or the Organization's finances, the Organization could experience adverse effects posed by the risks related to COVID-19.

The Organization's finances, which are in large part dependent on the endowment's performance, were adversely affected by the downturn in the financial markets. In addition, in April 2020, the Organization restricted public access to its grounds, which resulted in a marked decrease in sales revenues. Although the Organization incurred certain incremental costs due to the pandemic, including transitioning to online work environments, it also took certain steps resulting in reductions in costs, including postponing pay increases.

The pandemic could impact the Organization's future cost of its operations, and the generation of revenue, most notably from its endowment, sales and fundraising. As of the date of publication of the Organization's financial statements, the endowment's market value has recovered to pre-pandemic valuations. Although the full extent of the impact of COVID-19 on the Organization will depend on the length and extent of the pandemic, which is dependent on emerging medical treatments and any health and safety regulations the Organization is required to follow, we have no concern about the Organization's ability to continue as an ongoing concern. This situation is still ongoing at March 31, 2021. No adjustments have been made to these financial statements.

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE B – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1 941 125	\$ 1 899 073
Accounts receivable - employees	2 887	6 880
Accounts receivable - interment space	1 429 120	1 379 728
Pledges receivable - net	2 000	23 148
Investment return designated for current operations	9 516 990	11 513 698
	<u>\$ 12 892 122</u>	<u>\$ 14 822 527</u>

The Cemetery's operating budget is drawn from the income generated from earned revenue: interments, cremations, memorial care, inscriptions, chapel rentals and sales of flowers and plants. The operating budget also contains the monthly 4.2% of an adjusted 60-month-average market value of the endowment at calendar year-end (December 31). The Cemetery contributes 48% of the sales revenue of completed transactions to the endowment as the sales are completed.

The cash balances at year end included the proceeds from the sale of the Cemetery's Grove Street property, approximately \$21,700,000. In May 2021, the Investment Committee determined that \$13,000,000 would be invested and the balance would be kept liquid in lieu of drawing from the endowment for operating cash. These investment transactions were completed by June 15, 2021.

The Net Assets Without Donor Restrictions of \$289,062,773, is subject to annual spending rate of 4.2% as described above. Although the Organization does not intend to spend from this board-designated endowment (other than the Board's approved budget amounts), these amounts could be made available if necessary.

**NOTE C – PLEDGES RECEIVABLE**

Pledges receivable as of March 31, included the following:

	<u>2021</u>	<u>2020</u>
Amounts due in:		
Less than one year	\$ 2 000	\$ 26 305
One to five years	1 000	4 000
	<u>3 000</u>	<u>30 305</u>
Less:		
Unamortized discount	93	415
Allowance for uncollectible amounts	349	3 586
	<u>\$ 2 558</u>	<u>\$ 26 304</u>
Total pledges receivable - net		



**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE D - INVESTMENTS**

The 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.

The Organization's assets at March 31, 2021 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	\$ 36 119 060	\$ - -	\$ - -	\$ 36 119 060
Global Common Stock	108 774 463	- -	- -	108 774 463
Non-U.S. Common Stock	- -	- -	- -	- -
Real Estate	2 810 230	- -	- -	2 810 230
Fixed Income	25 137 059	- -	- -	25 137 059
Treasury Inflation-Protected Securities	8 636 138	- -	- -	8 636 138
Total Long-Term Investments	181 476 950	- -	- -	181 476 950
Long-Term Investments (Est Fair)				
Private Equity	- -	- -	12 485 631	12 485 631
Opportunistic	- -	- -	11 451 339	11 451 339
Real Estate	- -	- -	14 484 557	14 484 557
Bank Loan	- -	- -	4 370 414	4 370 414
Total Long-Term Investments	- -	- -	42 791 941	42 791 941
Other Investments				
Cash Equivalents	( 513 769)	- -	- -	( 513 769)
Total Other Investments	( 513 769)	- -	- -	( 513 769)
TOTALS	\$ 180 963 181	\$ - -	\$ 42 791 941	\$ 223 755 122

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE D - INVESTMENTS (Continued)**

The following table presents the Organization's assets measured at fair value on a recurring basis using significant unobservable inputs for fiscal year ended March 31, 2021 (Level 3):

<u>Level 3 Activity</u>	<u>Private Equity</u>	<u>Opportunistic</u>	<u>Real Estate</u>	<u>Bank Loan</u>	<u>Total</u>
Beginning Balance	\$ 9 858 214	\$ 3 724 472	\$ 15 244 384	\$ 7 405 774	\$ 36 232 844
Purchases & Sales					
Purchases	400 000	6 636 317	167 127	145 696	7 349 140
Sales (Gross Proceeds)	(2 081 244)	( 460 578)	( 689 027)	(3 000 000)	(6 230 849)
Total Purchases & Sales	(1 681 244)	6 175 739	( 521 900)	(2 854 304)	1 118 291
Realized & Unrealized Gains					
Realized	593 213	- -	66 898	- -	660 111
Unrealized	3 715 448	1 551 128	( 304 825)	( 181 056)	4 780 695
Total Long-Term Investments	4 308 661	1 551 128	( 237 927)	( 181 056)	5 440 806
 TOTALS	 \$ 12 485 631	 \$ 11 451 339	 \$ 14 484 557	 \$ 4 370 414	 \$ 42 791 941

The Organization's assets at March 31, 2020 that are reported at fair value are summarized in the following table by their fair value hierarchy classification:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Long-Term Investments (Market)				
U.S. Common Stock	\$ 20 654 558	\$ - -	\$ - -	\$ 20 654 558
Global Common Stock	57 622 694	- -	- -	57 622 694
Non-U.S. Common Stock	14 983 399	- -	- -	14 983 399
Real Estate	2 151 532	- -	- -	2 151 532
Fixed Income	24 427 742	- -	- -	24 427 742
Treasury Inflation-Protected Securities	8 034 034	- -	- -	8 034 034
Total Long-Term Investments	127 873 959	- -	- -	127 873 959
Long-Term Investments (Est Fair)				
Private Equity	- -	- -	9 858 214	9 858 214
Opportunistic			3 724 472	3 724 472
Real Estate	- -	- -	15 244 384	15 244 384
Bank Loan	- -	- -	7 405 774	7 405 774
Total Long-Term Investments	- -	- -	36 232 844	36 232 844
Other Investments				
Cash Equivalents	4 302 126	- -	- -	4 302 126
Total Other Investments	4 302 126	- -	- -	4 302 126
 TOTALS	 \$ 132 176 085	 \$ - -	 \$ 36 232 844	 \$ 168 408 929

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE D – INVESTMENTS (Continued)**

The following table presents the Organization's assets measured at fair value on a recurring basis using significant unobservable inputs for fiscal year ended March 31, 2020 (Level 3):

<u>Level 3 Activity</u>	<u>Private Equity</u>	<u>Opportunistic</u>	<u>Real Estate</u>	<u>Bank Loan</u>	<u>Total</u>
Beginning Balance	\$ 10 816 710	\$ 3 396 165	\$ 16 089 021	\$ 8 073 283	\$ 38 375 179
Purchases & Sales					
Purchases	716 700	500 000	173 669	195 767	1 586 136
Sales (Gross Proceeds)	(1 269 388)	(266 323)	(929 374)	- -	(2 465 085)
Total Purchases & Sales	(552 688)	233 677	(755 705)	195 767	(878 949)
Realized & Unrealized Gains					
Realized	193 537	- -	67 580	- -	261 117
Unrealized	(599 345)	94 630	(156 512)	(863 276)	(1 524 503)
Total Long-Term Investments	(405 808)	94 630	(88 932)	(863 276)	(1 263 386)
<b>TOTALS</b>	<b>\$ 9 858 214</b>	<b>\$ 3 724 472</b>	<b>\$ 15 244 384</b>	<b>\$ 7 405 774</b>	<b>\$ 36 232 844</b>

The Organization 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 \$2,029,424 at March 31, 2021 and \$2,820,821 at March 31, 2020.

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

	<u>2021</u>	<u>2020</u>
Investment Return on Marketable Securities:		
Investment income	\$ 3 193 425	\$ 2 463 716
Realized gains (losses)	9 540 490	4 029 770
Unrealized gains (losses)	44 187 445	(16 773 030)
Gross Investment Return	56 921 360	(10 279 544)
Less: Investment fees	(252 146)	(247 295)
Net Investment Return on Marketable Securities	56 669 214	(10 526 839)
Investment Return on Alternative Investments:		
Investment income	187 009	553 490
Realized gains (losses)	1 615 442	261 117
Unrealized gains (losses)	4 780 695	(1 524 504)
Gross Investment Return	6 583 146	(709 897)
Less: Investment fees	(58 303)	(44 432)
Net Investment Return on Alternative Investments	6 524 843	(754 329)
Total Investment Return	63 194 057	(11 281 168)
Less: Investment return designated for current operations	(11 510 555)	(10 286 073)
Investment return in excess of amounts designated for current operations	<u>\$ 51 683 502</u>	<u>\$ (21 567 241)</u>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE D – INVESTMENTS (Continued)**

The Organization'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>2021</u>	<u>2020</u>
Investment return designated for current operations	<u>\$ 11 510 555</u>	<u>\$ 10 286 073</u>

**NOTE E - 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 \$9,695,159 as of March 31, 2021 and \$11,470,000 as of March 31, 2020.

The components of the property and equipment for the years ended March 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Land, building and improvements	\$ 37 990 810	\$ 46 269 469
Master plans	702 676	702 676
Vehicles and equipment	5 877 852	3 808 840
Furniture and fixtures	203 084	203 084
Project in progress	<u>7 519 623</u>	<u>7 053 271</u>
Total property and equipment	52 294 045	58 037 340
Less accumulated depreciation and amortization	<u>(15 136 942)</u>	<u>(14 744 255)</u>
Net property and equipment	<u>\$ 37 157 103</u>	<u>\$ 43 293 085</u>

Depreciation and amortization for the years ended March 31, 2021 and 2020 were \$1,480,758 and \$1,425,490, respectively.

**NOTE F – EXTERNAL FINANCING OBLIGATION**

As of March 31, 2021, the Cemetery has access to a \$2,000,000 revolving line of credit. The Cemetery had not drawn down any funds as of March 31, 2021. The terms of the revolving line of credit call for monthly payments of interest at Wall Street Journal Prime Rate minus .25% per annum. This debt is unsecured.

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE F – EXTERNAL FINANCING OBLIGATION (Continued)**

The Organization had an interest only note payable to Cambridge Savings Bank for \$4,800,000 due in April 2020, as well as a \$15,000,000 non-revolving line of credit open with Cambridge Savings Bank. An investment account valued at \$31,227,370 as of March 31, 2020 was pledged as collateral for the notes payable. As of March 31, 2021 these notes were paid in full and previously encumbered assets have been released.

**NOTE G - 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, 2021 and 2020, 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>2021</u>	<u>2020</u>
Pension plan obligations and funded status:		
Projected benefit obligation	\$ 18 161 800	\$ 18 465 947
Fair value of plan assets	<u>15 344 126</u>	<u>11 519 720</u>
Funded status	<u>\$ (2 817 674)</u>	<u>\$ (6 946 227)</u>
Benefit cost	\$ 317 553	\$ 105 603
Employer contribution	349 273	632 836
Benefits paid	798 348	806 944
Accumulated benefit obligation	18 161 800	18 465 947
Pension (liability) asset recognized in the Consolidated Statement of Financial Position	\$ (2 817 674)	\$ (6 946 227)

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

	<u>2021</u>	<u>2020</u>
Components of net periodic benefit cost are as follows for the year ended March 31:		
Interest cost	\$ 531 300	\$ 611 866
Expected return on assets	( 790 133)	( 855 738)
Net amortization and deferral	<u>576 386</u>	<u>349 475</u>
Net periodic benefit cost	<u>\$ 317 553</u>	<u>\$ 105 603</u>
Other changes in plan assets and benefit recognized and unrestricted net assets of March		
Unrecognized net actuarial (gain) loss	<u>\$ 4 254 920</u>	<u>\$ 8 351 753</u>
Total unamortized items	<u>\$ 4 254 920</u>	<u>\$ 8 351 753</u>

	<u>2021</u>	<u>2020</u>
Weighted-average assumptions		
Discount rate - net periodic benefit cost	2.95%	3.64%
Discount rate - funded status	2.92%	2.95%
Expected return on plan assets	7.00%	7.00%
Rate of compensation increase	0.00%	0.00%

The table below presents the Organization's plan assets at fair value as of March 31. Investments, carried at the quoted market value of the securities as of March 31, 2021 and 2020, grouped by the valuation hierarchy defined in Note C:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>2021 Fair Value</u>
Cash & equivalents	\$ 214 942	\$ - -	\$ - -	\$ 214 942
Fixed income	4 573 931	- -	- -	4 573 931
Domestic equities	6 351 282	- -	- -	6 351 282
International equities	<u>4 203 971</u>	<u>- -</u>	<u>- -</u>	<u>4 203 971</u>
TOTALS	<u>\$ 15 344 126</u>	<u>\$ - -</u>	<u>\$ - -</u>	<u>\$ 15 344 126</u>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

				2020
	Level 1	Level 2	Level 3	Fair Value
Cash & equivalents	\$ 257 250	\$ - -	\$ - -	\$ 257 250
Fixed income	3 314 805	- -	- -	3 314 805
Domestic equities	4 764 050	- -	- -	4 764 050
International equities	3 183 615	- -	- -	3 183 615
TOTALS	<u>\$ 11 519 720</u>	<u>\$ - -</u>	<u>\$ - -</u>	<u>\$ 11 519 720</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.

The Organization expects to contribute approximately \$359,161 to the Pension Plan in 2022 and contributed \$349,273 in 2021. No plan assets are expected to be returned to the Cemetery during 2021.

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

<u>Year Beginning</u>	<u>Expected Payments</u>
2022	\$ 852 000
2023	856 000
2024	887 000
2025	949 000
2026	960 000
2027 through 2031	4 925 000
	<u>\$ 9 429 000</u>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE H - DEFINED CONTRIBUTION PLAN**

The Organization 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. Prior to January 1, 2012, the Organization 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 Organization's matching contributions were discretionary.

The following table provides the contribution breakdown for the years ended March 31;

	<u>2021</u>	<u>2020</u>
Core contribution	\$ 98 633	\$ 79 381
Organization match	162 803	164 019
Total contributions	<u>\$ 261 436</u>	<u>\$ 243 400</u>

**NOTE I – SECTION 457(b) DEFERRED COMPENSATION PLAN**

The Organization 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 Organization 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 Organization until such time as the participant withdraws the funds in accordance with the plan provisions. Assets held for this plan were \$168,685 and \$76,533 at March 31, 2021 and 2020, respectively. A corresponding liability to plan participants is reported in pension liability.

**NOTE J - CONCENTRATION OF CREDIT RISK**

Bank balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization's cash is held at Cambridge Savings Bank and People's United Bank, N.A., Massachusetts chartered savings banks and Charles Schwab. Deposits at Cambridge Savings Bank are fully insured by the Depositors Insurance Fund (DIF) for funds exceeding \$250,000.

**NOTE K - DONOR RESTRICTED NET ASSETS**

The donor restricted net assets of \$1,298,173 and \$941,194 as of March 31, 2021 and 2020, respectively, represent donor-restricted contributions and grants that are yet to be expended for their designated purposes.

These donor restricted contributions and grants are as follows:



**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE K - DONOR RESTRICTED NET ASSETS (Continued)**

Description	3/31/2020 Beginning Balance	Contributions Received	Transfers	Restrictions Met	3/31/2021 Ending Balance
<b>Specific Projects</b>					
Annual Fund: General	\$ 505 226	\$ 444 609	\$ ( 400 000)	\$ ( 541 524)	\$ 8 311
Annual Fund: Historical Collections	24 784	- -	( 20 000)	- -	4 784
Annual Fund: Horticultural Collections	2 936	- -	- -	- -	2 936
Alice Fountain	2 305	1 000	- -	( 3 305)	- -
Artist-in-Residence	- -	2 100	- -	- -	2 100
Asa Gray Garden Landscaping	3 000	65 665	- -	( 66 665)	2 000
Education Collaboration and Biodiversity Studies	4 190	9 274	- -	( 9 275)	4 189
Gatehouse Restoration	2 000	- -	- -	( 2 000)	- -
Historical Collections	15 500	57 839	- -	( 42 839)	30 500
Horticulture Apprentice	39 841	10 000	- -	- -	49 841
Indian Ridge Habitat Restoration	136 265	297 650	- -	( 218 573)	215 342
Monument Preservation	18 644	- -	- -	( 18 644)	- -
North Dell Meadows	- -	6 500	- -	( 6 500)	- -
Public Programming	- -	28 630	- -	( 6 630)	22 000
Ruggiero: Annual	- -	60 000	- -	( 60 000)	- -
Significant Monument Conservation	3 875	- -	- -	( 3 875)	- -
Significant Monument Documentation	20 516	- -	- -	- -	20 516
Special Plantings	- -	16 540	- -	( 16 540)	- -
Washington Tower Planning Study	- -	6 655	10 000	( 16 655)	- -
Other:					
Various Projects	11 611	274 425	10 000	- -	296 036
Total Projects	790 693	1 280 887	( 400 000)	(1 013 025)	658 555
<b>Named Funds</b>					
The David P. Barnett Fund for Horticulture & Urban Ecology	- -	110 589	400 000	- -	510 589
Preservation Fund	150 501	900	- -	( 22 372)	129 029
Total Named Funds	150 501	111 489	400 000	( 22 372)	639 618
Total Donor Restricted	<u>\$ 941 194</u>	<u>\$ 1 392 376</u>	<u>\$ - -</u>	<u>\$ (1 035 397)</u>	<u>\$ 1 298 173</u>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2021 and 2020**

**NOTE K - DONOR RESTRICTED NET ASSETS (Continued)**

Description	3/31/2019 Beginning Balance	Contributions Received	Transfers	Restrictions Met	3/31/2020 Ending Balance
<b>Specific Projects</b>					
Annual Fund: General	\$ 505 226	\$ 411 737	\$ - -	\$ ( 411 737)	\$ 505 226
Annual Fund: Historical Collections	24 784	- -	- -	- -	24 784
Annual Fund: Horticultural Collections	2 936	- -	- -	- -	2 936
Alice Fountain	- -	22 305	- -	( 20 000)	2 305
Asa Gray Garden Landscaping	17 499	15 813	- -	( 30 312)	3 000
Horticulture Apprentice	41 447	20 081	58 525	( 80 212)	39 841
Gatehouse Restoration	2 000	- -	- -	- -	2 000
Historical Collections	- -	15 500	- -	- -	15 500
Horticulture Interns	58 525	- -	( 58 525)	- -	- -
Indian Ridge Habitat Restoration	- -	1 250	160 915	( 25 900)	136 265
Monument Preservation	40 911	12 900	- -	( 35 167)	18 644
Plant Collections Interns	7 500	340	- -	( 7 840)	- -
Public Programming	3 000	22 520	- -	( 25 520)	- -
Rose Window	- -	75	- -	( 75)	- -
Ruggiero: Annual	- -	60 000	- -	( 60 000)	- -
Significant Monument Conservation	- -	3 875	- -	- -	3 875
Significant Monument Documentation	20 516	- -	- -	- -	20 516
Special Plantings	21 428	181 975	( 159 000)	( 44 403)	- -
Other:					
Various Projects	3 463	11 695	( 1 915)	( 1 632)	11 611
Total Projects	849 105	814 442	- -	( 872 854)	790 693
<b>Named Funds</b>					
Preservation Fund	147 155	3 346	- -	- -	150 501
Total Named Funds	147 155	3 346	- -	- -	150 501
Total Donor Restricted	<u>\$ 996 260</u>	<u>\$ 817 788</u>	<u>\$ - -</u>	<u>\$ ( 872 854)</u>	<u>\$ 941 194</u>

**NOTE L – SUBSEQUENT EVENTS**

In accordance with the guidance for subsequent events, the Organization evaluated all subsequent events for recognition or disclosure through November 22, 2021, the date the financial statements were available to be issued.

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**SUPPLEMENTARY INFORMATION**

**For the Years Ended March 31, 2021 and 2020**

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION**

As of March 31, 2021

	<u>CEMETERY</u>	<u>FRIENDS</u>	<u>ELIMINATIONS</u>	<u>ORGANIZATION</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 24 356 217	\$ 2 980 976	\$ - -	\$ 27 337 193
Accounts receivable - employees	2 887	- -	- -	2 887
Accounts receivable - interment space	2 153 901	- -	- -	2 153 901
Accounts receivable - other	585 000	- -	- -	585 000
Due from Friends of Mount Auburn Cemetery	953 620	- -	( 953 620)	- -
Prepaid expenses	302 136	- -	- -	302 136
Supplies inventory	16 840	- -	- -	16 840
Pledges receivable - net	- -	2 558	- -	2 558
Long-term investments - at market value	223 755 122	- -	- -	223 755 122
Prepaid pension	168 685	- -	- -	168 685
Property and equipment - net	37 157 103	- -	- -	37 157 103
Interment space inventory	3 814 624	- -	- -	3 814 624
<b>TOTAL ASSETS</b>	<b>\$ 293 266 135</b>	<b>\$ 2 983 534</b>	<b>\$ ( 953 620)</b>	<b>\$ 295 296 049</b>
<b>LIABILITIES AND NET ASSETS</b>				
Accounts payable	\$ 1 294 432	\$ 27 026	\$ - -	\$ 1 321 458
Accrued expenses	586 155	- -	- -	586 155
Due to Mount Auburn Cemetery	- -	953 620	( 953 620)	- -
Deferred revenue	41 131	- -	- -	41 131
External financing obligation	- -	- -	- -	- -
Pension liability	2 986 359	- -	- -	2 986 359
<b>TOTAL LIABILITIES</b>	<b>4 908 077</b>	<b>980 646</b>	<b>( 953 620)</b>	<b>4 935 103</b>
<b>NET ASSETS :</b>				
Without donor restrictions:				
Undesignated	33 027 414	474 955	- -	33 502 369
Board designated	223 258 785	204 760	- -	223 463 545
Restricted by contract or law	32 071 859	25 000	- -	32 096 859
Total without donor restrictions	288 358 058	704 715	- -	289 062 773
With donor restrictions:				
For time or purpose:				
Specific Purposes	- -	658 555	- -	658 555
The David P. Barnett Fund for Horticulture & Urban Ecology	- -	510 589	- -	510 589
Preservation Fund	- -	129 029	- -	129 029
Total for time or purpose	- -	1 298 173	- -	1 298 173
Total with donor restrictions	- -	1 298 173	- -	1 298 173
<b>TOTAL NET ASSETS</b>	<b>288 358 058</b>	<b>2 002 888</b>	<b>- -</b>	<b>290 360 946</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 293 266 135</b>	<b>\$ 2 983 534</b>	<b>\$ ( 953 620)</b>	<b>\$ 295 296 049</b>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

**As of March 31, 2020**

	<u>CEMETERY</u>	<u>FRIENDS</u>	<u>ELIMINATIONS</u>	<u>ORGANIZATION</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2 572 504	\$ 2 255 174	\$ - -	\$ 4 827 678
Accounts receivable - employees	6 880	- -	- -	6 880
Accounts receivable - interment space	2 142 504	- -	- -	2 142 504
Due from Friends of Mount Auburn Cemetery	758 970	- -	( 758 970)	- -
Prepaid expenses	571 634	- -	- -	571 634
Supplies inventory	17 769	- -	- -	17 769
Pledges receivable - net	- -	26 304	- -	26 304
Long-term investments - at market value	168 405 785	3 144	- -	168 408 929
Prepaid pension	76 533	- -	- -	76 533
Property and equipment - net	43 293 085	- -	- -	43 293 085
Interment space inventory	3 846 209	- -	- -	3 846 209
<b>TOTAL ASSETS</b>	<b>\$ 221 691 873</b>	<b>\$ 2 284 622</b>	<b>\$ ( 758 970)</b>	<b>\$ 223 217 525</b>
<b>LIABILITIES AND NET ASSETS</b>				
Accounts payable	\$ 707 813	\$ 1 462	\$ - -	\$ 709 275
Accrued expenses	527 128	- -	- -	527 128
Due to Mount Auburn Cemetery	- -	758 970	( 758 970)	- -
Deferred revenue	59 705	- -	- -	59 705
External financing obligation	19 768 329	- -	- -	19 768 329
Pension liability	7 022 760	- -	- -	7 022 760
<b>TOTAL LIABILITIES</b>	<b>28 085 735</b>	<b>760 432</b>	<b>( 758 970)</b>	<b>28 087 197</b>
<b>NET ASSETS :</b>				
Without donor restrictions:				
Undesignated	25 200 353	353 609	- -	25 553 962
Board designated	137 825 170	204 387	- -	138 029 557
Restricted by contract or law	30 580 615	25 000	- -	30 605 615
Total without donor restrictions	193 606 138	582 996	- -	194 189 134
With donor restrictions:				
For time or purpose:				
Specific Purposes	- -	790 693	- -	790 693
Preservation Fund	- -	150 501	- -	150 501
Total for time or purpose	- -	941 194	- -	941 194
Total with donor restrictions	- -	941 194	- -	941 194
<b>TOTAL NET ASSETS</b>	<b>193 606 138</b>	<b>1 524 190</b>	<b>- -</b>	<b>195 130 328</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 221 691 873</b>	<b>\$ 2 284 622</b>	<b>\$ ( 758 970)</b>	<b>\$ 223 217 525</b>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**  
**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

**For the Year Ended March 31, 2021**

	<u>CEMETERY</u>	<u>FRIENDS</u>	<u>ELIMINATIONS</u>	<u>ORGANIZATION</u>
REVENUE :				
Gross sales	\$ 5 252 012	\$ - -	\$ - -	\$ 5 252 012
Returns	( 146 360)	- -	- -	( 146 360)
Interment space development cost	( 337 864)	- -	- -	( 337 864)
Appropriation for costs of sales	<u>(1 102 332)</u>	<u>- -</u>	<u>- -</u>	<u>(1 102 332)</u>
Net sales	3 665 456	- -	- -	3 665 456
Earned revenue	3 187 835	6 885	- -	3 194 720
Investment return designated for current operations, net of investment fees	<u>11 510 555</u>	<u>- -</u>	<u>- -</u>	<u>11 510 555</u>
TOTAL REVENUE	<u>18 363 846</u>	<u>6 885</u>	<u>- -</u>	<u>18 370 731</u>
SUPPORT:				
Contributions and grants				
from Friends of Mount Auburn	920 523	- -	( 920 523)	- -
from Mount Auburn Cemetery	- -	458 979	( 458 979)	- -
Other	27 482	1 099 548	- -	1 127 030
Membership and annual fund gifts	<u>- -</u>	<u>444 609</u>	<u>- -</u>	<u>444 609</u>
TOTAL SUPPORT	<u>948 005</u>	<u>2 003 136</u>	<u>(1 379 502)</u>	<u>1 571 639</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>
TOTAL REVENUE AND SUPPORT	<u>19 311 851</u>	<u>2 010 021</u>	<u>(1 379 502)</u>	<u>19 942 370</u>
EXPENSES :				
Program expenses	6 621 903	1 213 252	(1 106 173)	6 728 982
Management and general	5 019 019	39 252	( 24 876)	5 033 395
Fundraising and development	<u>301 069</u>	<u>295 553</u>	<u>( 248 453)</u>	<u>348 169</u>
TOTAL EXPENSES	<u>11 941 991</u>	<u>1 548 057</u>	<u>(1 379 502)</u>	<u>12 110 546</u>
EXCESS OF REVENUE AND SUPPORT OVER EXPENSES	7 369 860	461 964	- -	7 831 824
NONOPERATING ACTIVITIES :				
Change in pension liability	4 128 549	- -	- -	4 128 549
Gain on sale of Grove Street	31 586 743	- -	- -	31 586 743
Investment return in excess of amount designated for current operations	<u>51 666 768</u>	<u>16 734</u>	<u>- -</u>	<u>51 683 502</u>
TOTAL NONOPERATING ACTIVITIES	<u>87 382 060</u>	<u>16 734</u>	<u>- -</u>	<u>87 398 794</u>
INCREASE (DECREASE) IN NET ASSETS	<u>94 751 920</u>	<u>478 698</u>	<u>- -</u>	<u>95 230 618</u>
NET ASSETS, BEGINNING	<u>193 606 138</u>	<u>1 524 190</u>	<u>- -</u>	<u>195 130 328</u>
NET ASSETS, ENDING	<u>\$ 288 358 058</u>	<u>\$ 2 002 888</u>	<u>\$ - -</u>	<u>\$ 290 360 946</u>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**  
**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

**For the Year Ended March 31, 2020**

	<u>CEMETERY</u>	<u>FRIENDS</u>	<u>ELIMINATIONS</u>	<u>ORGANIZATION</u>
REVENUE :				
Gross sales	\$ 4 959 992	\$ - -	\$ - -	\$ 4 959 992
Returns	( 188 300)	- -	- -	( 188 300)
Interment space development cost	( 314 110)	- -	- -	( 314 110)
Appropriation for costs of sales	(1 046 408)	- -	- -	(1 046 408)
Net sales	3 411 174	- -	- -	3 411 174
Earned revenue	3 347 091	43 270	- -	3 390 361
Investment return designated for current operations, net of investment fees	10 286 073	- -	- -	10 286 073
TOTAL REVENUE	17 044 338	43 270	- -	17 087 608
SUPPORT:				
Contributions and grants				
from Friends of Mount Auburn	713 519	- -	( 713 519)	- -
from Mount Auburn Cemetery	- -	453 689	( 453 689)	- -
Other	14 350	459 500		473 850
Membership and annual fund gifts	- -	411 917	- -	411 917
TOTAL SUPPORT	727 869	1 325 106	(1 167 208)	885 767
NET ASSETS RELEASED FROM RESTRICTIONS	- -	- -	- -	- -
TOTAL REVENUE AND SUPPORT	17 772 207	1 368 376	(1 167 208)	17 973 375
EXPENSES :				
Program expenses	6 544 044	1 057 442	( 900 212)	6 701 274
Management and general	5 051 811	42 516	( 24 292)	5 070 035
Fundraising and development	286 299	293 165	( 242 704)	336 760
TOTAL EXPENSES	11 882 154	1 393 123	(1 167 208)	12 108 069
EXCESS OF SUPPORT AND REVENUE OVER EXPENSES	5 890 053	( 24 747)	- -	5 865 306
NONOPERATING ACTIVITIES :				
Change in pension liability	(1 929 592)	- -	- -	(1 929 592)
Investment return in excess of amount designated for current operations	(21 577 340)	10 099	- -	(21 567 241)
TOTAL NONOPERATING ACTIVITIES	(23 506 932)	10 099	- -	(23 496 833)
INCREASE (DECREASE) IN NET ASSETS	(17 616 879)	( 14 648)	- -	(17 631 527)
NET ASSETS, BEGINNING	211 223 017	1 538 838	- -	212 761 855
NET ASSETS, ENDING	<u>\$ 193 606 138</u>	<u>\$ 1 524 190</u>	<u>\$ - -</u>	<u>\$ 195 130 328</u>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended March 31, 2021**

	<u>CEMETERY</u>	<u>FRIENDS</u>	<u>ELIMINATIONS</u>	<u>ORGANIZATION</u>
Salaries and wages	\$ 5 132 055	\$ 360 312	\$ ( 360 312)	\$ 5 132 055
Grants to Mount Auburn Cemetery	- -	920 523	( 920 523)	- -
Grants to others	7 350	- -	- -	7 350
Retirement plan contributions	638 110	- -	- -	638 110
Employee benefits	738 934	59 953	( 59 953)	738 934
Payroll taxes	501 481	38 714	( 38 714)	501 481
Fees for services:				
Legal	7 351	- -	- -	7 351
Accounting	30 000	10 000	- -	40 000
Investment fees	310 449	- -	- -	310 449
Other	46 034	- -	- -	46 034
Advertising and promotion	53 637	- -	- -	53 637
Office expenses	467 855	55 148	- -	523 003
Information technology	292 303	- -	- -	292 303
Occupancy	535 469	- -	- -	535 469
Travel	8 706	383	- -	9 089
Conference, conventions and meetings	23 389	1 327	- -	24 716
Interest	382 548	- -	- -	382 548
Depreciation, depletion and amortization	1 480 758	- -	- -	1 480 758
Other expenses:				
Non-capitalized major projects	779 357	- -	- -	779 357
Plants	33 592	- -	- -	33 592
Donor events	- -	2 331	- -	2 331
Contracted work	709 240	87 402	- -	796 642
Other	73 822	11 964	- -	85 786
SUB-TOTAL EXPENSES BY FUNCTION	<u>12 252 440</u>	<u>1 548 057</u>	<u>(1 379 502)</u>	<u>12 420 995</u>
Less expenses included in revenues on the Consolidated Statement of Activities:				
Investment fees	( 310 449)	- -	- -	( 310 449)
TOTAL EXPENSES BY FUNCTION	<u>\$ 11 941 991</u>	<u>\$ 1 548 057</u>	<u>\$ (1 379 502)</u>	<u>\$ 12 110 546</u>



**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended March 31, 2020**

	<u>CEMETERY</u>	<u>FRIENDS</u>	<u>ELIMINATIONS</u>	<u>ORGANIZATION</u>
Salaries and wages	\$ 4 974 745	\$ 354 621	\$ ( 354 621)	\$ 4 974 745
Grants to Mount Auburn Cemetery	- -	713 519	( 713 519)	- -
Grants to others	2 800	- -	- -	2 800
Retirement plan contributions	905 969	- -	- -	905 969
Employee benefits	742 741	62 296	( 62 296)	742 741
Payroll taxes	522 923	36 772	( 36 772)	522 923
Fees for services:				
Legal	13 799	- -	- -	13 799
Accounting	40 000	12 000	- -	52 000
Investment fees	291 727	- -	- -	291 727
Other	42 456	- -	- -	42 456
Advertising and promotion	47 517	100	- -	47 617
Office expenses	451 516	54 478	- -	505 994
Information technology	104 251	- -	- -	104 251
Occupancy	508 748	- -	- -	508 748
Travel	23 771	2 097	- -	25 868
Conference, conventions and meetings	69 276	3 214	- -	72 490
Interest	736 331	- -	- -	736 331
Depreciation, depletion and amortization	1 425 490	- -	- -	1 425 490
Other expenses:				
Non-capitalized major projects	644 323	- -	- -	644 323
Plants	48 076	- -	- -	48 076
Donor events	- -	22 337	- -	22 337
Contracted work	497 126	117 380	- -	614 506
Other	80 296	14 309	- -	94 605
SUB-TOTAL EXPENSES BY FUNCTION	<u>12 173 881</u>	<u>1 393 123</u>	<u>(1 167 208)</u>	<u>12 399 796</u>
Less expenses included in revenues on the Consolidated Statement of Activities:				
Investment fees	( 291 727)	- -	- -	( 291 727)
TOTAL EXPENSES BY FUNCTION	<u>\$ 11 882 154</u>	<u>\$ 1 393 123</u>	<u>\$ (1 167 208)</u>	<u>\$ 12 108 069</u>

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATING STATEMENT OF CASH FLOWS**

**For the Year Ended March 31, 2021**

	<u>CEMETERY</u>	<u>FRIENDS</u>	<u>ELIMINATIONS</u>	<u>ORGANIZATION</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Increase (decrease) in net assets	\$ 94 751 920	\$ 478 698	\$ - -	\$ 95 230 618
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities :				
Depreciation and amortization	1 480 758	- -	- -	1 480 758
Change in pension liability	(4 128 549)	- -	- -	(4 128 549)
Gain on sale of property and equipment	( 4 271)	- -	- -	( 4 271)
Gain on sale of Grove Street	(31 586 743)	- -	- -	(31 586 743)
Net realized and unrealized (gain) loss on investments	(60 112 370)	( 11 701)	- -	(60 124 071)
Changes in operating assets and liabilities :				
(Increase) decrease in assets :				
Accounts receivable - employees	3 993	- -	- -	3 993
Accounts receivable - interment space	( 11 397)	- -	- -	( 11 397)
Accounts receivable - other	( 585 000)	- -	- -	( 585 000)
Due from Friends of Mount Auburn Cemetery	( 194 650)	- -	194 650	- -
Prepaid expenses	269 498	- -	- -	269 498
Supplies inventory	929	- -	- -	929
Pledges receivable - net	- -	23 746	- -	23 746
Interment space inventory	31 585	- -	- -	31 585
Increase (decrease) in liabilities :				
Accounts payable	586 619	25 564	- -	612 183
Accrued expenses	59 027	- -	- -	59 027
Due to Mount Auburn Cemetery	- -	194 650	( 194 650)	- -
Deferred revenue	( 18 574)	- -	- -	( 18 574)
NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES	<u>542 775</u>	<u>710 957</u>	<u>- -</u>	<u>1 253 732</u>
CASH FLOWS FROM INVESTING ACTIVITIES :				
Purchase of property and equipment	(4 490 853)	- -	- -	(4 490 853)
Proceeds from sale of property and equipment	14 050	- -	- -	14 050
Proceeds from sale of Grove Street	40 723 041	- -	- -	40 723 041
Purchase of investments	(34 096 314)	( 130 057)	- -	(34 226 371)
Proceeds from sale of investments	<u>38 859 343</u>	<u>144 902</u>	<u>- -</u>	<u>39 004 245</u>
NET CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES	41 009 267	14 845	- -	41 024 112
CASH FLOWS FROM FINANCING ACTIVITIES :				
Payments to external financing obligation	<u>(19 768 329)</u>	<u>- -</u>	<u>- -</u>	<u>(19 768 329)</u>
NET CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES	<u>(19 768 329)</u>	<u>- -</u>	<u>- -</u>	<u>(19 768 329)</u>
NET INCREASE (DECREASE) IN CASH	21 783 713	725 802	- -	22 509 515
CASH AND CASH EQUIVALENTS, BEGINNING	<u>2 572 504</u>	<u>2 255 174</u>	<u>- -</u>	<u>4 827 678</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 24 356 217</u>	<u>\$ 2 980 976</u>	<u>\$ - -</u>	<u>\$ 27 337 193</u>
Cash paid for interest expense	\$ 382 548	\$ - -	- -	\$ 382 548

**PROPRIETORS OF THE CEMETERY OF MOUNT AUBURN AND AFFILIATE**

**CONSOLIDATING STATEMENT OF CASH FLOWS**

**For the Year Ended March 31, 2020**

	<u>CEMETERY</u>	<u>FRIENDS</u>	<u>ELIMINATIONS</u>	<u>ORGANIZATION</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Increase (decrease) in net assets	\$ (17 616 879)	\$ (14 648)	\$ - -	\$ (17 631 527)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities :				
Depreciation and amortization	1 425 490	- -	- -	1 425 490
Change in pension liability	1 929 592	- -	- -	1 929 592
Gain on sale of property and equipment	(20 000)	- -	- -	(20 000)
Net realized and unrealized (gain) loss on investments	14 005 731	916	- -	14 006 647
Changes in operating assets and liabilities :				
(Increase) decrease in assets :				
Accounts receivable - employees	6 098	- -	- -	6 098
Accounts receivable - interment space	(33 197)	- -	- -	(33 197)
Accounts receivable - other	- -	- -	- -	- -
Due from Friends of Mount Auburn Cemetery	(758 730)	- -	758 730	- -
Prepaid expenses	(314 567)	- -	- -	(314 567)
Supplies inventory	7 728	- -	- -	7 728
Pledges receivable - net	- -	(5 265)	- -	(5 265)
Interment space inventory	(272 972)	- -	- -	(272 972)
Increase (decrease) in liabilities :				
Accounts payable	(1 141 801)	(11 517)	- -	(1 153 318)
Accrued expenses	57 787	- -	- -	57 787
Due to Mount Auburn Cemetery	- -	758 730	(758 730)	- -
Deferred revenue	2 133	- -	- -	2 133
NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES	(2 723 587)	728 216	- -	(1 995 371)
CASH FLOWS FROM INVESTING ACTIVITIES :				
Purchase of property and equipment	(4 270 585)	- -	- -	(4 270 585)
Proceeds from sale of property and equipment	20 000	- -	- -	20 000
Purchase of investments	(33 154 857)	(8 268)	- -	(33 163 125)
Proceeds from sale of investments	37 756 998	9 593	- -	37 766 591
NET CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES	351 556	1 325	- -	352 881
CASH FLOWS FROM FINANCING ACTIVITIES :				
Proceeds from external financing obligation	1 391 276	- -	- -	1 391 276
NET CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES	1 391 276	- -	- -	1 391 276
NET INCREASE (DECREASE) IN CASH	(980 755)	729 541	- -	(251 214)
CASH AND CASH EQUIVALENTS, BEGINNING	3 553 259	1 525 633	- -	5 078 892
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 2 572 504</u>	<u>\$ 2 255 174</u>	<u>\$ - -</u>	<u>\$ 4 827 678</u>
Cash paid for interest expense	\$ 736 331	\$ - -	- -	\$ 736 331